BATHURST
RESOURCES LIMITED

BATHURST RESOURCES

COMPANY UPDATE

September 2014

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Reports and announcements can be accessed via the Bathurst's website – www.bathurstresources.co.nz

Forward-Looking Statements:

This presentation includes certain "Forward-Looking Statements". All statements, other than statements of historical fact, included herein, including without limitation, statements regarding forecast cash flows and potential mineralisation, resources and reserves, exploration results, future expansion plans and development objectives of Bathurst Resources Limited are forward-looking statements that involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements.

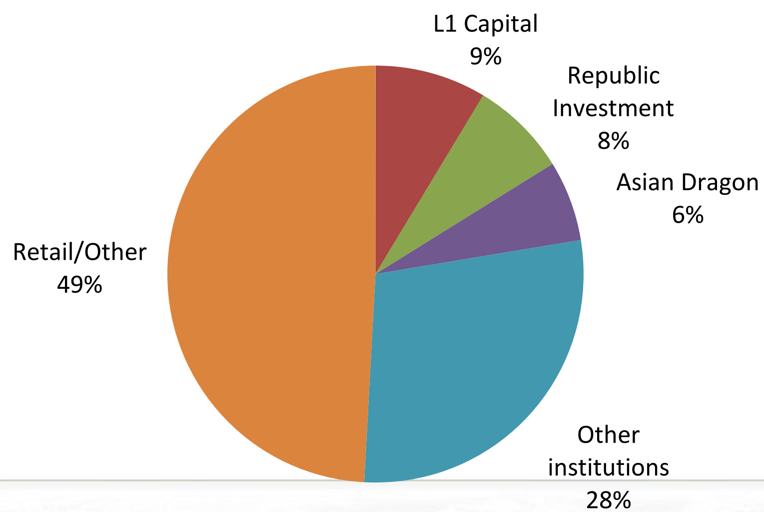
OVERVIEW

- **Clear path to coking coal production and sales**
  - ***All permits and approvals obtained***
  - ***Infrastructure in place***
- **Commenced operations at Escarpment**
  - ***All legal issues resolved***
  - ***Development work progressing***
  - ***Existing infrastructure in place***
- **Thermal coal production and sales continue to underwrite Bathurst's financial position**
  - ***Energy for South Island dairy processing where no grid power exists***
  - ***Long term contracts***
- **Completed placement of AUD$7.4m in April 2014**
- **Discussions with potential coking coal offtake partners from China, Japan and India**
- **Changes in Top 20 Shareholders**
  - ***Supportive new and existing shareholders***

CAPITAL STRUCTURE OVERVIEW

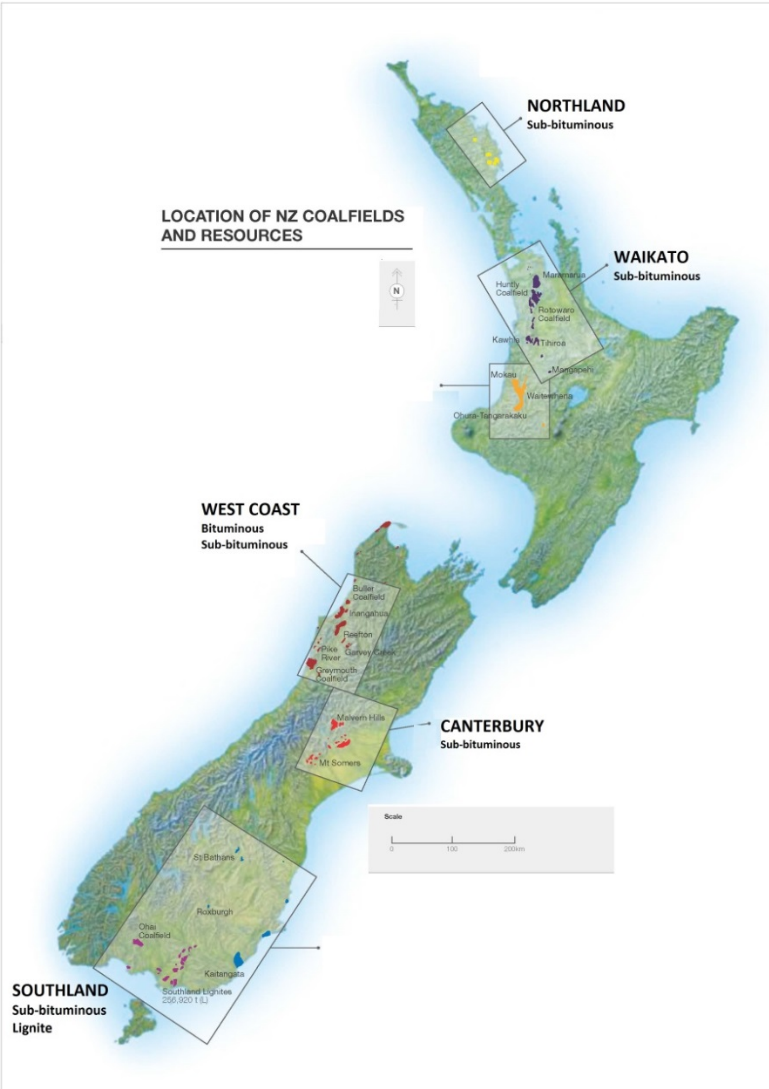
Ticker (ASX / NZX)	BRL
Shares on issue	944.9M
Options & performance rights on issue	12.2m
Market capitalisation(1)	NZ$47.2M - AUD$42.0M
Cash & short term deposits(2)	NZ$8.8M - AUD$7.83

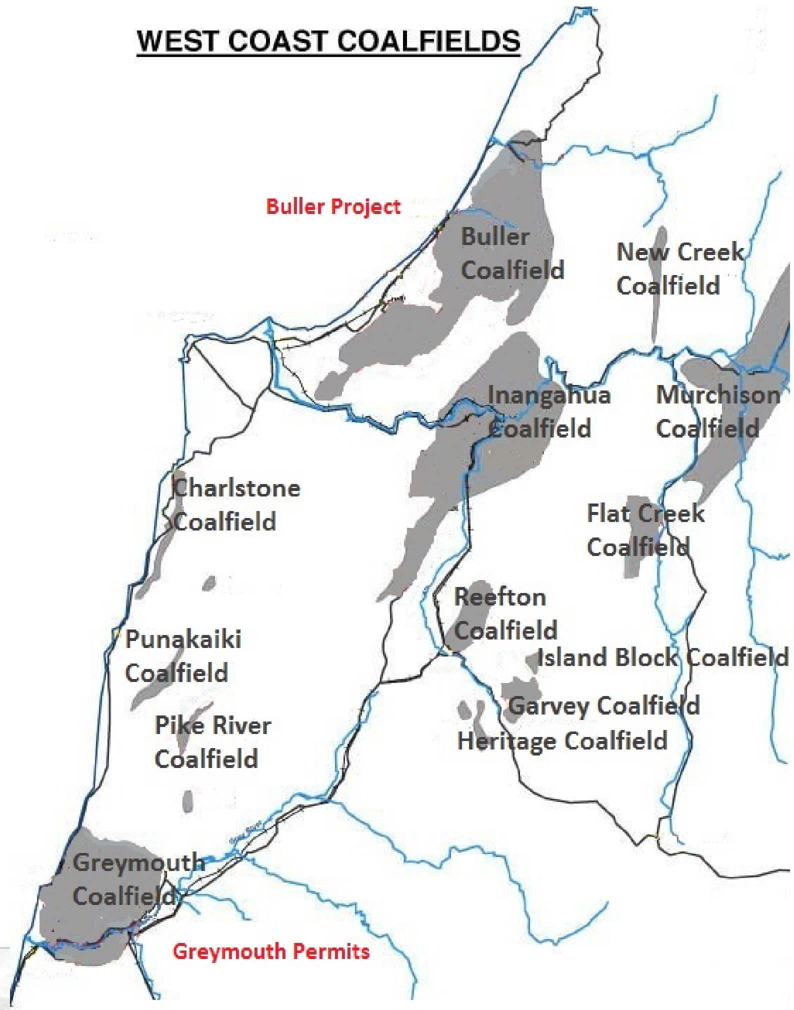
Shareholder composition



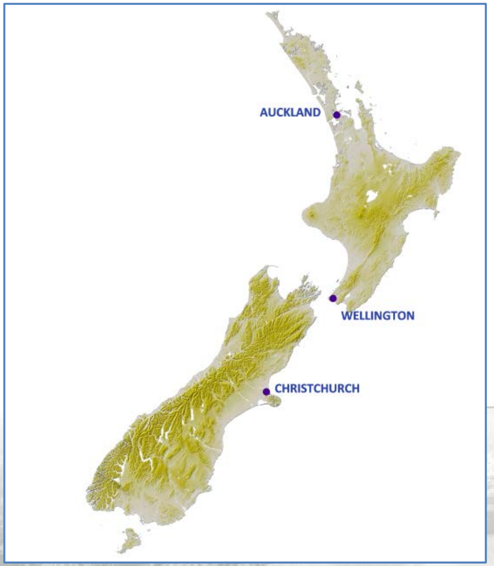
(1) Based on the NZX price as at 30 June 2014
(2) As per quarterly activities report ending 30 June 2014

NEW ZEALAND COALFIELDS





SOUTH ISLAND LOCATIONS



INVESTMENT HIGHLIGHTS

1. Commenced Metallurgical Coal Production

- *Flagship asset, 96.4mt* of resources of high quality metallurgical coking coal*
- *Escarpment siteworks commenced*
- *All open cut, simple excavation*
- *First domestic coal Q4, 2014*

2. Low capex requirement for initial siteworks

- *Initial bonds and compensation payments made*
- *Utilisation of existing workforce from Cascade*
- *Environment bonding increases as footprint increases*

3. Existing Supply Chain in Place

- *Proven road, rail and port solutions already in place*
  - *Available capacity*
  - *No take or pay requirements*
- *Alternative rail and port solutions*
  - *Westport or Lyttelton*

** Refer Appendices for detail on Resources & Reserves & Competent Persons' Statements*

INVESTMENT HIGHLIGHTS (cont'd)

4. High Quality Coal

- *High ranking, high fluidity quality coking coal*
- *Suitable blend with other lesser quality coals to deliver superior coking qualities*
- *Well known in current export markets*
- *Bulk sample programme in place for customers in Japan, Korea, India, China*

5. Multiple Opportunities to Expand Metallurgical Coal Production

- *Low marginal cost of development for increased production utilising Escarpment infrastructure*
- *Multiple growth opportunities*
  - *Blending options from North Buller and Greymouth*

6. Existing Stable Domestic Production

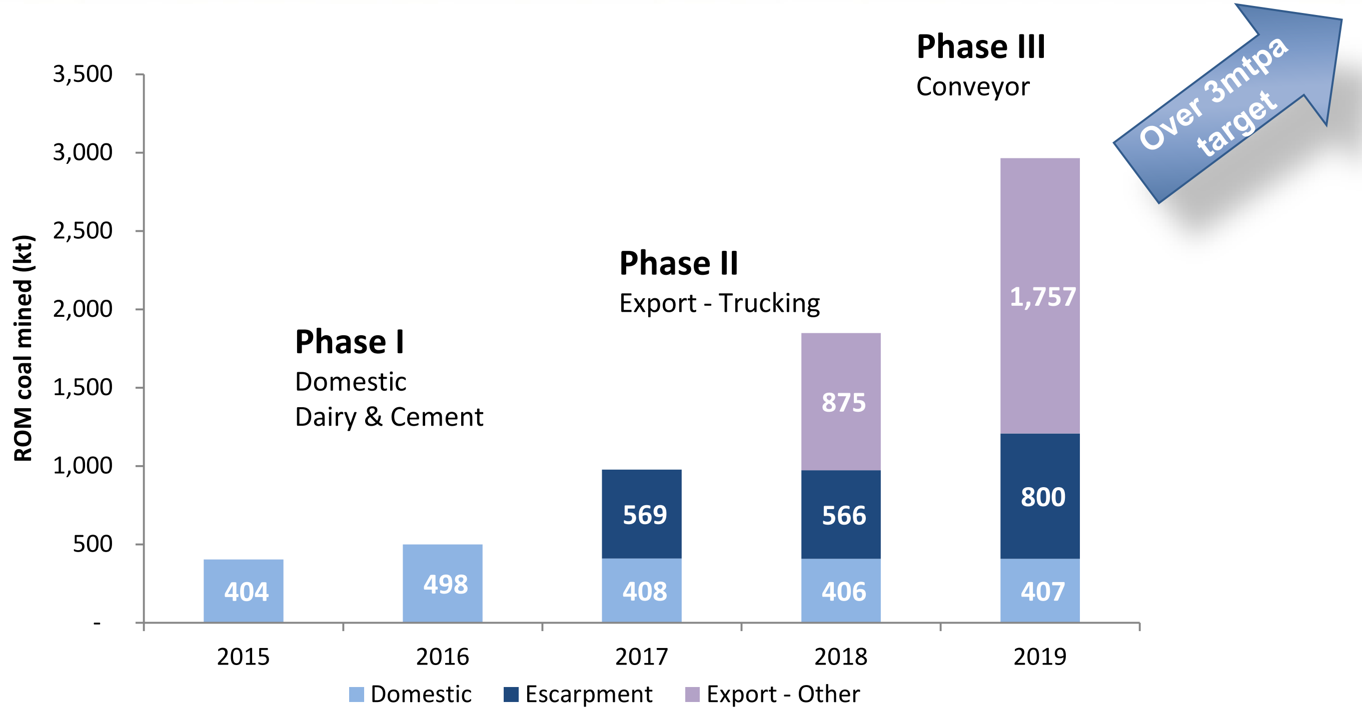
- *Thermal coal production for South Island markets*
- *Forecast to generate cash flow, covering Group costs in FY15*
  - *Contracted sales of ~400k tonnes*
- *Demand driven by growth in South Island dairy production and other large industrial users*

** Refer Appendices for detail on Resources & Reserves & Competent Persons' Statements*

DEVELOPMENT STRATEGY

- **Escarpment remains the key focus**
  - ***Initial site works on Escarpment commenced***
  - ***Bulk samples 2015***
  - ***Offtake partner discussions***
- **Project strategically positioned to enter the export market**
  - ***Quick ramp up to export when market turns***
- **Domestic operations provide positive cash-flow**
  - ***Domestic sales contracts not impacted by global pricing***
  - ***Underpins Bathurst's financial position***
  - ***Long term growth potential supplying South Island industrial customers***

TARGETED PRODUCTION*

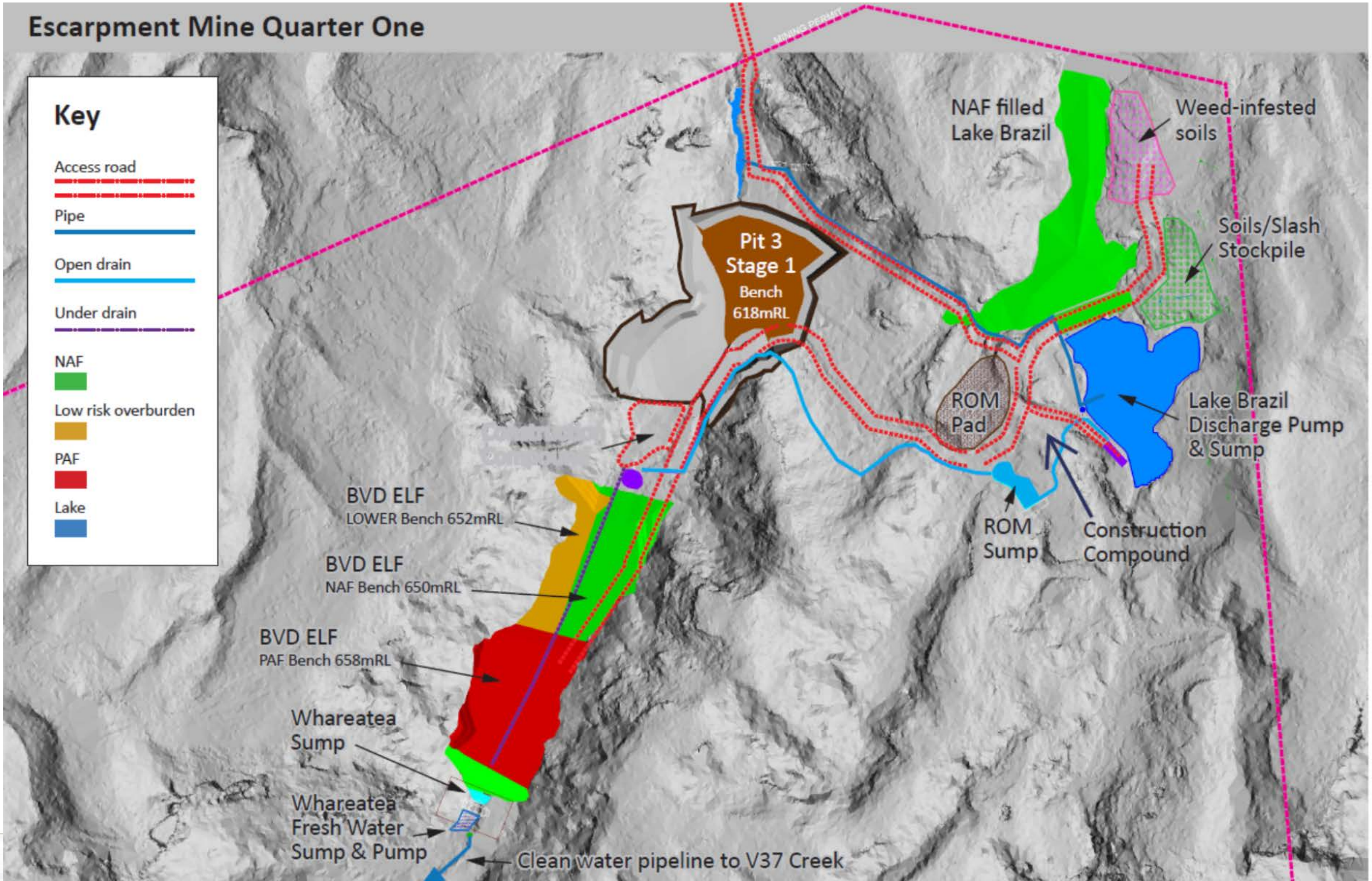


- *Phase 1 assumes no recovery in export pricing*
- *Preparation of Escarpment commenced*
- *Able to quickly ramp up for export production*

** Based on Bathurst's mine and production plan – subject to all necessary resource consents being granted when anticipated by the plan*

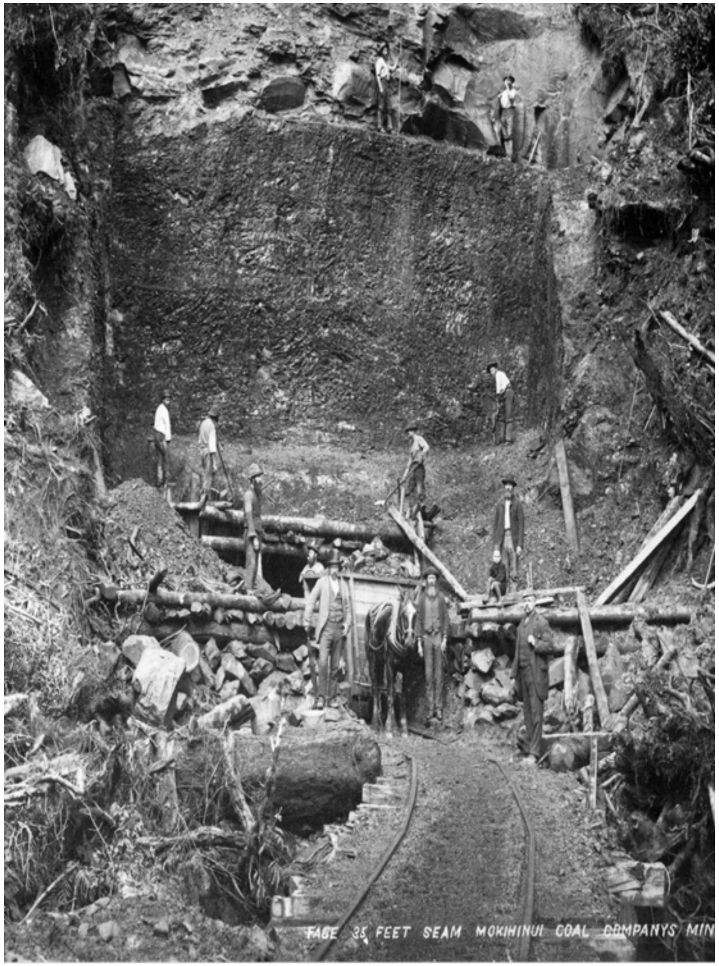
ESCARPMENT – QUARTER ONE

BATHURST RESOURCES



COAL QUALITY – ESCARPMENT

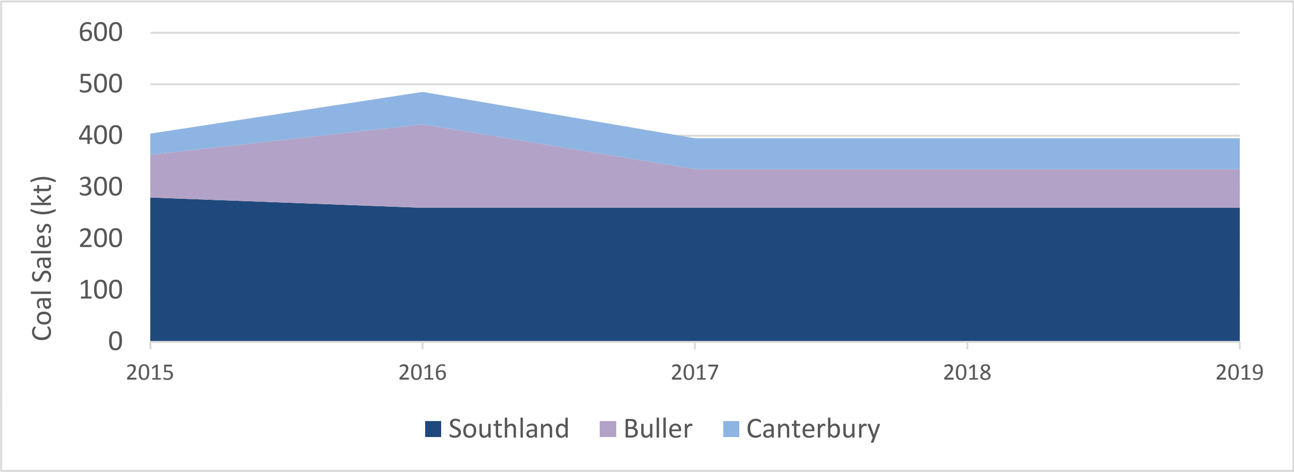
PROPERTY	Years 1-2
Total Moisture (ar)	8 - 10%
Inherent Moisture (adb)	0.6 - 1.3%
Ash (adb)	6 - 7%
Total Sulphur (adb)	0.6 – 1.1%
Free Swelling Index	8 - 9
Romax	0.9 - 1.0
Volatile Matter (adb)	34-38%
Maximum fluidity (ddpm)	10,000 to 50,000
Phosphorus	0.009% to 0.01%
Vitrinite	90 – 95%



DOMESTIC OPERATIONS

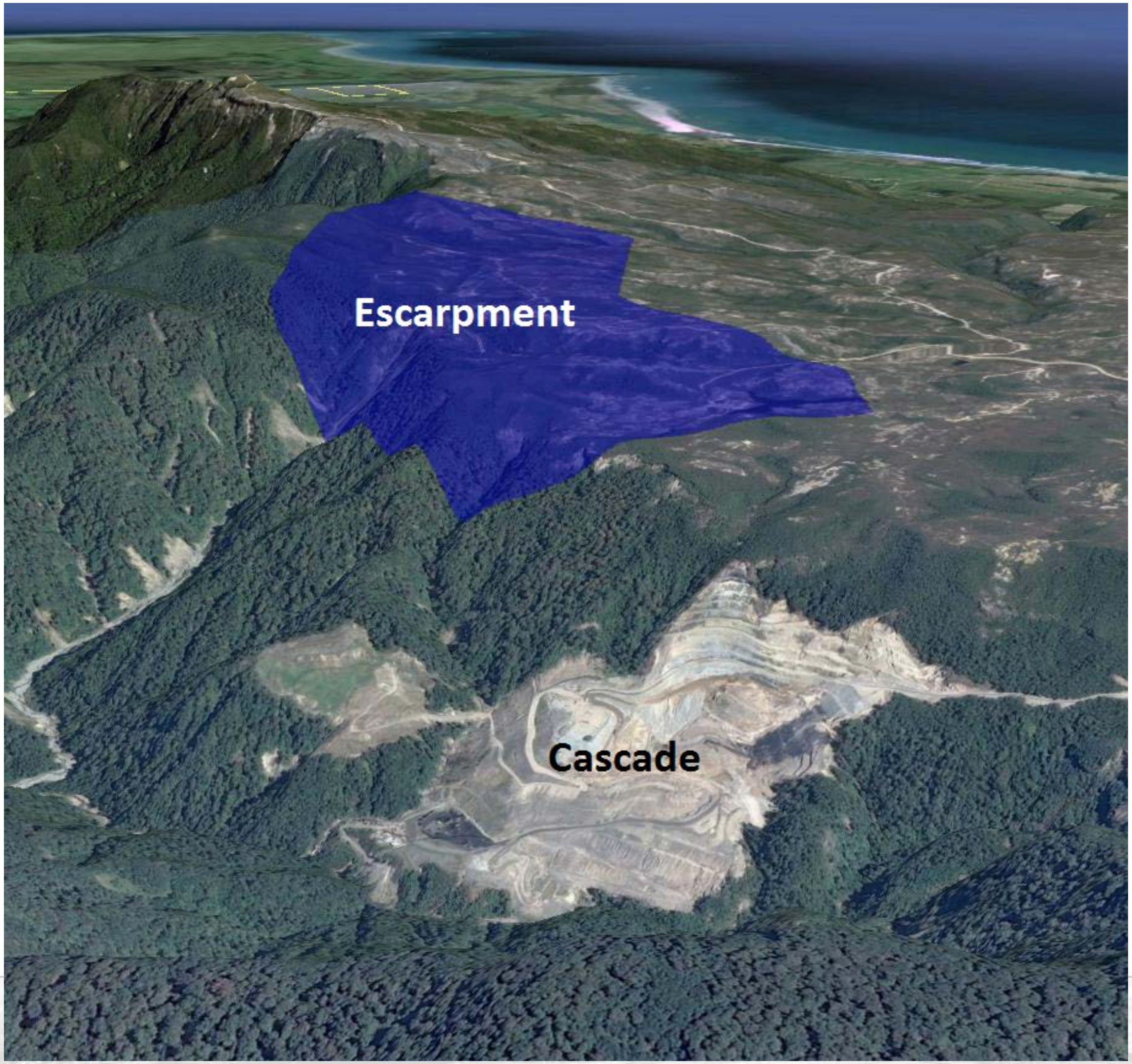
- **Domestic operations underpin Bathurst's finances while developing coking coal export projects**
  - ***3 operating mines – Cascade , Takitimu & Canterbury Coal produce ~400,000 tpa***
    - ***Cascade –Three Year contract with cement plant***
    - ***Takitimu - Seven Year contract with dairy processor***
    - ***Canterbury Coal –Three Year contract with dairy plant***
  - ***2014 Customer contract pricing - Av. range NZ$105-115/t ex-mine (US$89-98)***
  - ***2014 Mine production cash costs - Av. range NZ$75-85/t ex mine (US$67-75)***

Domestic Operations targeted saleable production profile



South Island dairy plants

CASCADE MINE – CURRENT OPERATIONS



CASCADE MINE – CURRENT OPERATIONS

CAPITAL REQUIREMENTS

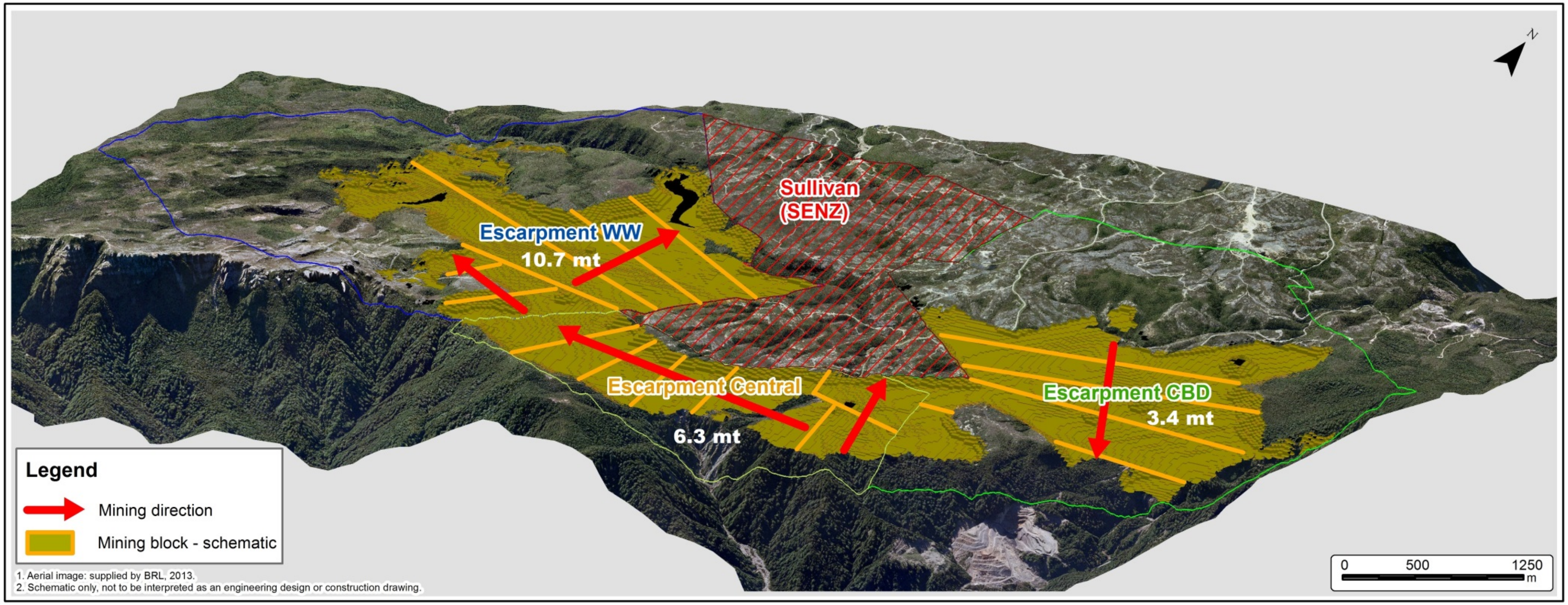
- **Capital for Phase I - Domestic production**
  - ***Bonding and infrastructure now in place***
  - ***To ramp up will need working capital only***
- **Capital for Phase II - Export trucking 500,000 tonne**
  - ***Working Capital (~ $15m) – Discussions underway with off take partners***
  - ***To purchase new dry washing / separator technology for Escarpment (~ $1.0m)***
  - ***Water treatment plant (~$10m)***

FUTURE GROWTH

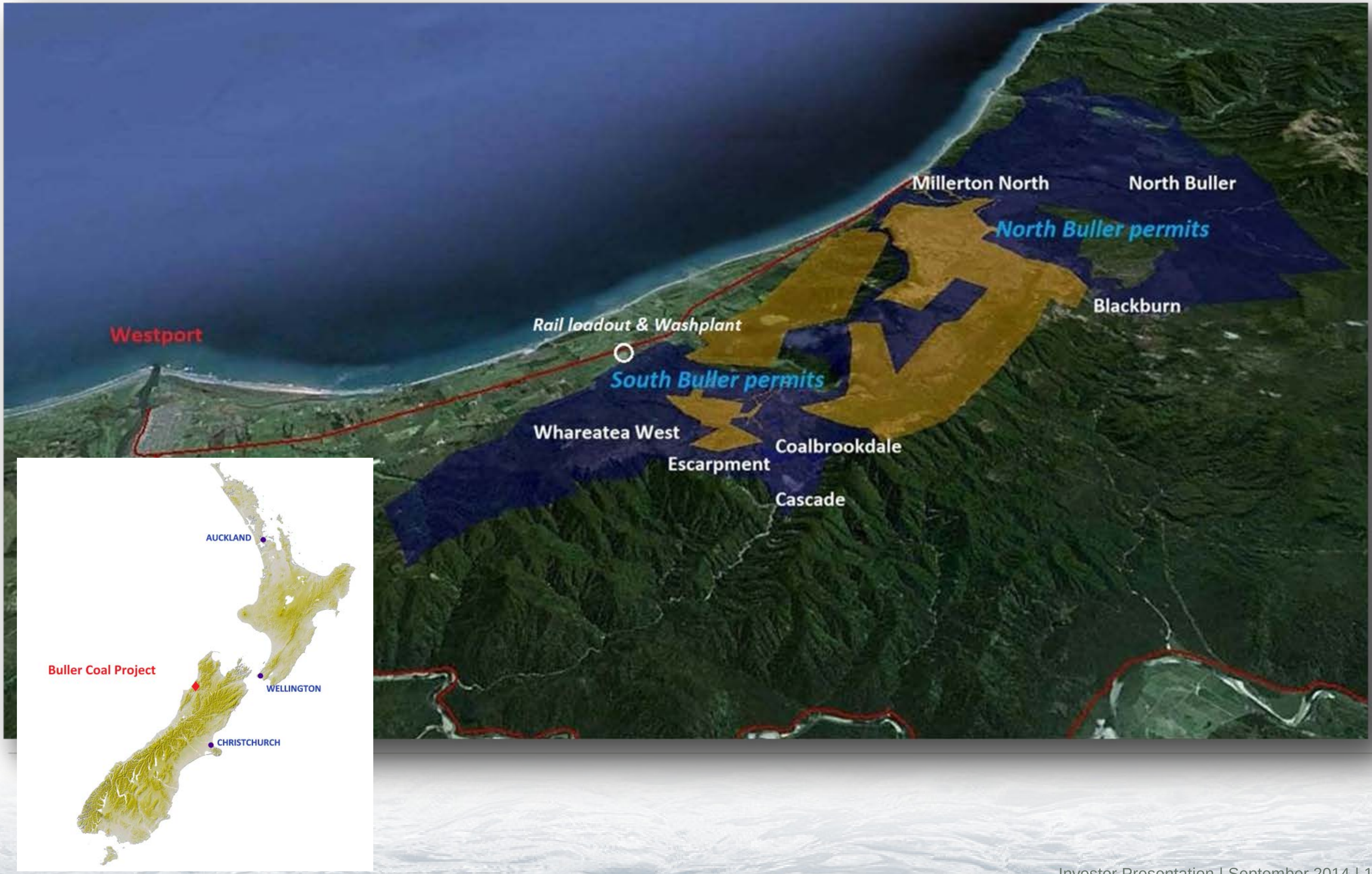
- **Significant future growth potential**
  - ***Substantial land position***
- **Export* (Coking coal)**
  - ***Buller***
    - ***Escarpment - 6.3 million tonnes***
    - ***Coalbrookdale – 3.4 million tonnes***
    - ***Whareatea West – 10.7 million tonnes***
  - ***North Buller***
    - ***Coal Creek & North Buller permits – 46 million tonnes***
  - ***Greymouth***
- **Domestic* (Thermal coal)**
  - ***New Brighton – 4.2 million tonnes***
  - ***Coaldale – 2.8 million tonnes***
  - ***Black Diamond (Ohai) – 2 million tonnes***
  - ***Canterbury Coal – 3.3 million tonnes***

*** Refer Appendices for detail on Resources & Reserves & Competent Persons' Statements*

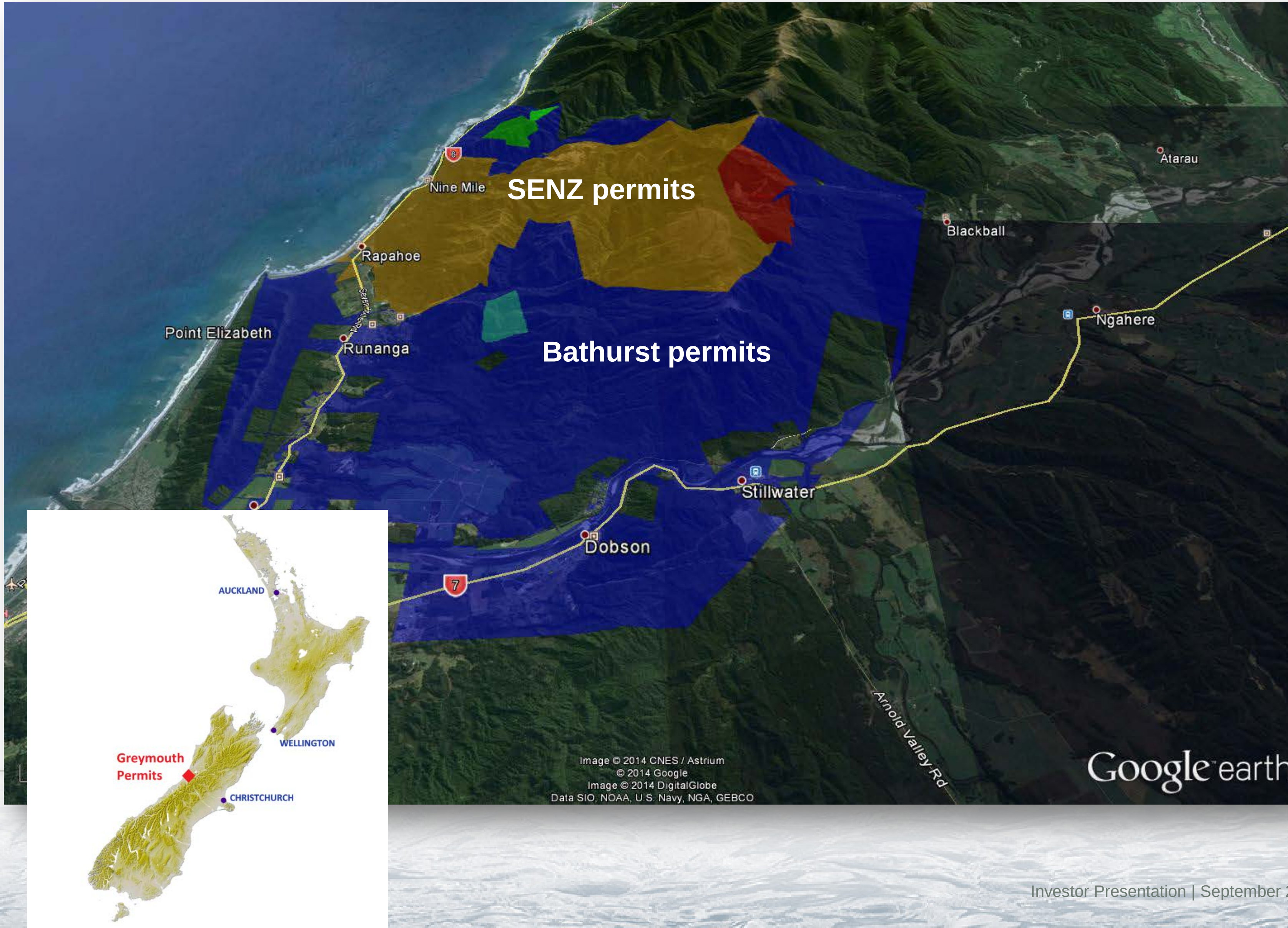
Escarpment Project



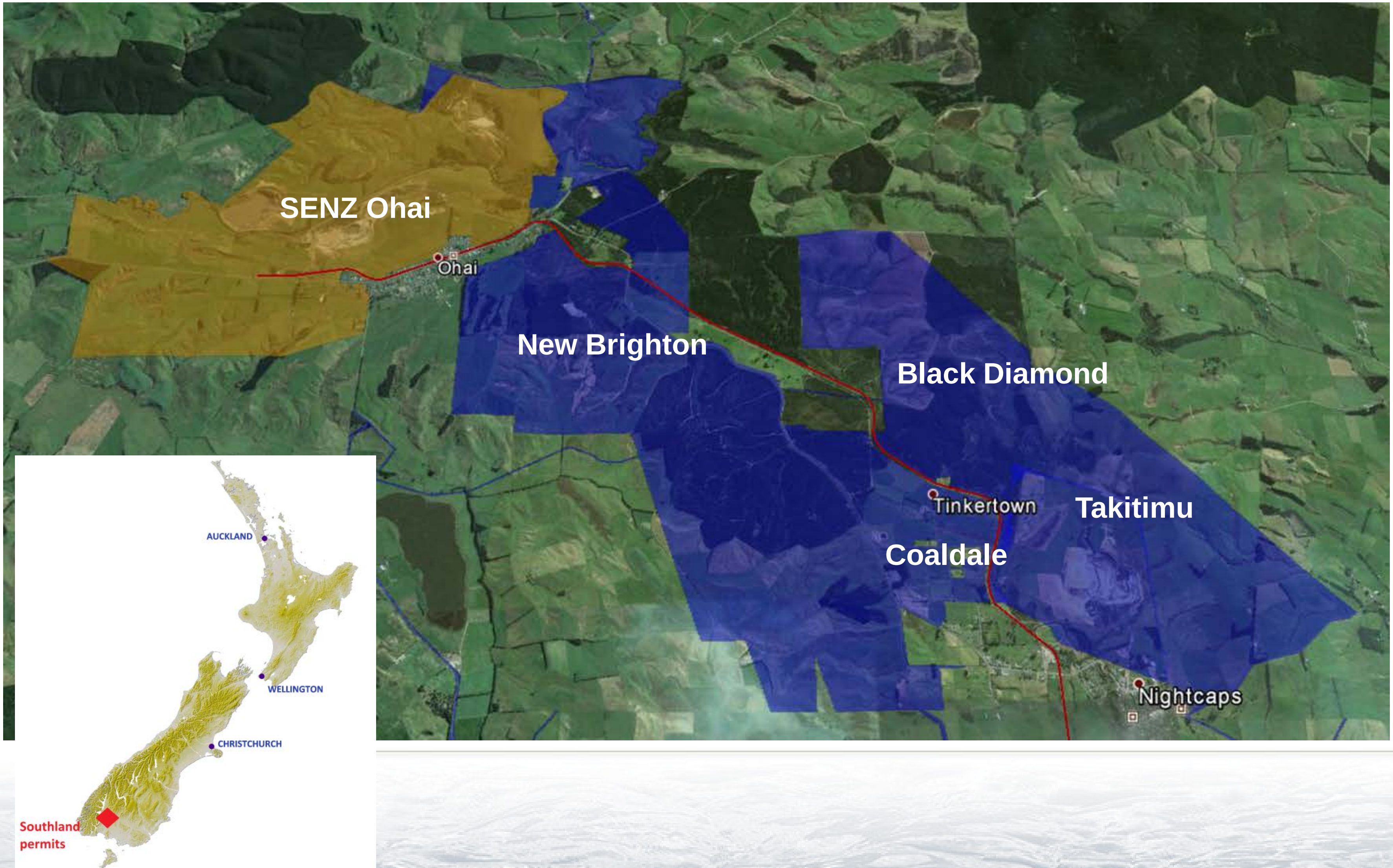
BROADER BULLER COAL PROJECT



GREYMOUTH PERMITS



SOUTHLAND FOOTPRINT



Appendices

BOARD OF DIRECTORS

Dave Frow, Non-Executive Chairman

Experienced energy sector CEO and company director

Hamish Bohannan, Managing Director and CEO

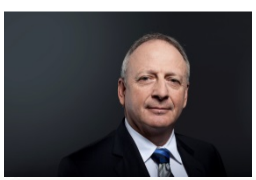
Mining Engineer with 35+ years experience in resources industry

Toko Kapea, Non-Executive Director

Lawyer specialising in iwi and Maori development matters

Malcolm Macpherson, Non-Executive Director

Geologist with 45+ years experience in resources industry

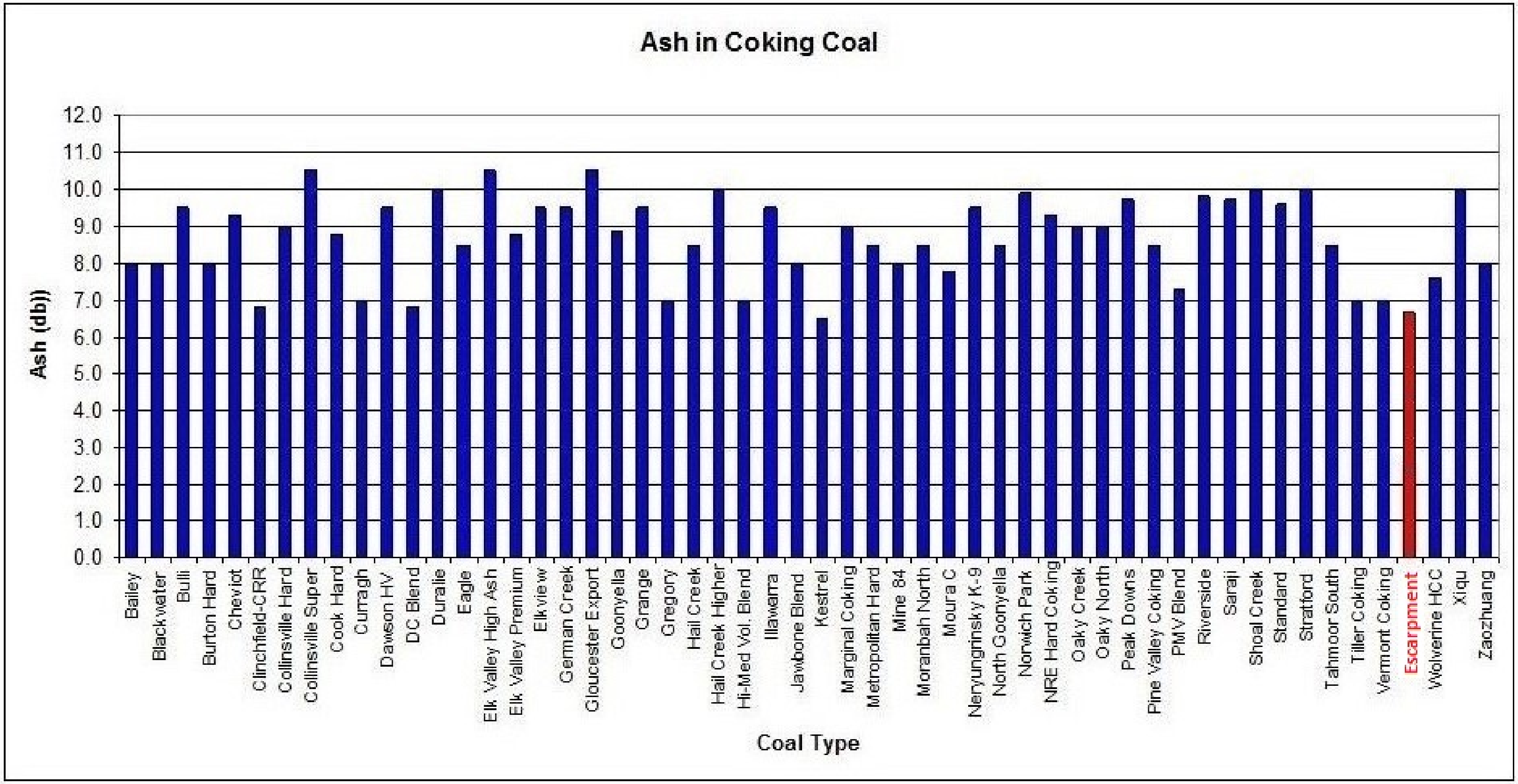


Rob Lord, Non-Executive Director

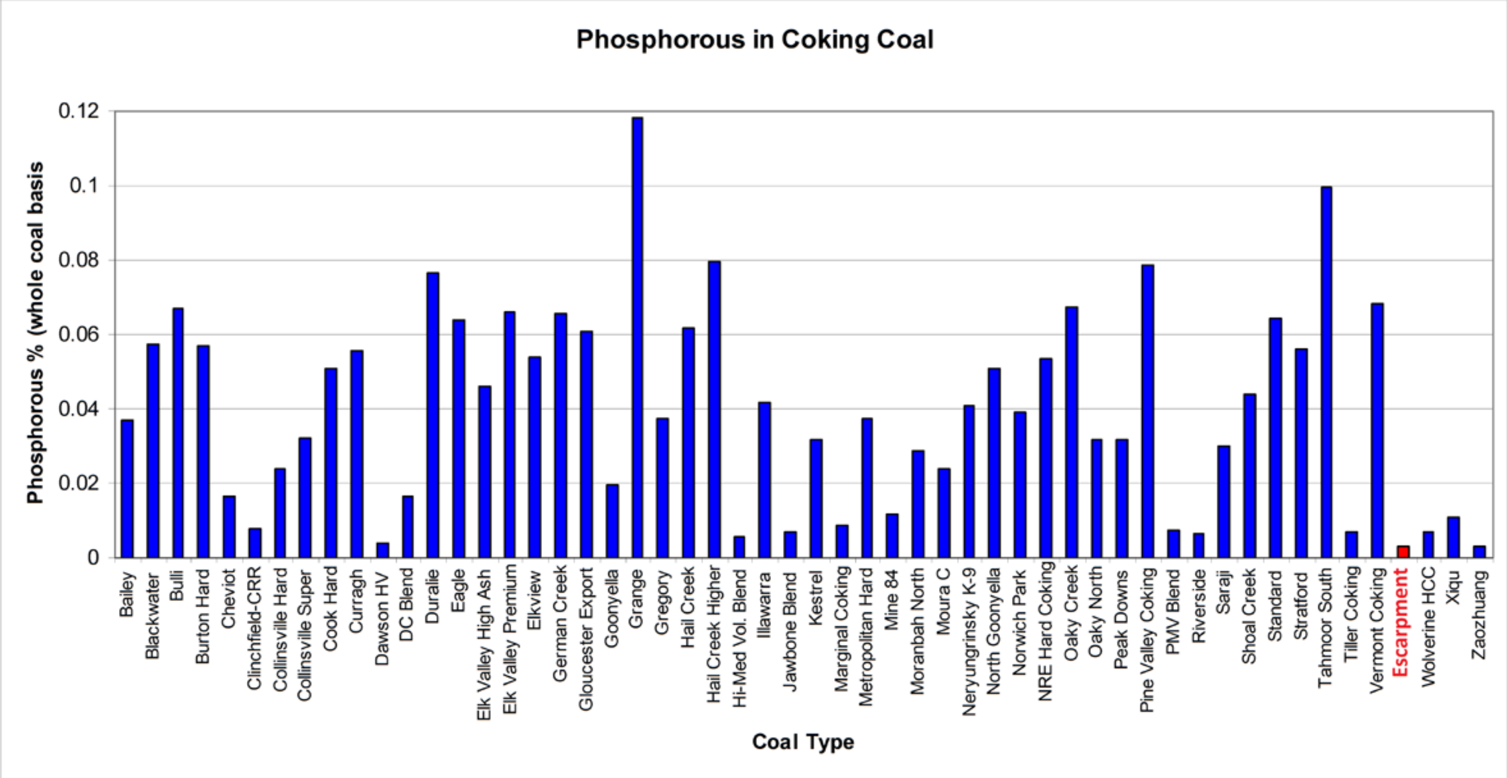
Over 20 years of senior management and marketing experience in resource based industries

COAL QUALITY - ASH

New Zealand coals have very low ash yield due to the raised mire depositional environment of the peat (above flood levels, baffling effect of fringing trees, clay flocculation, leaching acidic mire environment)

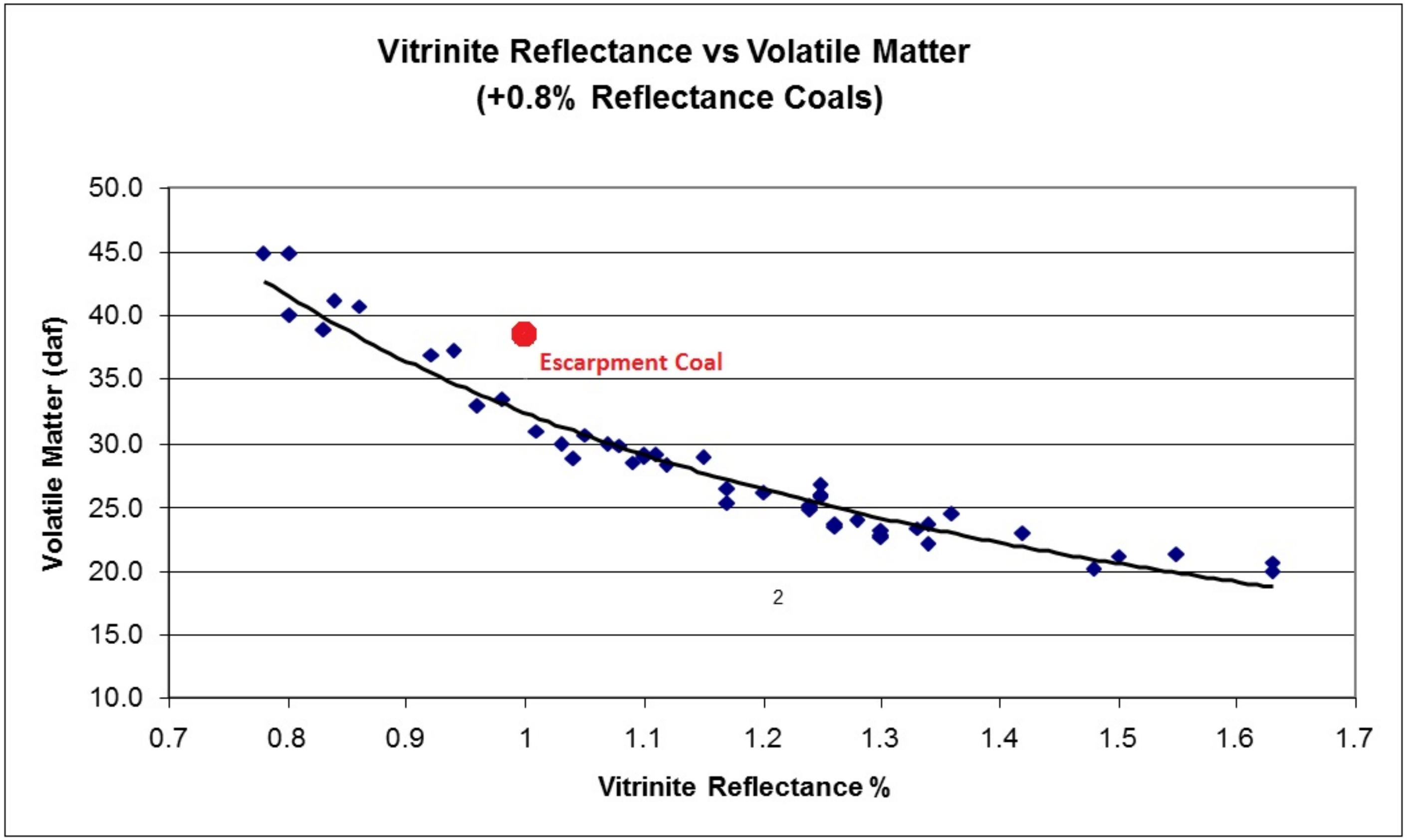


New Zealand coals typically have very low concentrations of phosphorous compared to other coking coals



COAL QUALITY – VOLATILE MATTER

Volatile matter is high in NZ coal due to the high proportion of vitrinite (86 – 92%) and resultant low proportion of inertinite.



RESOURCE ESTIMATES

Area	Measured Resource (Mt)	Indicated Resources (Mt)	Inferred Resources (Mt)	Total Resources (Mt)
Escarpment	3.1	2.2	1.0	6.3
Cascade	0.7	0.6	0.3	1.6
Deep Creek	6.2	3.1	1.6	10.9
Coalbrookdale	-	3.4	5.1	8.5
Whareatea West	7.7	10.7	4.7	23.1
South Buller Totals	**17.7**	**20.0**	**12.7**	**50.4**
Millerton North	-	1.9	3.6	5.5
North Buller	2.4	7.3	10.9	20.6
Blackburn	-	5.8	14.1	19.9
North Buller Totals	**2.4**	**15.0**	**28.6**	**46.0**
Buller Coal Project Totals	**20.1**	**35.0**	**41.3**	**96.4**
Coaldale	0.9	1.2	0.7	2.8
Ohai	0.3	0.5	1.2	2.0
New Brighton*	-	0.7	3.5	4.2
Canterbury Coal*	-	0.9	2.4	3.3
Southland / Canterbury Totals	**1.2**	**3.3**	**7.8**	**12.3**
Total	**21.3**	**38.3**	**49.1**	**108.7**

Resources are inclusive of reserves. All resources and reserves quoted in this presentation are reported in terms as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" as published by the Joint Ore reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia ("JORC")

AV. COAL QUALITY - MEASURED RESOURCE

Area	Measured resource (Mt)	Ash% (ad)	Sulphur % (ad)	Calorific Value (ad)	CSN	Fixed Carbon % (ad)	Volatile Matter % (ad)	Inherent Moisture	IN SITU Moisture
Escarpment	3.1	18.4	0.6	28.9	7.2	49.1	33.0	0.8	5.8
Cascade	0.7	15.1	1.6	31.9	4.6	52.7	39.4	2.6	8.0
Deep Creek	6.2	11.0	2.5	29.7		52.8	32.9	2.2	5.2
Coalbrookdale	-								
Whareatea West	7.7	21.5	0.8	26.8	7.2	51.0	24.3	0.6	5.8
Millerton North									
North Buller	2.4	8.6	4.7	29.7	4.6	47.5	43.1	2.9	11.4
Blackburn	-								
Coaldale	0.9	10.4	0.9	21.3	N/A	36.0	36.6	15.0	18.1
Ohai	0.3	8.3	0.4	22.3	N/A	42.8	34.7	14.3	16.8
New Brighton	-								
Canterbury	-								

**** MC = metallurgical coal and TC = thermal coal***

AV. COAL QUALITY – INDICATED RESOURCE

Area	Indicated resource (Mt)	Ash% (ad)	Sulphur % (ad)	Calorific Value (ad)	CSN	Fixed Carbon % (ad)	Volatile Matter % (ad)	Inherent Moisture	IN SITU Moisture
Escarpment	2.2	14.0	0.8	29.7	7	50.6	34.4	1.1	5.3
Cascade	0.6	15.3	1.8	30.6	4	49.6	38.5	2.4	8.1
Deep Creek	3.1	9.7	2.7	30.3		52.9	34.7	2.0	4.8
Coalbrookdale	3.4	18.4	1.7	30.0	5	50.2	35.8	1.7	5.4
Whareatea West	10.7	21.8	1.1	25.7	7	49.9	22.3	0.6	6.7
Millerton North	1.9	9.7	4.9	31.1	10	52.5	36.9	1.0	6.1
North Buller	7.3	8.8	5.1	30.0	5	47.6	42.6	2.3	9.4
Blackburn	5.8	3.9	4.3	30.4	6	51.8	42.1	2.2	10.1
Coaldale	1.2	9.8	0.7	22.2	N/A	37.3	36.4	16.5	18.2
Ohai	0.5	8.9	0.4	22.4	N/A	42.4	34.8	13.9	17.2
New Brighton	0.7	10.1	0.5	23.0	N/A	33.5	39.5	16.8	17.9
Canterbury	0.9	7.3	0.7	24.1	N/A	39.2	35.9	18.0	23.1

AV. COAL QUALITY – INFERRED RESOURCE

Area	Inferred resource (Mt)	Ash% (ad)	Sulphur % (ad)	Calorific Value (ad)	CSN	Fixed Carbon % (ad)	Volatile Matter % (ad)	Inherent Moisture	IN SITU Moisture
Escarpment	1.0	13.1	1.0	29.8	7	50.7	35.0	1.2	5.8
Cascade	0.3	18.7	2.1	25.6	3	42.5	34.2	1.8	5.7
Deep Creek	1.6	10.1	2.4	29.7		52.5	29.7	2.4	7.1
Coalbrookdale	5.1	16.4	1.7	29.3	5	49.6	35.2	1.7	5.6
Whareatea West	4.7	21.6	0.9	24.9	6	48.3	21.3	0.6	6.8
Millerton North	3.6	12.0	5.5	30.2	9	51.6	35.3	1.1	7.2
North Buller	10.9	9.9	5.1	29.5	5	46.7	45.6	2.2	9.6
Blackburn	14.1	6.4	4.8	30.1	6	49.4	41.8	2.3	11.2
Coaldale	0.7	11.7	0.4	21.8	N/A	34.1	36.2	18.0	18.3
Ohai	1.2	9.1	0.5	22.3	N/A	46.5	31.8	12.7	17.2
New Brighton	3.5	8.9	0.4	23.2	N/A	34.9	40.0	16.2	17.8
Canterbury	2.4	8.9	0.7	23.4	N/A	38.7	35.6	19.2	22.8

RESERVES

ROM COAL

Area	Proved reserves (Mt)	Probable reserves (Mt)	Total reserves (Mt)
Escarpment	3.0	1.9	4.9
Cascade	0.2	0.2	0.4
Deep Creek	5.8	2.7	8.5
Coalbrookdale	-	2.2	2.2
Whareatea West	7.9	10.5	18.4
Total	**16.9**	**17.5**	**34.4**

PRODUCT COAL

Area	Proved reserves (Mt)	Probable reserves (Mt)	Total reserves (Mt)
Escarpment	2.4	1.5	3.9
Cascade	0.2	0.2	0.4
Deep Creek	5.1	2.4	7.5
Coalbrookdale	0.0	1.7	1.7
Whareatea West	5.4	6.2	11.6
Total	**13.1**	**12.0**	**25.1**

All reserves quoted are reported as November 2013 in terms as defined in the JORC Code 2004.
Reserves tonnes for product coal are reported using a 12% in situ moisture for Escarpment, Cascade, Coalbrookdale and Whareatea West and 15% in situ moisture for Deep Creek.

RESERVES COAL QUALITY

ROM COAL

Area	Total (Mt)	Total moisture	Ash (% arb)	Sulphur (% arb)	VM (% arb)	CSN
Escarpment	4.9	5.4	21.4	0.7	34.0	6.5
Cascade	0.4	8.0	9.9	1.4	31.4	3.5
Deep Creek	8.5	5.8	11.7	2.6	-	-
Coalbrookdale	2.2	4.9	21.8	1.3	32.6	4.0
Whareatea West	18.4	6.0	31.1	0.9	25.5	6.0

PRODUCT COAL

Area	Total (Mt)	Ash (% arb)	Sulphur (% arb)	VM (% arb)	CSN
Escarpment	3.9	7.5	0.6	31.9	8.5
Cascade	0.4	9.1	1.3	34.6	4.0
Deep Creek (Coking)	5.7	5.0	2.5	-	-
Deep Creek (Thermal)	1.8	11.8	1.7	-	
Coalbrookdale	1.7	6.7	1.3	33.2	7.0
Whareatea West	11.6	10.5	0.8	23.1	9.5

All reserves quoted are reported as November 2013 in terms as defined in the JORC Code 2004.
Reserves tonnes for product coal are reported using a 12% in situ moisture for Escarpment, Cascade, Coalbrookdale and Whareatea West and 15% in situ moisture for Deep Creek.

COMPETENT PERSON STATEMENTS

- The information in this presentation that relates to mineral resources and reserves for Deep Creek is based on information compiled by Adam Bonham-Carter a Competent Person who is a full time employee of Golder Associates (NZ) Limited and is a member of the Australasian Institute of Mining and Metallurgy. Mr Bonham-Carter graduated with B.Sc and M.Sc degrees in Mining Engineering from Queen's University, Canada, and is a member of the Association of Professional Engineers and Geoscientists of British Columbia. He has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Bonham-Carter consents to the inclusion in this presentation of the matters based on his information in the form and context in which it appears. This presentation accurately reflects the information compiled by the Competent Person.

- The information in this presentation that relates to exploration results and mineral resources for Escarpment, Cascade, Coalbrookdale, Whareatea West, Millerton North, North Buller, Blackburn, Coaldale, Canterbury Coal, New Brighton and Ohai and mineral reserves for Escarpment, Cascade, Coalbrookdale and Whareatea West, is based on information compiled by Hamish McLauchlan a Competent Person who is a full time employee of Buller Coal Limited and is a member of the Australasian Institute of Mining and Metallurgy. Mr McLauchlan has a B.Sc and M.Sc (Hons) majoring in geology from Canterbury University, and has had 19 years of experience in the mineral resource industry in New Zealand and offshore. He has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr McLauchlan consents to the inclusion in this presentation of the matters based on his information in the form and context in which it appears above. This presentation accurately reflects the information compiled by the Competent Person.