

BATHURST RESOURCES LIMITED

A photograph of two workers in high-visibility yellow and blue jackets and orange hard hats standing on a dark, rocky mining site. They are engaged in a conversation. In the background, there is a large yellow mining vehicle with the number '17256' and an orange excavator with the number '13872'. A large white 'X' graphic is overlaid on the image, and a white curved line separates the top and bottom text areas.

INVESTOR PRESENTATIONS
SEPTEMBER 2022
ASX: BRL

DISCLOSURE

General information

This document is authorised for release by the board of directors of Bathurst Resources Limited (“Bathurst”) on the 13 September 2022. Bathurst’s address is Level 12, 1 Willeston Street, Wellington 6011, New Zealand.

General disclaimer

This presentation contains forward-looking statements. Forward-looking statements often include words such as “anticipate”, “expect”, “intend”, “plan”, “believe”, “guidance” or similar words in connection with discussions of future operating or financial performance, they also include all figures noted as FY23/FY23E which are forecasted financial year June 2023 results. The forward-looking statements are based on management's and directors’ current expectations and assumptions regarding Bathurst’s businesses and performance, the economy and other future conditions, circumstances and results.

As with any projection or forecast, forward-looking statements are inherently susceptible to uncertainty and changes in circumstances. Bathurst’s actual results may vary materially from those expressed or implied in its forward-looking statements. Bathurst, its directors, employees and/or shareholders shall have no liability whatsoever to any person for any loss arising from this presentation or any information supplied in connection with it. Bathurst is under no obligation to update this presentation or the information contained in it after it has been released. Nothing in this presentation constitutes financial, legal, tax or other advice.

Resources and reserves

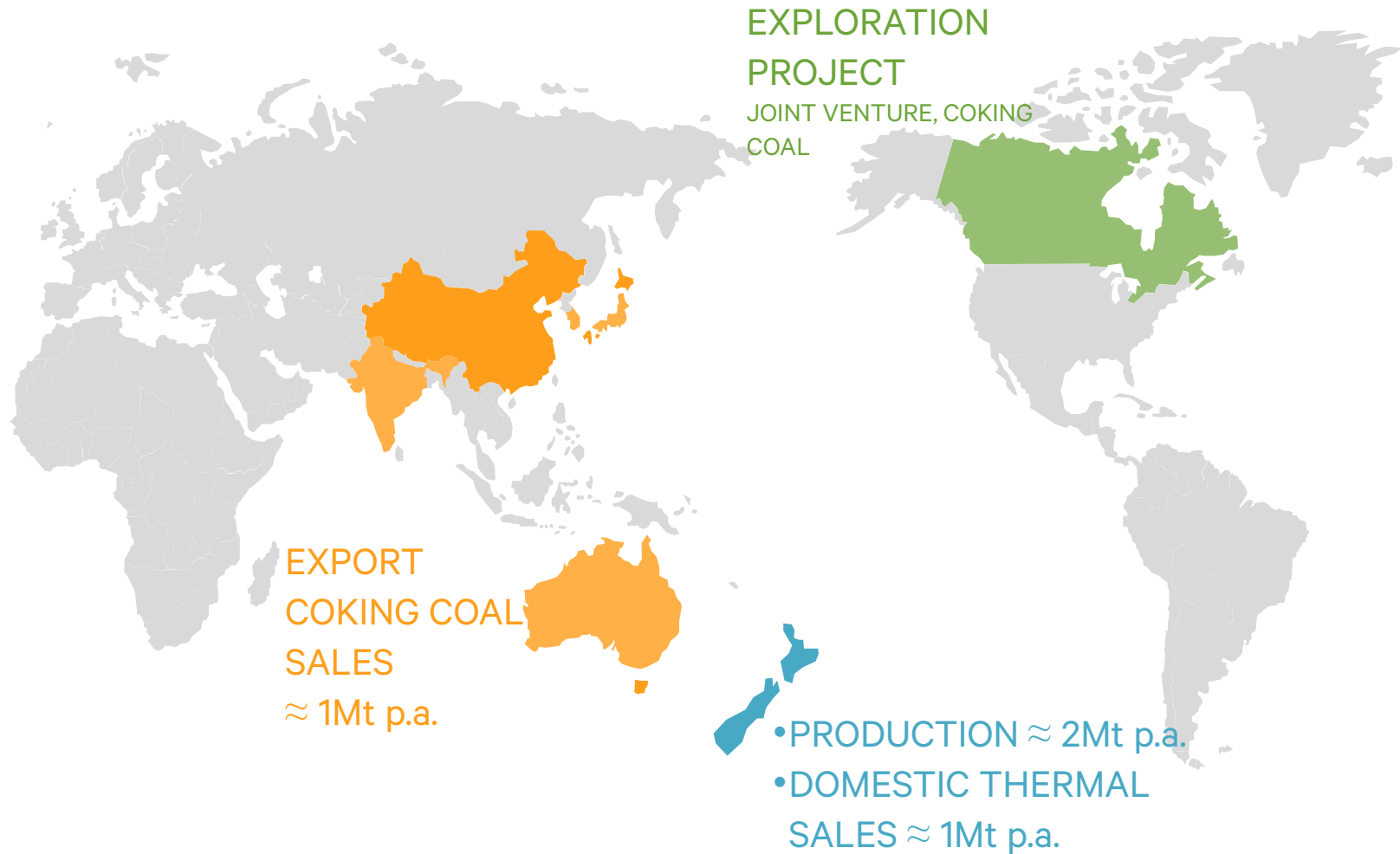
All references to reserve and resource estimates should be read in conjunction with Bathurst’s ASX announcement – “2021 Resources and Reserves” reported on the 29 October 2021, and all disclosures made in this document with reference to resources and reserves are quoted as per this announcement. A marketable coal reserve table has been included as an appendix to this document.

Bathurst confirms that it is not aware of any new information or data that may materially effect the information included in this market announcement. In the case of estimates of coal resources or reserves for material mining projects, all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed since the 29 October 2021 announcement, noting that production activity for operating mining projects has occurred between the date of the initial report and this presentation.

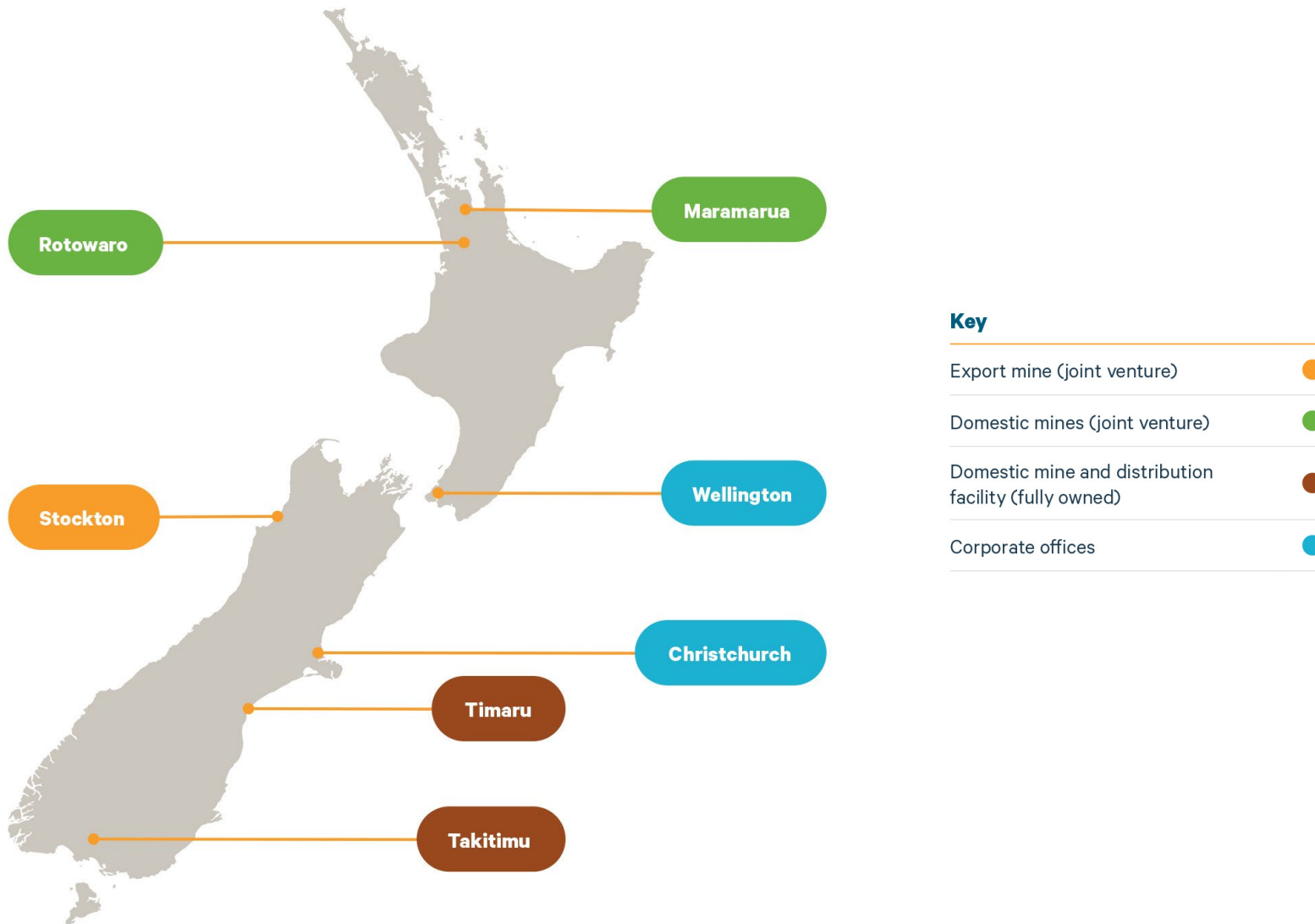
Consolidated financial presentation

Consolidated in this document where used refers to consolidated 100 percent Bathurst and 65 percent equity share of BT Mining Limited. Financial figures noted in this document are consolidated unless otherwise noted.

DOMESTIC UTILITY, GLOBAL UPSIDE



AN ESSENTIAL ENERGY SUPPLIER IN NZ



Joint venture assets in BT Mining are 65% equity owned by Bathurst.

WE SELL INTO TWO MARKETS THAT HAVE THEIR OWN RISKS AND OPPORTUNITIES

Export: coal for steelmaking

Risks, opportunities & market dynamics

- Exposed to market price fluctuations.
- Opportunity to significantly increase profit when pricing is high, but flipside is exposure to lower pricing when markets slump.
- Demand profile for this coal is considered to be longer term due to the nature of the demand for steel.

Strategy

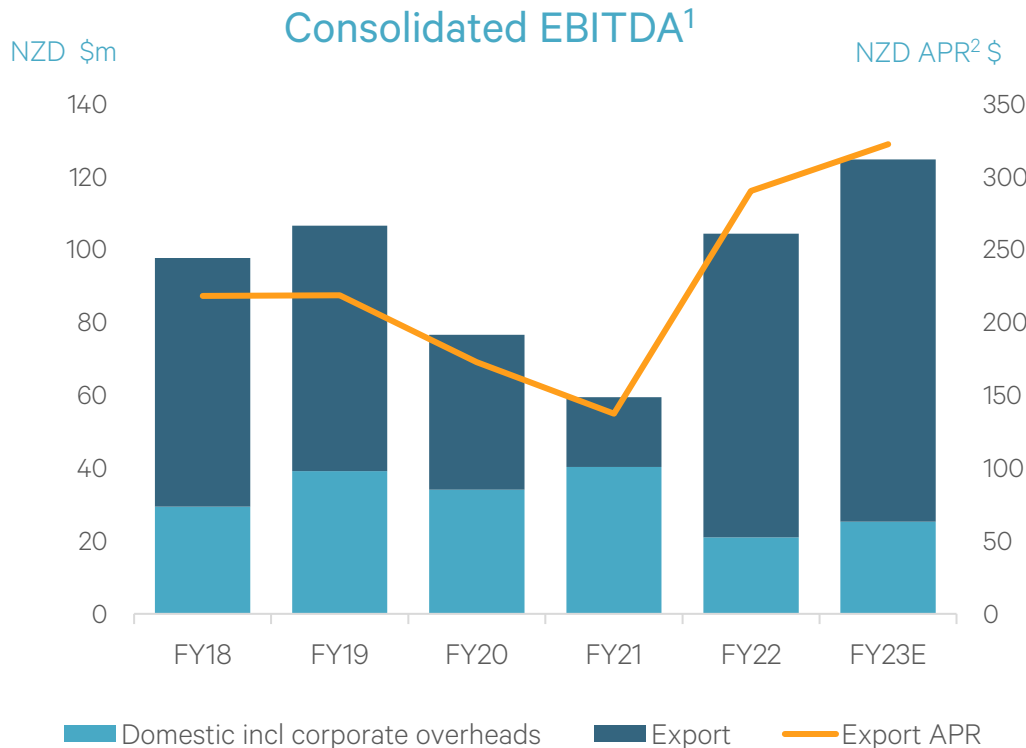
- Sell to blue chip customers a product with unique properties that forms an essential part of our customer's bespoke coke blend.
- Our value in use focus means we have long standing relationships with our customers – up to 47 years.
- Utilise hedging to help smooth revenue, focus on cost control.

Domestic: coal for processing heat & steelmaking

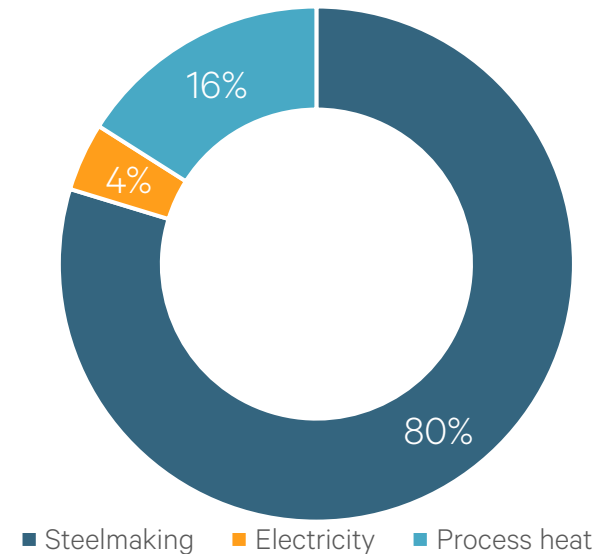
- New Zealand is moving towards a net zero carbon economy, with increasing pressure on fossil fuels coming from legislators and the general public. The NZ government has confirmed a phase out of existing coal boilers by 2037.
- Pricing and demand in the near term is stable.
- Sell under long-term, fixed priced contracts.
- Life of mine plans are matched against committed sales; new areas are only explored if there are strategic partnerships in place.

SUSTAINABLE EARNINGS PROFILE

We benefit in times of high export pricing, and generate positive cash flows during lower export pricing due to stable earnings from our domestic segment.



FY23E sales by product use



¹ EBITDA represents net profit/(loss) before tax, net finance costs, tax, depreciation, amortization, impairment, fair value movements on derivatives and deferred consideration, and movements in rehab provisioning.

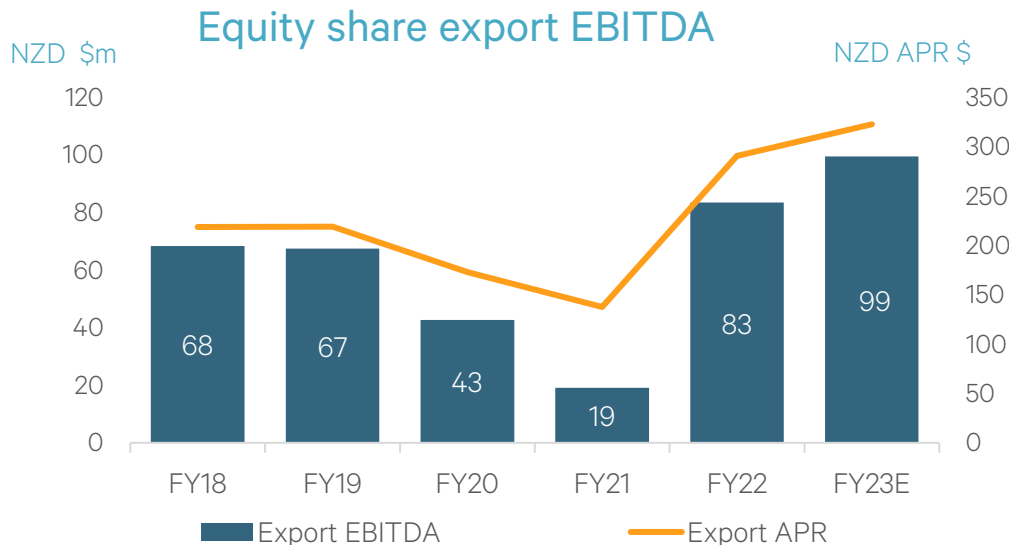
² Average price received

EXPORT (STOCKTON MINE)

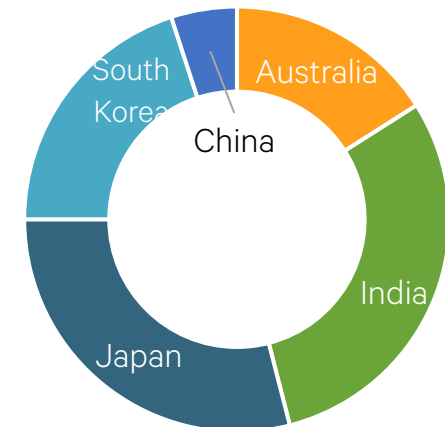
Coking coal sales for the steelmaking export market.



“ Earnings fluctuate in line with changes in the USD Hard Coking Coal premium low vol benchmark which our export pricing is set against, as well as movements in NZD:USD foreign exchange rate. Our average benchmark realisation is 75 percent.



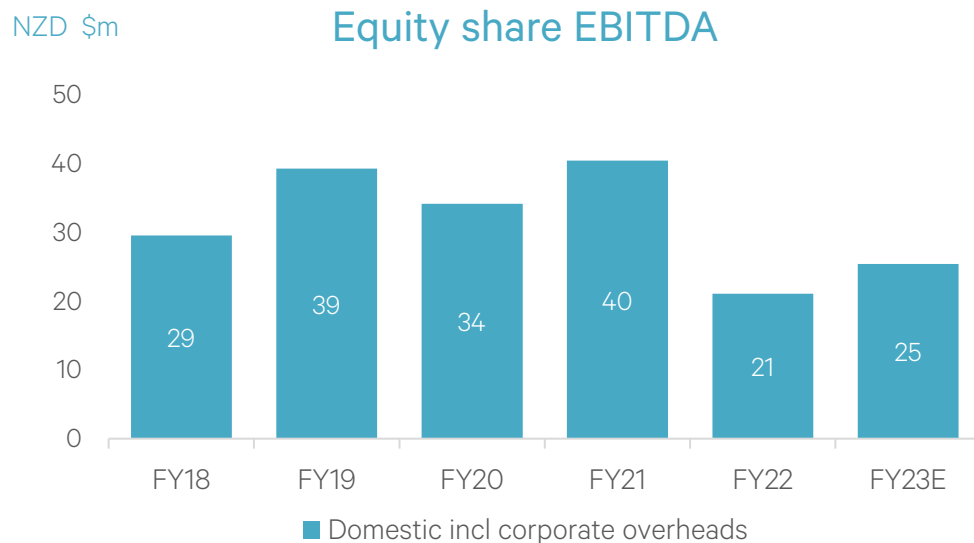
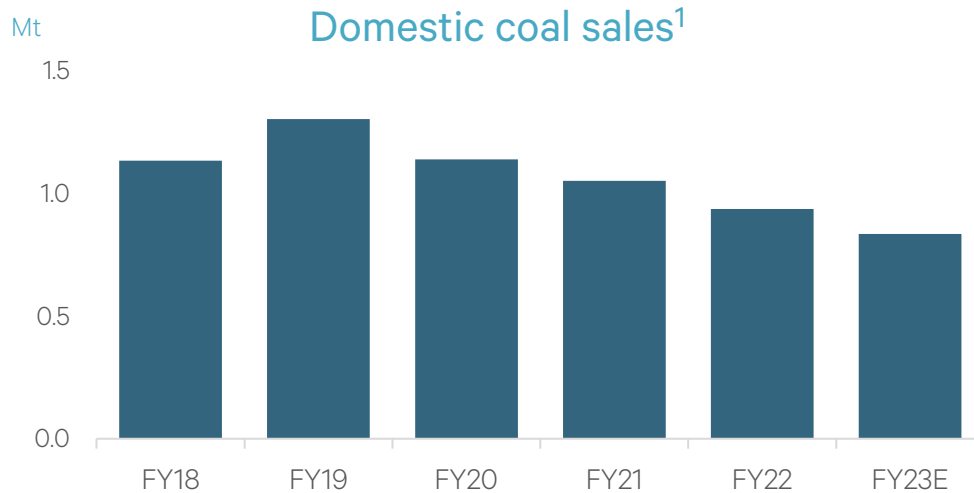
Export sales by country FY23E



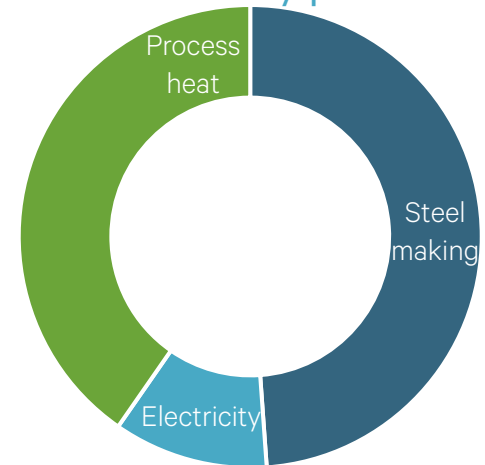
¹On a 100 percent basis (not consolidated).

DOMESTIC MINES (North & South Island)

Consistent EBITDA based on predictable revenue, unit costs, and overburden removal.

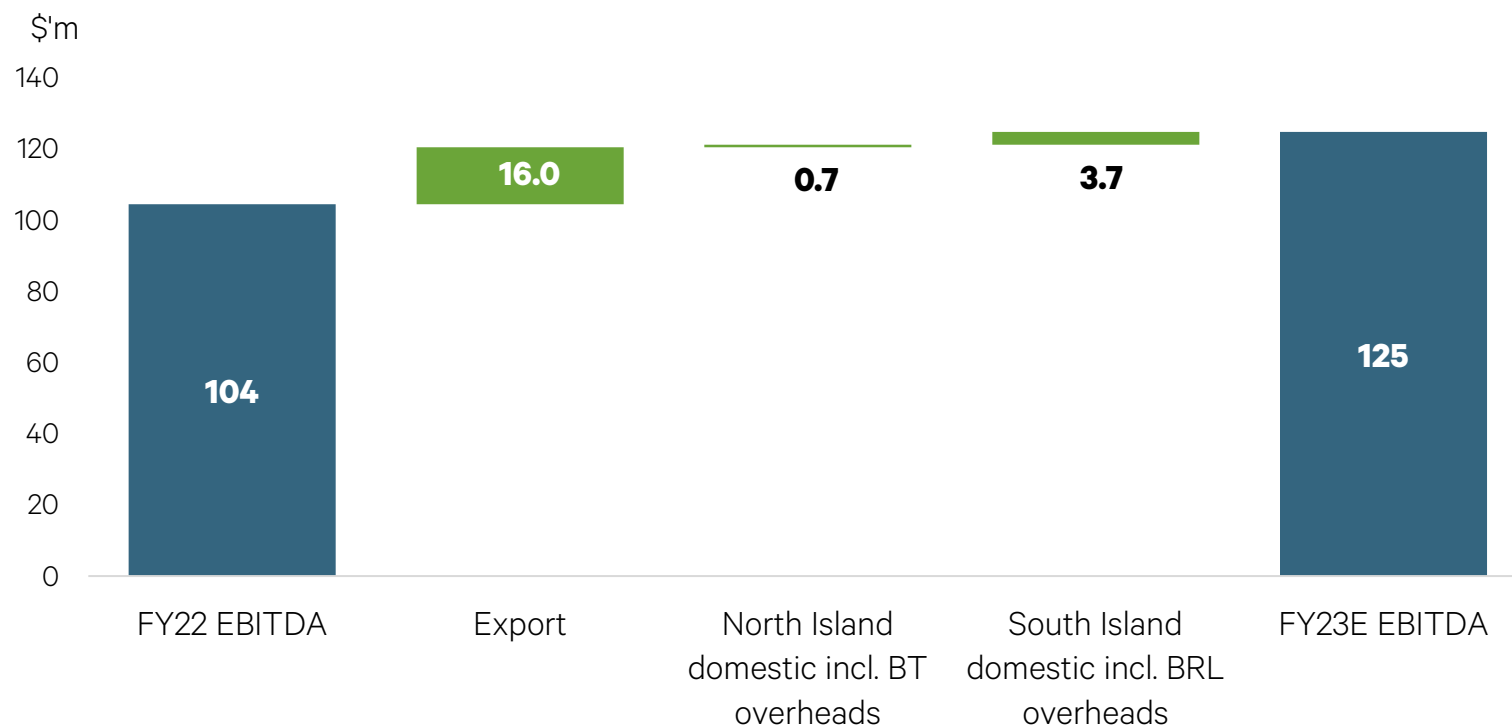


FY23E sales by product use



¹On a 100 percent basis (not consolidated).

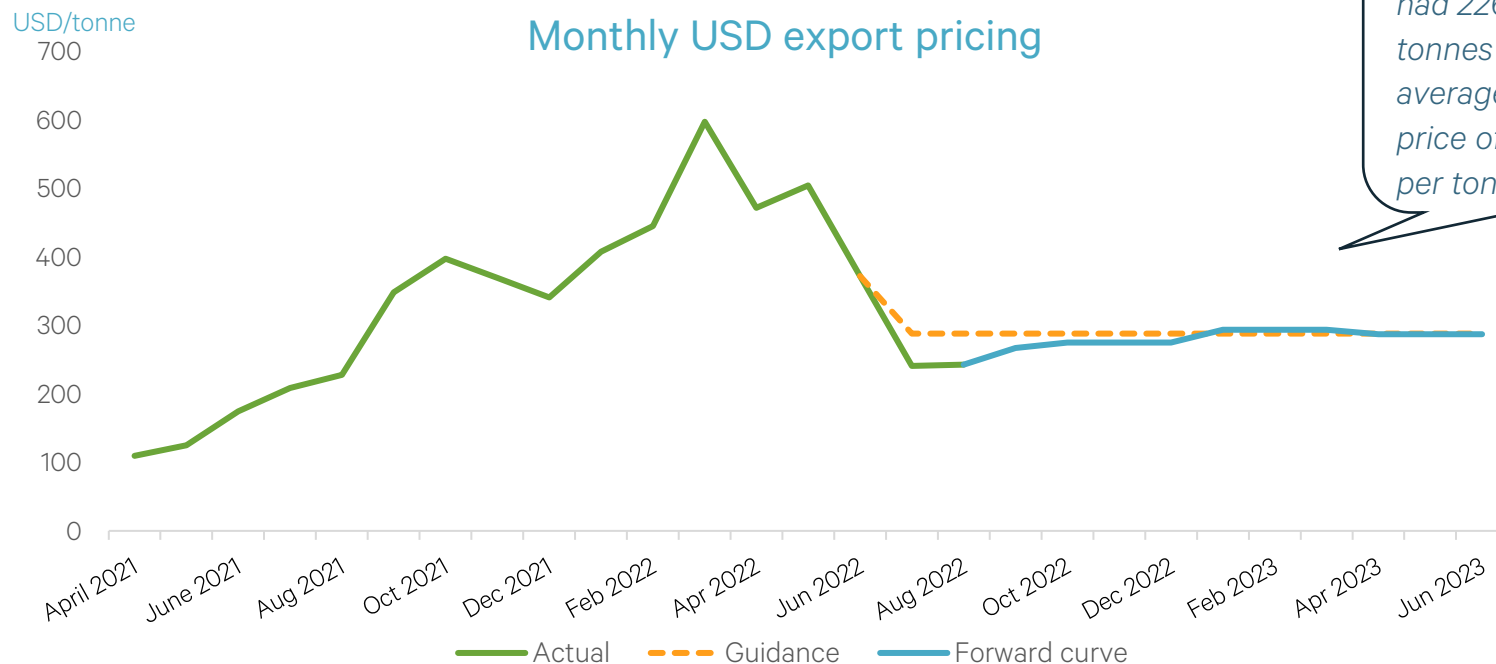
EBITDA GUIDANCE FY23 \$120M - \$130M



- Guidance range reflects potential volatility in export pricing; assumed annual average benchmark of USD 288 per tonne.
- Export uplift expected from increased sales tonnes + a full year at higher pricing levels.
- Improved results for SID including BRL overheads as legal costs expected to decrease¹.

¹ Refer slide 19 for details of legal claims that drove legal fees in FY22.

EXPORT PRICING OUTLOOK REMAINS POSITIVE

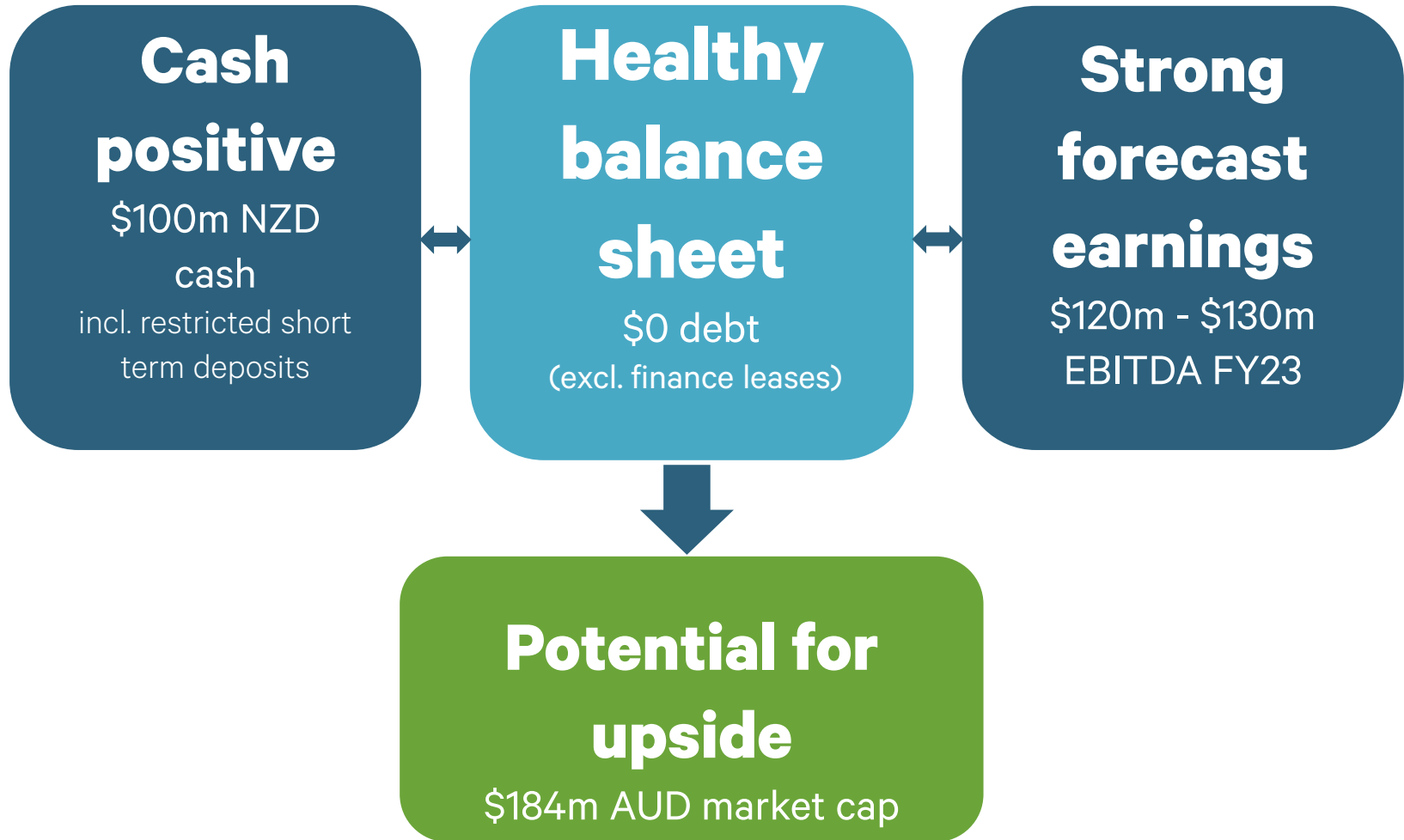


At 12 September we had 226kt sales tonnes hedged at an average effective price of NZD 496 per tonne.

- The war in the Ukraine and associated sanctions continue to impact the market with coal trade routes shifting from historical destinations, with increased volumes of Russian coal moving into India and China.
- The Chinese steel market remains relatively weak with ongoing COVID lockdowns impacting demand, but it is expected government stimulus will help lift economic activity including the real estate market which will drive steel demand.
- Whilst volatility is likely, the outlook remains positive due to ongoing tight supply with some met coal shifting to the buoyant thermal market, and with coal production still lagging behind previous levels.

¹ USD monthly actual export pricing based on a monthly average of the S&P Global Platts Premium Low Vol daily spot pricing. Guidance is the export benchmark pricing assumed in the export segment's EBITDA guidance. Forward curve based on 7 September 2022 S&P Global Platts derivatives assessments.

FINANCIAL HEALTH SNAPSHOT¹



¹ Consolidated 100% Bathurst and 65% BT Mining, as at 31 August 2022

GROWTH PROJECTS OVERVIEW

We have a robust pipeline to extend our current operations.

	Market	Growth projects	Production start date ¹	Status
SOUTH ISLAND DOMESTIC	Process heat domestic	New Brighton	FY24	Prefeasibility
NORTH ISLAND DOMESTIC	Process heat domestic,	Waipuna West extension	FY23	Development
	steelmaking	Maramarua M1 pit	FY23	Execution
	domestic, electricity domestic	Rotowaro North	FY27	Conceptual
EXPORT (NZ)	Steelmaking export	Stockton organic projects ²	FY22: HL FY23: CS FY24: RN FY27: UW	Development FED ³ Feasibility Conceptual
		Buller coal	FY26	Feasibility
EXPORT (CANADA)	Steel making export	Crown Mountain	FY27	Feasibility

- ¹The production start date assumes achieving key project milestones and consenting and permitting approvals and cannot be guaranteed.
- ² These consist of Hope Lyons development (“HL”), Cypress South (“CS”), Rockies North (“RN”), and Upper Waimangaroa projects (“UW”).
- ³ Final engineering and design

CANADIAN COKING COAL JV PROJECT

Crown Mountain – a premium low volatile hard coking coal exploration project, due to enter production late 2026, and produce 2Mt per year.

ECONOMICS

- Pre-tax NPV10 USD \$469m¹.
- FOB Vancouver USD 89.41/t.

RESOURCE

- 1.96Mtpa.
- Mine life 15 years.
- 57.5Mt reserve, 90.2Mt resource.

STATUS

- Environmental application submitted May 2022.

INVESTMENT

- CAD \$15.5m to date.
- 22.1% equity share.
- Buy-in to 50% for CAD \$106m (\$121.5m total).
- Further investment at Bathurst's sole discretion.



Refer to the announcement by joint venture partner Jameson Resources to support the above project metrics [HERE](#)

¹ Based on USD \$155 HCC price per tonne.

FUTURE INVESTMENTS

Noting the increasing global appetite for other minerals, we are considering leveraging the strong coal mining core of our business and our sector expertise as producers to contemplate and potentially take advantage of other resource opportunities.

The following are the key criteria against which any potential future investments are measured against:



**Stable
jurisdiction**



**At or close to
production**



**\$50-\$100m
annual
EBITDA**

OUR CONTRIBUTION

8.6

total
recordable
injury
frequency
rate

\$67m

paid to
employees

315kt

CO₂ emissions
avoided when
using our
export coal ¹

1.7

lost time
injury
frequency
rate

\$209m

paid to New
Zealand
suppliers

3

finalists in the
Minerals Sector
Awards

Financial figures noted are 100 percent Bathurst and BT Mining for FY22

¹ Independent verification by SGS Laboratories Limited confirmed our analysis based on 1Mt of sales a year. Emissions savings due to high vitrinite and low ash properties of our export Stockton coal.

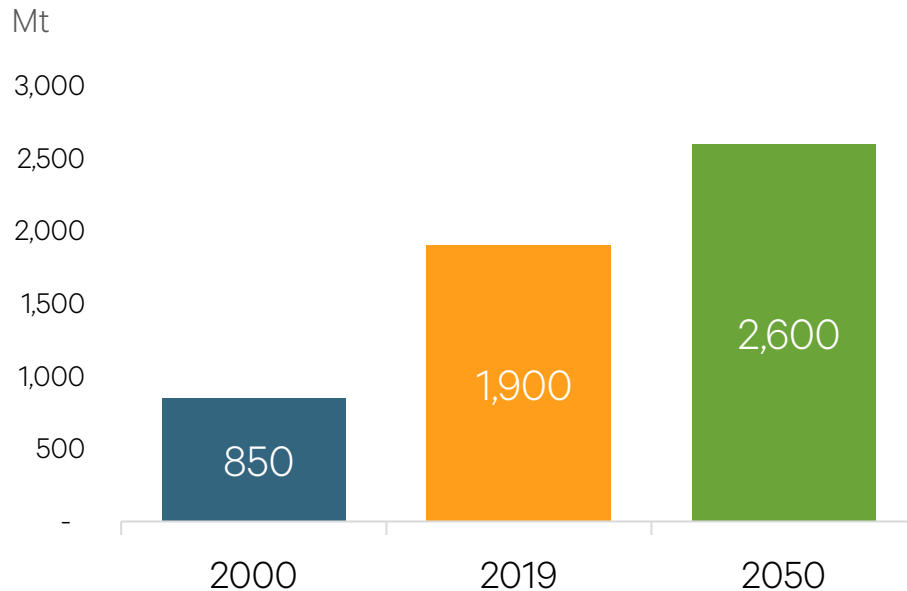
QUESTIONS?

APPENDICES

THE ONGOING DEMAND FOR STEEL

Demand for steel is projected to increase by a third by 2050.

GLOBAL STEEL PRODUCTION¹



Why has demand for steel increased?

- Steel is integral to modern economies.
- It is the world's second largest commodity value chain and is essential in engineering, construction, manufacturing and technology.

Why is the outlook for steel so robust?

- It will continue to be used in current industries and play a vital role in the transition to green alternatives.

How does the above tie into our strategy?

- We expect more than 90 percent of our coal production to be coking coal for steelmaking in the long term.

¹ Based on IEA (2020), Iron and Steel Technology roadmap [HERE](#)

L&M LITIGATION

Two litigation claims brought by L&M Coal Holdings Ltd remain current against Bathurst arising out of the 2010 purchase of shares in Buller Coal Ltd (the owner of two exploration permits and a mining permit application at that time).

The first alleges that Bathurst has breached a change in control clause in the sale and purchase agreement. This claim is being arbitrated with the bulk of the arbitration hearing completed in July/August 2022.

A second proceeding was brought against Buller Coal Ltd (as guarantor of Bathurst's obligations under the sale and purchase agreement) alleging that Buller Coal as guarantor can claim for the first performance payment. This is inconsistent with the decision of the Supreme Court ruling in 2021 where the first performance payment under the sale and purchase agreement was determined to be not presently due and payable by Bathurst, and able to be deferred provided royalties due under the Royalty Deed continue to be paid when due (even if the sum is zero as a result of zero coal sales). This claim was heard in the High Court in July 2022.

Decisions on both claims are expected either late this year or first quarter 2023 and based on legal advice we remain confident in a successful outcome and believe the claims to be vexatious.