

19 January 2021

James Fisher
Compliance at Australian Securities Exchange
Level 4, 20 Bridge Street
SYDNEY
NSW 2000

Dear James

Bathurst Resources Limited (“Bathurst”): Response to ASX share price and volume query

We refer to your letter dated 18 January 2021 which queries the price change in Bathurst’s securities over the last few days, as well as the significant increase in the volume of Bathurst’s securities traded from 15 January 2021 to 18 January 2021, and respond as follows:

1. We are not aware of any information concerning it that has not been announced to the market which, if known by some in the market, could be an explanation for the recent trading in Bathurst’s securities.
2. Not applicable given our response to question 1.
3. The only other explanation we can give that may explain the recent trading in Bathurst securities, is the movement in the Hard Coking Coal (“HCC”) Premium Low Vol benchmark which our export sales are priced against, which increased from USD 102/tonne to USD 124.50/tonne over the last week.

The ban on Australian coking coal sales into China has led to high import prices from alternative suppliers in the Canada & US. These sales are priced against the China CFR benchmark which is currently USD 213.50/tonne. The gap in pricing between the HCC benchmark and the China CFR benchmark has led to increased demand from European buyers and other recovering markets in India and Japan for HCC benchmark priced coking coal, causing the uplift in the HCC benchmark pricing.

4. We confirm that Bathurst is in compliance with the listing rules and, in particular, listing rule 3.1.
5. We confirm the above responses have been approved by the Board of Directors.

On behalf of Bathurst Resources Limited.



Russell Middleton
Director