

30 November 2023

Australian Securities Exchange
Level 4, 20 Bridge Street
SYDNEY
NSW 2000

CHAIRMAN'S ADDRESS TO AGM

Richard will cover company performance in more detail but let me say we are pleased that Bathurst reported excellent earnings for FY23. Customer demand for our high-quality steelmaking coal was maintained and good prices sustained. The products we sell into a global market can't be easily substituted, which is reflected in the prices being achieved. The coal price, like any tradeable good, is fundamentally determined by supply and demand. Here we are seeing the effects of significant underinvestment in reliable supply. The exits of traditional large companies from the industry has been a factor.

Although you rarely hear it mentioned in the discourse, the world's planned energy transition away from hydrocarbons toward other sources like wind farms and solar plants, requires more steel. Lots of it. And this means more coking coal. The forecasts for steel production predict an increase from 2Bt today to 2.6Bt by 2050. That's 600Mt more steel, which means approximately an additional 300Mt of coking coal. Right now I can't see where that will come from and this is probably why several jurisdictions have declared coking coal a critical mineral. We will continue to see short-term volatility in the coking coal price but over time we have reason to be optimistic.

We now have an interest in two Canadian steelmaking coal projects, strategically positioning Bathurst to build on its existing NZ metallurgical coal business. In September we announced the acquisition of the assets of the Tenas Coking Coal Project in Canada's British Columbia Province from Telkwa Coal Limited. Our company's strong operational performance and capital management strategy positioned us to exploit this type of acquisition. In the Tenas Coking Coal Project, we have a commodity in high demand globally, and in which we have proven expertise and existing clients. The project is also well-located in a Tier One jurisdiction in which we have previously invested and in which we are very comfortable. The acquisition, after a careful due-diligence period, was secured at a price and on terms that are clearly opportunistic.

The Telkwa Project and the Crown Mountain Project are both long-life assets, forecast to exceed 15 years of steady production. This will provide Bathurst with potential revenue streams from future production at a time when our New Zealand assets are maturing and their contribution will decline. The coal produced from Canada will complement Bathurst's existing sales from New Zealand to steel producers in Japan, South Korea, China and India. This will strengthen the relationships with customers.

Your Directors had the privilege of visiting these projects recently. In addition to walking over the project sites we met with the project teams, local community and provincial government representatives and First Nations leaders. A message we were intent on giving is that genuine and sincere respect for our people and the communities in which we operate has always been a key element of our business and this was well received. We

came away from British Columbia much encouraged and optimistic about both projects and very much looking forward to them becoming significant components in our portfolio of producing assets.

14% of Bathurst production and sales is to domestic customers for energy and process heat. We acknowledge New Zealand's intended transition to a net zero carbon economy and will continue to support our customers as they adjust. We do hope the recent change in political leadership will bring more science and economic reality but less political spin to policy development. Sensible, responsible decarbonisation is a journey we maintain should take decades, not years.

While on domestic production let me mention a visit I made to the Canterbury mine. As previously disclosed Bathurst reluctantly ceased production at Canterbury in 2021, largely due to regulatory zealotry and the difficulty in retaining mining consent. The small team at Canterbury then commenced the mine & surrounds rehabilitation process. Well, I was amazed by what I saw. Even now it is difficult to see there was recently an open cut mine in operation. In a few years all the new growth will practically conceal any evidence. The result is a credit to the designers, planners and operators. This is the first mine closure plan I've seen activated & implemented. And it is a spectacular result.

Sadly, during the year L&M continued with their frivolous claims for payments arising from the 2010 Buller Plateau sale and purchase agreement. The Bathurst board continues to vigorously defended our interests against these fanciful and desperate attempts. It was pleasing to report during the year:

1. L&M's claim to performance payments and shares were dismissed in the Court of Arbitration, following the change-in-control hearing.
2. The High Court dismissed L&M's claim for payment under the Declaratory Judgements Act 1908.

While L&M continue to look for ways to extract payments from Bathurst we will defend against these attempts forcefully. We remain receptive to any genuine and realistic proposal from L&M to finally bring the whole matter to an end. At this time this eludes them.

Bathurst is unashamedly a coal mining company and we expect that long-term coal will continue to underpin our business, with a progressive shift to primarily producing coking coal. Noting the increasing global appetite for other minerals, we are looking to leverage our strong development and mining expertise to potentially take advantage of other opportunities. But will only do so if it makes absolute sense.

Last, I would like to thank my fellow directors, senior management and the entire workforce for their significant efforts. And on behalf of the board, I thank our joint venture partners and our many shareholders, for your ongoing support. It has been significant, important and much appreciated.

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