



BATHURST RESOURCES

AGM presentation

November 2018

AGENDA

- FY18 overview
- FY19 progress update
- How our business has changed
- Operations
- Strategy
- LMCH update
- FY19 forecast

FY18 HIGHLIGHTS

A record year incorporating 10 months of operations from BT Mining



**Strong safety record with
LTIFR at 1.2**



Equity coal sales of 1.5Mt
(incl. sales of purchased coal)



**Record operating profit
\$72.9 million**



**New offshore joint venture
secured**



**Highest EBITDA \$93.7
million up \$83.8 million pcp**



**Net assets increased \$64.2
million**

FY18 HEALTH, SAFETY AND ENVIRONMENT

To ensure long term sustainability we aim for the highest standards in health, safety, environment and community

SAFETY

LTIFR = 1.2

TRIFR = 4.6

- One Lost Time Injury - Huntly West closure project
- 38 days risk assessments completed
- 36,000 field based safety observations



HEALTH

Zero

occupational health illness

Occupational monitoring:

- Noise
- Respirable dust
- Machine vibration
- Personnel health



ENVIRONMENT

1

serious water discharge incident at Canterbury

- Life of mine closure integration workshops completed at all sites
- All sites have approved rehabilitation bonding arrangements
- 22 days environmental risk assessments



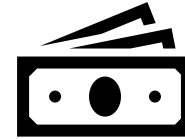
FY18 COMMUNITY CONTRIBUTIONS

Our contribution to the communities that we operate in forms an integral part of our strategic direction. Maintaining positive stakeholder relationships is a core part of our operating framework.

91%
of our employees live
locally to mining operations



\$221.6m
spent with local suppliers



\$39.4m
paid in taxes and royalty
payments to government



\$40.5m
paid on employee benefits

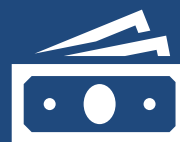


FY19 PROGRESS UPDATE

FY19 has so far met or exceeded key operational and financial targets



No lost time injuries



\$28 million unaudited
EBITDA



Upgrade in FY EBITDA to
\$92.0 million



Export sales of 353kt at
an APR of NZD\$230/t

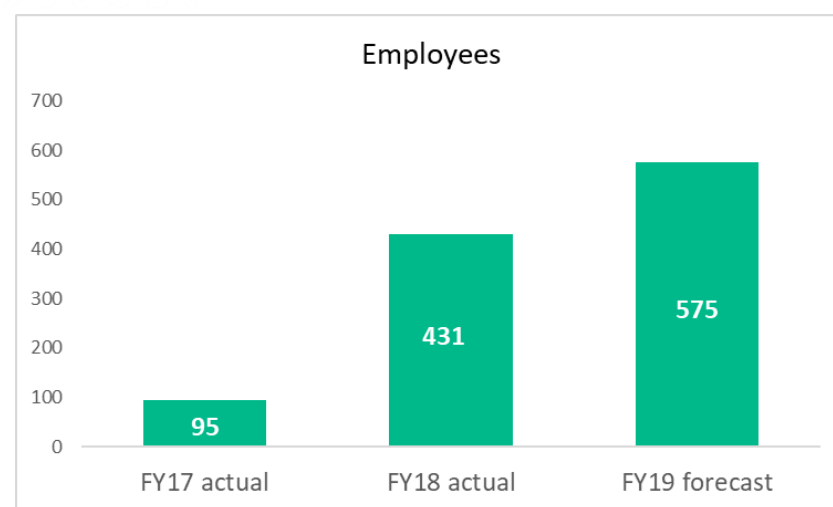
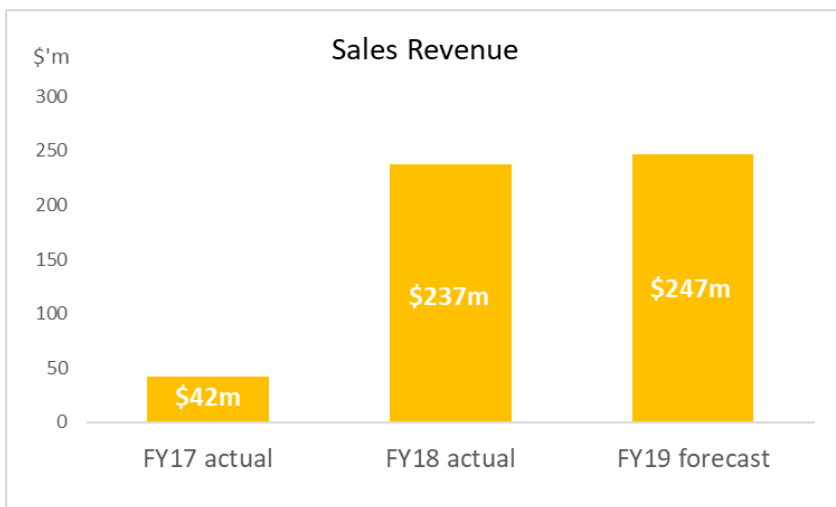
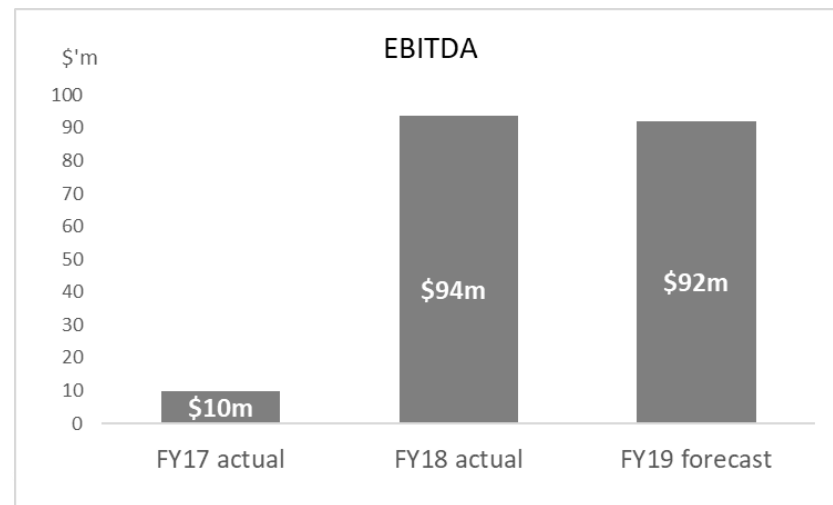
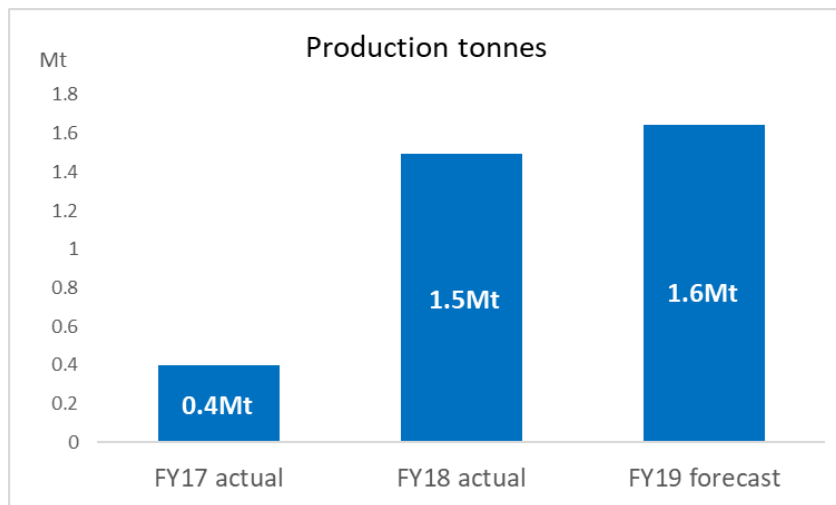


Consolidated cash balance
\$47.5 million






Domestic operations
exceeding budget

HOW OUR BUSINESS HAS CHANGED



Financial figures noted above are consolidated Bathurst and 65% BT Mining. Employees are total employees under management.

HOW OUR BUSINESS HAS CHANGED

Balance Sheet	FY 2018	FY 2017	Movement
Net Assets	\$70.4m	\$6.2m	\$64.2m 
Working Capital	\$38.5m	\$5.8m	\$32.7m 
Gearing Ratio	21%	254%	(233%) 
Cash	\$25.2m	\$29.2m	(\$4.0m)

- Cash balance maintained after significant asset purchases and debt repayments.
- The investment in BT Mining has made significant improvements to our net asset and working capital positions.
- Gearing ratio significantly improved from the change in denomination from AUD to NZD of our convertible instruments that funded the investment in BT Mining.

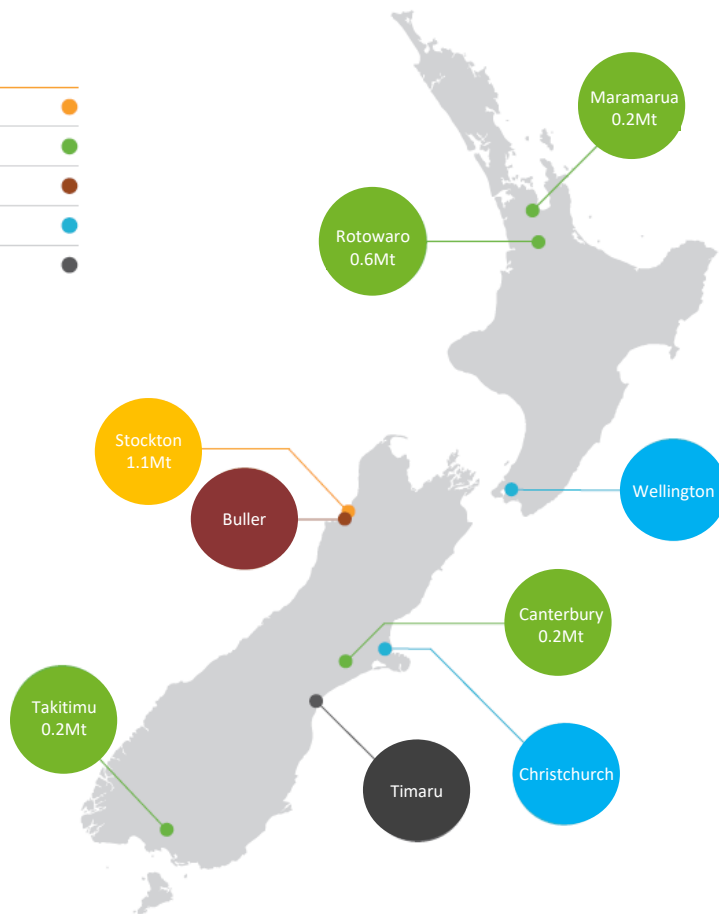
NEW ZEALAND'S LARGEST COAL PRODUCER

We are now the leading presence in coal production in New Zealand, with forecasted coal production of 2.3Mt in FY19 under our management, in both export and domestic markets.

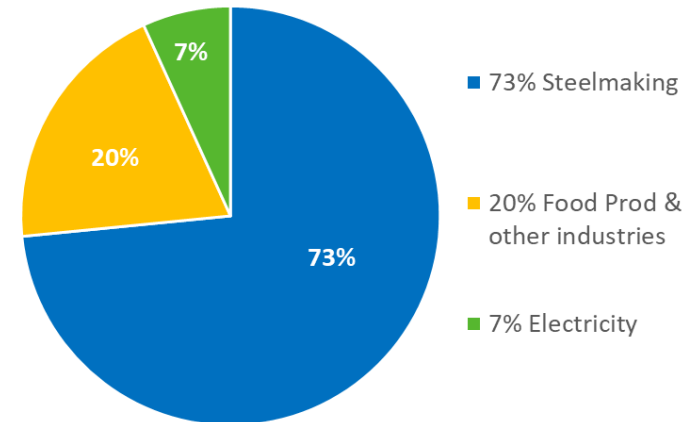
Bathurst at a glance

Key

Export	●
Domestic	●
Care + maintenance	●
Office	●
Distribution facility	●



Sales by product use (% of revenue \$)



Sales by region (Mtpa)

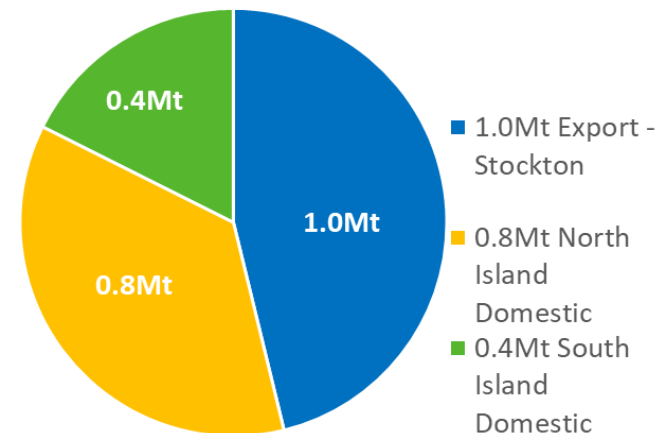


Chart figures are Bathurst and BT Mining at 100% for FY18

EXPORT - STOCKTON (65% BRL¹)

Stockton is an open cut mine located on the West Coast of New Zealand producing a low-ash metallurgical coal for export



Stockton	
Production (FY19)	1.1Mt
Unit Cost (FOB) (FY19)	NZ\$97/t
FTE (incl. contractors)	278
Crown Rehab. Indemnity (FY19)	NZ\$41.5m
Resource	68.2Mt ⁶
Reserve	9.3Mt ⁶

- Infrastructure capacity:
 - 1.8mtpa CHPP
 - 2.5km aerial ropeway
 - 2.2mtpa rail loadout facility
 - 2.0+mtpa Rail and Port capacity
- AMD: Historic liability 100% indemnified

Product	Volume (% of Total Sales)	Pricing (% of PLV ⁵ benchmark)
HCC ²	15%	100%
SHCC ³	65%	80%
HACC ⁴	20%	64%
Combined	100%	80%

¹ 65% ownership of the Stockton mine is via the BT Mining Joint Venture

² HCC is Hard Coking Coal

³ SHCC is Semi Hard Coking Coal

⁴ HACC is High Ash Coking Coal

⁵ PLV is Premium Low Volatile

⁶ All Resources and Reserves quoted are reported as of 31 October 2018.

EXPORT MARKET – KEY DRIVERS

- Overall met coal supply growth stalls and declines in Australia.
- Seaborne market relies on high-cost US supply > \$170/t FOB).
- Strong steel demand and high profit margins.
- Chinese coal / coke environmental clampdowns.
- China closes 260Mtpa of inland Chinese steel capacity opening East Coast blast furnaces leading to greater demand for seaborne coking coal.

China capacity swap examples



Source: Wood Mackenzie, Esri

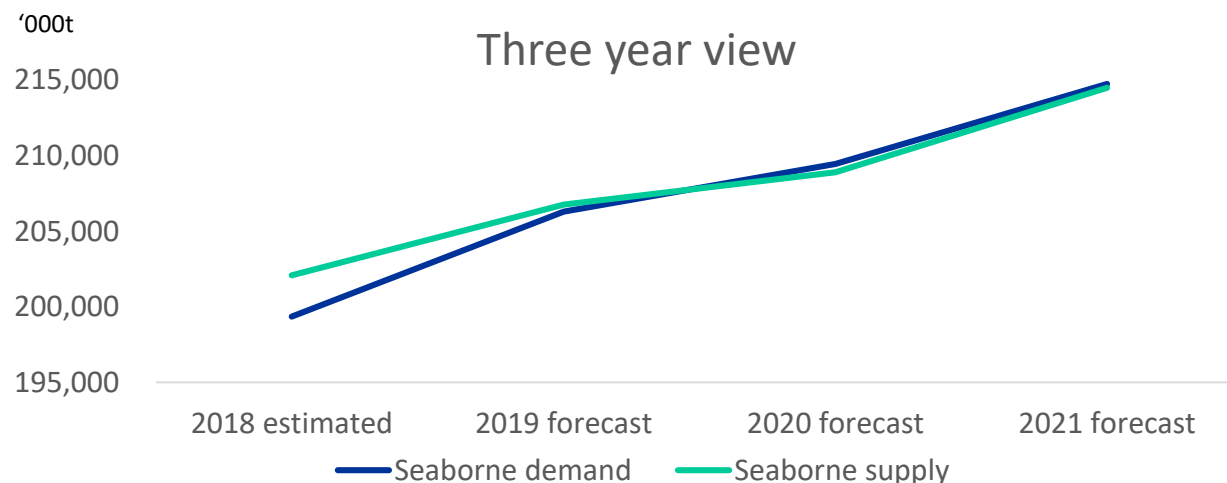
EXPORT MARKET – OUTLOOK FOR 2019

Potential upsides 2019

- Ongoing potential supply disruptions (China and Australia).
- US Export peaking – very price dependent (swing supplier).
- SE Asia steel growth staying strong.
- Global steel capacity utilisation and margins to remain strong.
- Further Chinese stimulus potential of US China trade war remains unresolved.

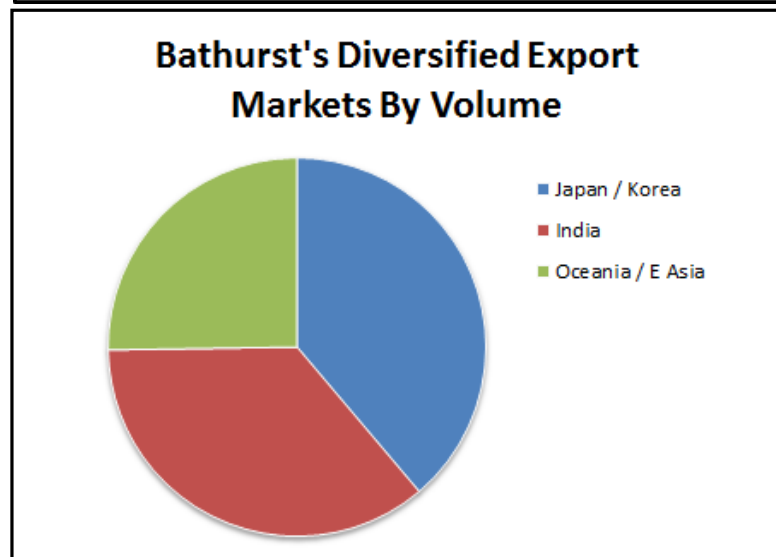
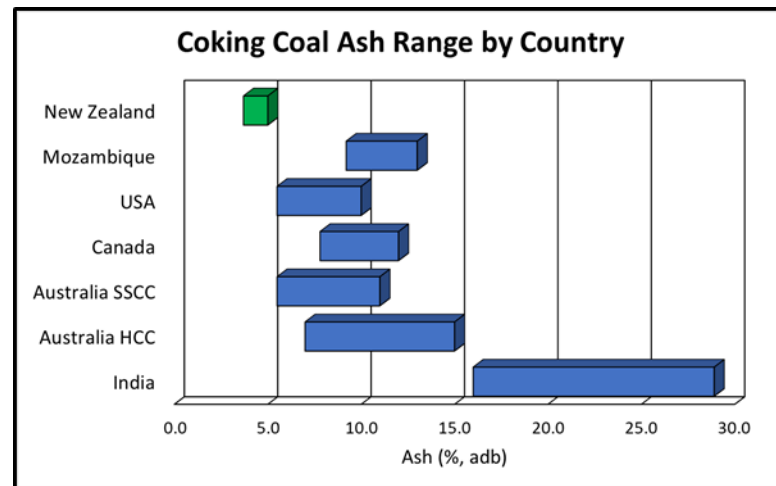
Potential downsides 2019

- Global growth cycle slows.
- High coking coal process stimulate a larger than expected supply response.
- Thermal coal price decline bring semi-soft coking coal back into the market.
- Chinese scrap growth – reduces pig iron production.



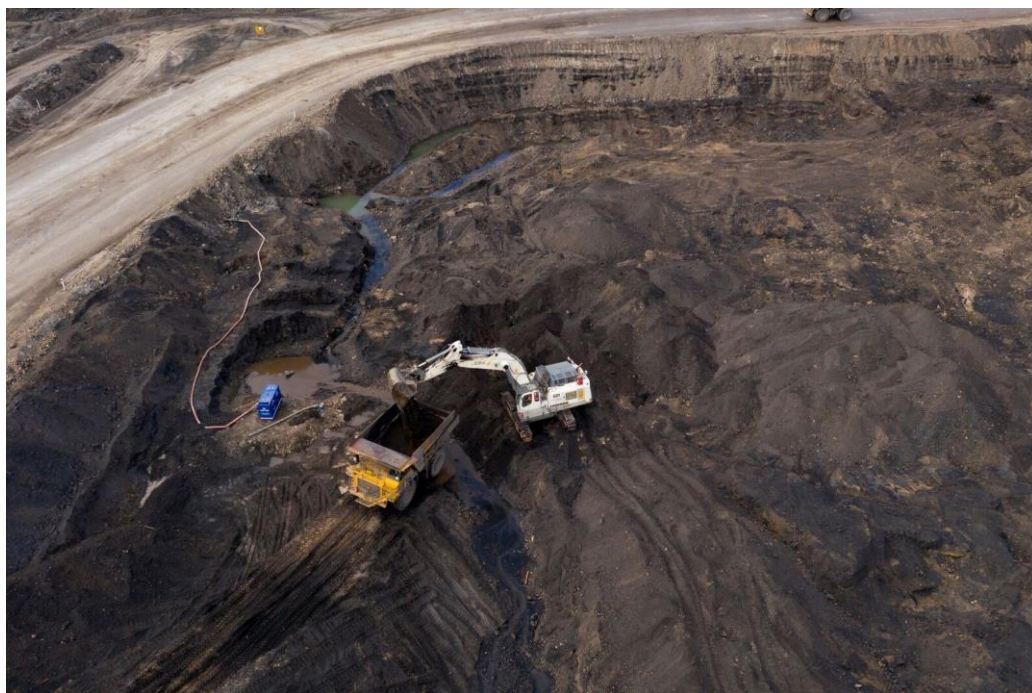
OUR EXPORT COAL

- Bathurst coal is characterised by:
 - Very low ash content
 - Very low phosphorus
 - Almost all vitrinite
 - Blend improver
- Coal is marketed on a 'Value In Use' basis to maximise value to customers and consequently maximise price to Bathurst.
- Diversified geographic markets, end products, pricing structures and logistic routes a focus to reduce business risk.
- Business development successfully continues however it takes time and technical knowledge to win over negative perceptions (sulphur).
- Long term relationships continue to strengthen however customers are now very price driven.



NORTH ISLAND DOMESTIC (65% BRL¹)

Open cut mines located in the Waikato region of New Zealand producing a high-quality, low-ash coal for the local steel market



Customer Base



Rotowaro	
Production (FY19)	621kt
EBITDA margin (FY19)	NZ\$32/t ²
FTE	128
Crown Indemnity (FY19)	NZ\$16.0m
Resource	8.9Mt ³
Reserve	2.3Mt ³
Maramarua	
Production (FY19)	188kt
EBITDA margin (FY19)	NZ\$32/t ²
FTE	50
Crown Indemnity (FY19)	NZ\$3.3m
Resource	3.2Mt ³
Reserve	2.8Mt ³

- ✓ Infrastructure capacity:
 - 1.0Mtpa rail loadout facility linked to New Zealand Steel's Glenbrook mill
- ✓ Long term contracts

¹ Note that the 65% ownership of the Rotowaro and Maramarua mines are via the BT Mining Joint Venture

² Margin includes BT Mining Corporate

³ All Resources and Reserves quoted are reported as of 31 October 2018.

WAIPUNA WEST – ROTOWARO EXTENSION (65% BRL¹)

Waipuna West is an extension project for the Rotowaro mine which will extend the life of operations for a further four years

Project summary:

- Rotowaro is now owner operated, with cash margins maintained.
- The existing workforce have moved to direct permanent employment contracts with BT Mining.
- The existing mine fleet was purchased for approximately NZD\$18 million. This has factored in the remaining life of the fleet and re-sale value.
- Rotowaro's two major customers are committed to the project, contracting 480ktpa until 2023.

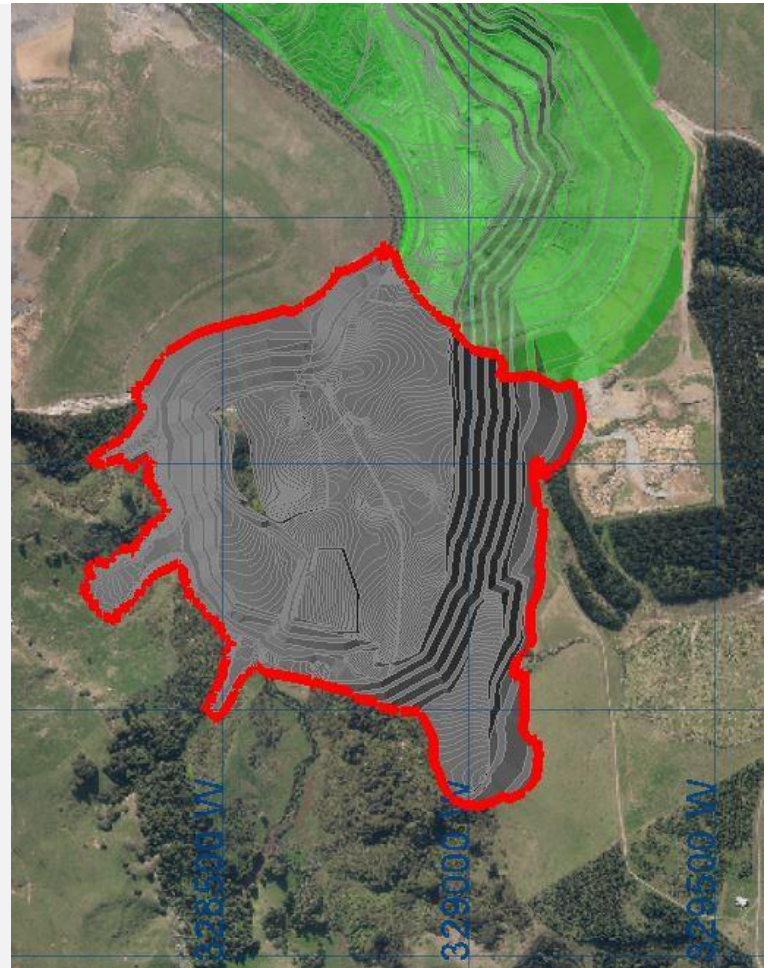
Project Metrics:

Mining reserves:²

1.6Mt

Mining rate:

0.4Mtpa



¹ 65% ownership is via the BT Mining Joint Venture.

² All Resources and Reserves quoted are reported as of 31 October 2018.

SOUTH ISLAND DOMESTIC (100% BRL)

Open cut mines located in the Canterbury and Southland regions of New Zealand producing a high-quality, low-ash coal for the domestic market



Takitimu	
Production (FY19)	250kt
EBITDA margin (FY19)	NZ\$26/t ¹
FTE	46
Resource	4.6Mt ²
Reserve	1.3Mt ²

Canterbury	
Production (FY19)	142kt
EBITDA margin (FY19)	NZ\$26/t ¹
FTE	44
Resource	7.1Mt ²
Reserve	1.3Mt ²

- ✓ Long term contracts with customer base adding value to primary production

¹ Margin for Bathurst operations represents an average across all operations including Corporate

² All Resources and Reserves quoted are reported as of 31 October 2018.

DOMESTIC MARKET



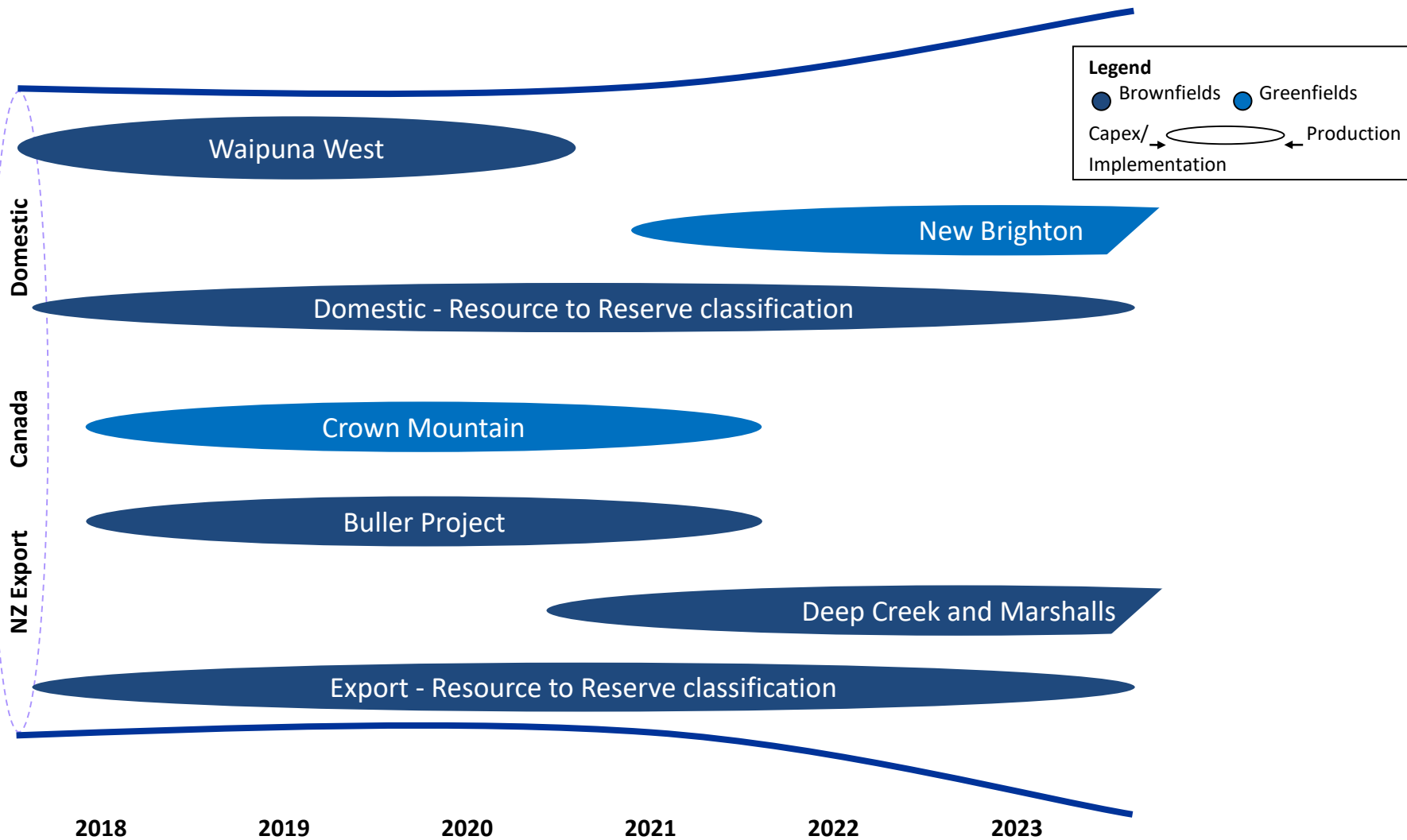
Domestic operations enable us to have stable pricing, regular cashflow and long-term contracts:

- North Island
 - New production has commenced at Waipuna West with stripping initiated.
 - Fixed pricing through two major diversified customers.
 - Long term contracts.
 - Enables expansion into future resources.
- South Island
 - Long term fixed priced contracts.
 - Variety of dairy and industrial uses.
 - Coal as an energy source captive in the South Island.

STRATEGIC GOALS

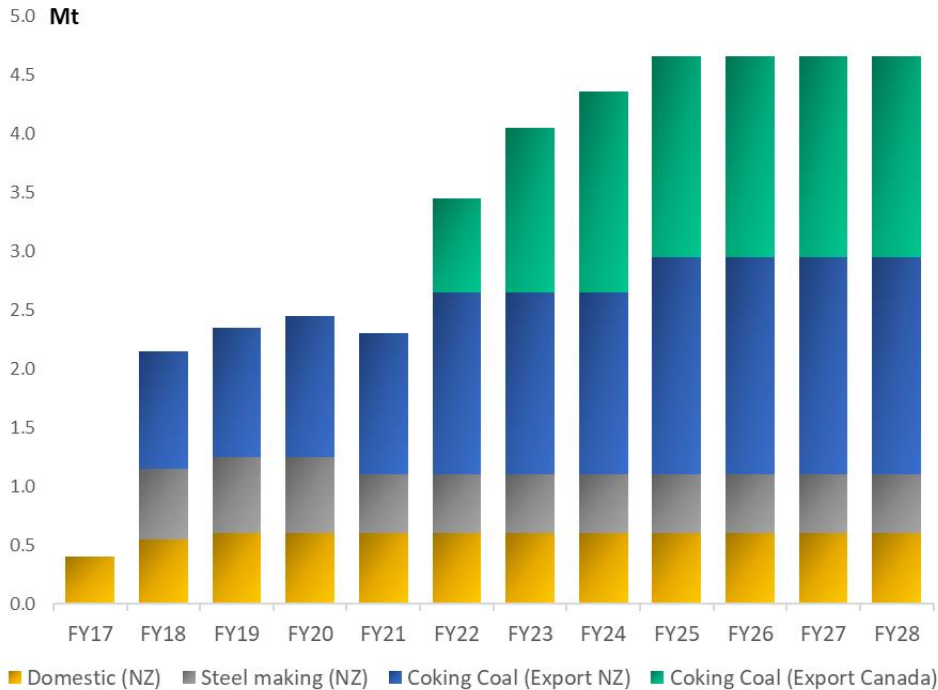


FORWARD LOOKING APPROACH

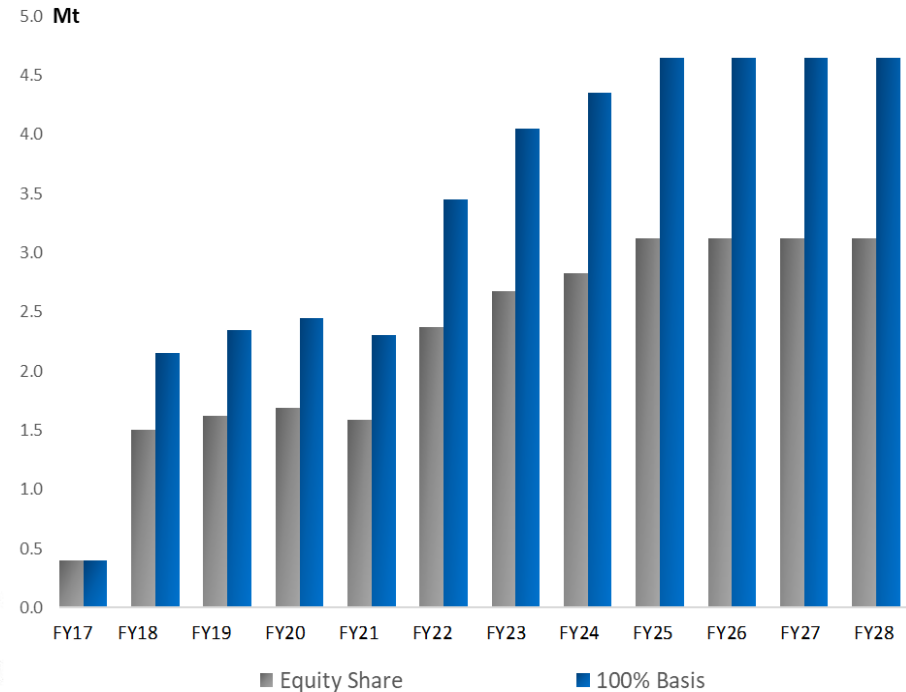


LONG TERM COMPANY GROWTH

BRL Production Tonnes 100% by market



BRL Production Tonnes 100% v Equity Share



BULLER PROJECT (100% BRL)

The combination of the BT Mining assets with Bathurst's existing Buller Plateau assets will unlock material synergies for the Company

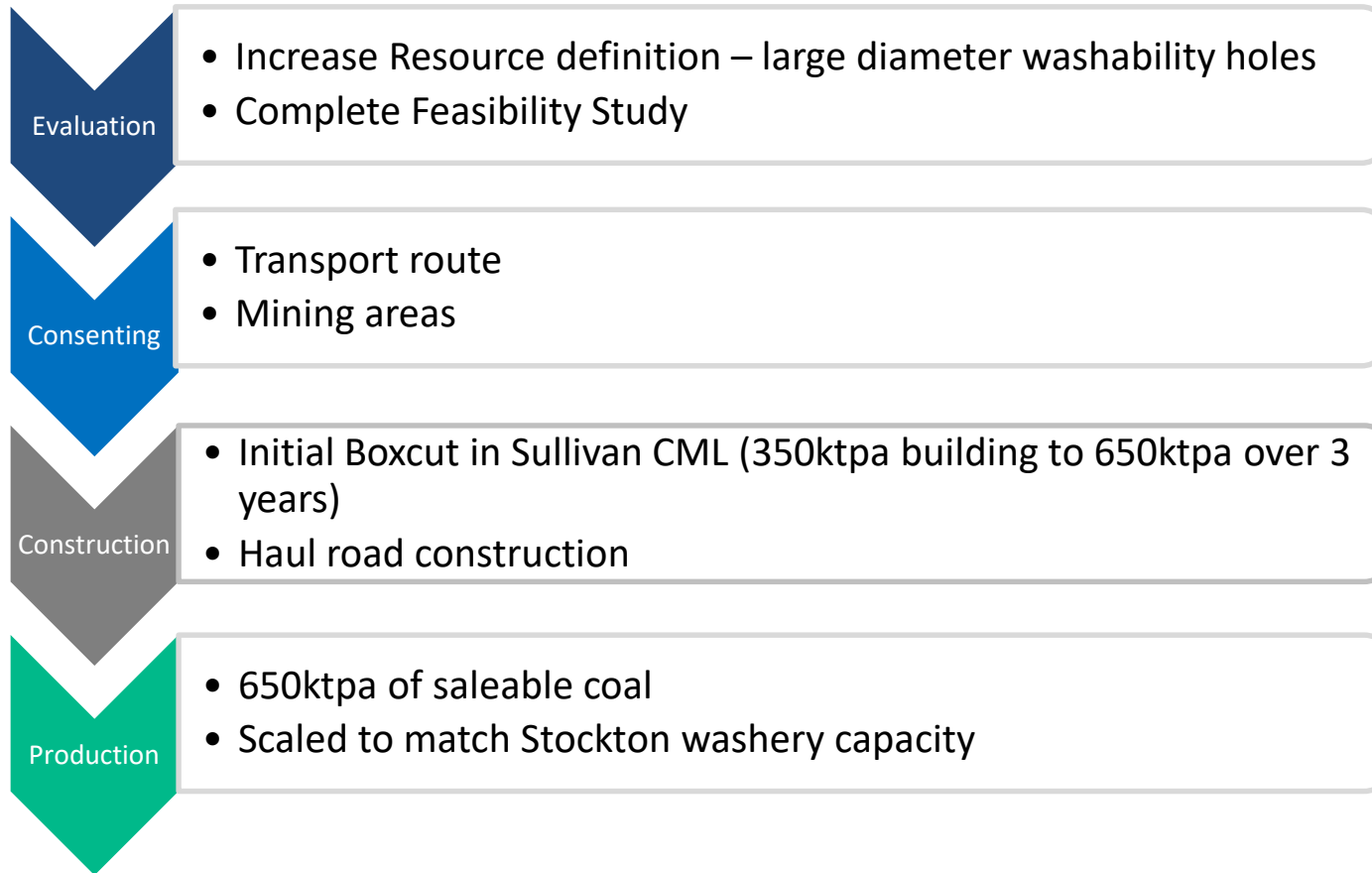
Item	With Synergies	Without Synergies
CHPP	nil	\$100m
Access to Rail	\$6m	\$50m
Rail loadout	nil	\$25m
Water treatment	\$3m	\$3m
Workshops etc	\$1m	\$10m
Working Capital (1 st Coal)	\$15m	\$15m
Total	\$25m	\$203m



¹ All Resources and Reserves quoted are reported as of 31 October 2018.

BULLER PROJECT TIMETABLE

A short development cycle at low capital cost¹ to bring on stream



¹ Saleable production figures and timeframe based on Bathurst's mine and production plan and are subject to all necessary resource consents being granted when anticipated by the plan.

STOCKTON ORGANIC GROWTH (65% BRL¹)

A natural southern extension of Stockton

- Development of open cut pits within the Upper Waimangaroa permit, incorporating comparable coal within the BRL Buller exploration permit.
- High value resource which enables blending to maintain coking coal export markets from Stockton. The rank (Ro Max) is the key enabler of future development in the Upper Waimangaroa permit.
- Potential to extend Stockton operations beyond FY28.

Resource: **18.3Mt**
Expected Mineable Tonnes²: **9.4Mt**
Mining Rate: **0.90Mtpa**



¹ 65% ownership is via the BT Mining Joint Venture

² Expected Mineable Tonnes do not meet the requirement to be classified as ore reserves as defined by the 2012 JORC Code

RUAWARO DEVELOPMENT PLAN (65% BRL¹)

Ruawaro is an extension project for the Rotowaro mine

- Development of an open cut within the Ruawaro permit 40698 adjacent to current Rotowaro operations.
- Utilise existing infrastructure to access the established customer base.
- Exploration has continued over the last 12 months.
- Project is at prefeasibility with signoff planned for Q4 FY19.

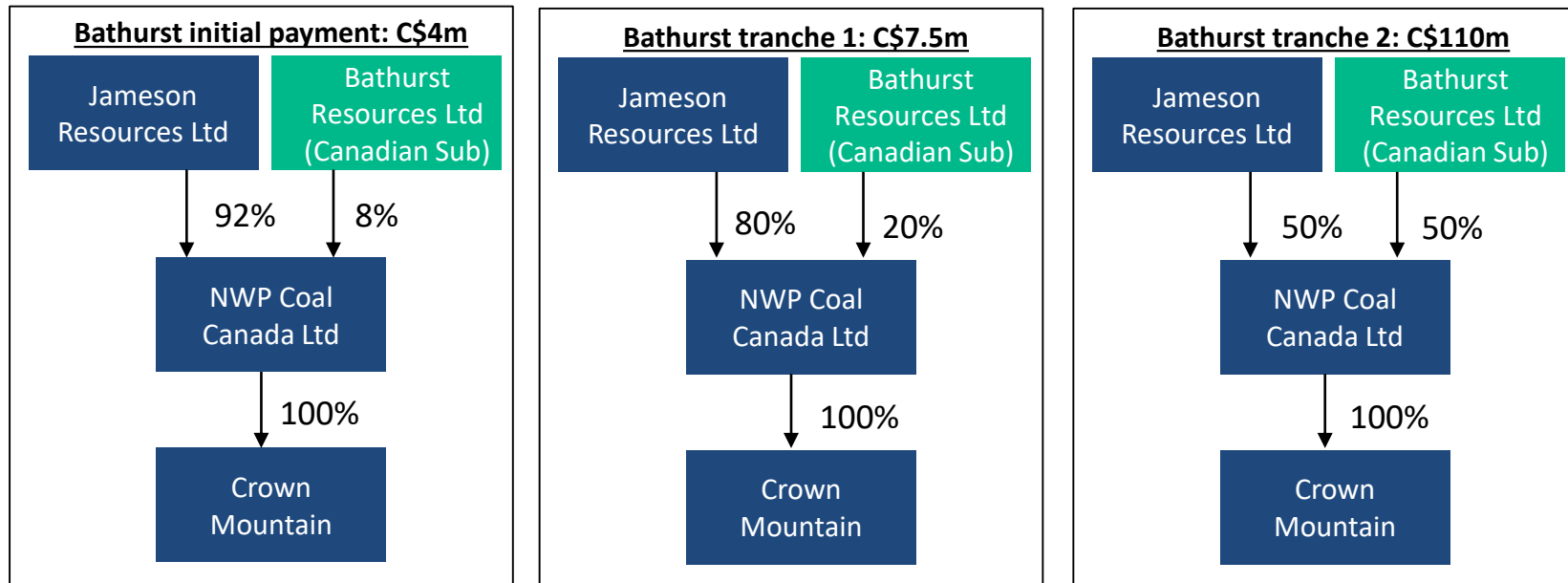


Ruawaro Schedule	FY19		FY20				FY21				FY22				FY23			
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Project Studies																		
PFS	█																	
FS			█															
Land AA	█																	
Mineral AA	█																	
Resource Consents			█															
Project Development																		
Site Infrastructure											█							
Prestrip											█							
Project Construction																		
Ruawaro Bulk Stripping															█			
Ruawaro Coal															█			
Roto Operations																		
WW Bulk Stripping	█		█				█				█							
WW Minor Stripping	█		█				█				█							
WW & Roto Coal	█		█				█				█							

¹ 65% ownership is via the BT Mining Joint Venture.

CROWN MOUNTAIN (BRL buy-in to 50%)

Cumulative Bathurst investment to achieve 50:50 joint venture: C\$121.5m



- Crown Mountain, located within Canada's prolific Elk Valley coal field, is home to five operating mines. It is located in a mature mining region in close proximity to a road network and an extensive rail system linking to three well established deep water coal ports.
- The product is estimated to be 84% hard coking coal, with a high relative CSR and low volatile content. An April 2017 PFS Update shows robust economics with low OPEX and CAPEX. FOB cash cost is US\$75/t.
- Bathurst's initial payment was completed in July 2018; tranche 1 is in progress.

CROWN MOUNTAIN (BRL buy-in to 50%)

2018 Canadian summer exploration programme

The exploration programme was designed to collect all necessary field data to:

- Further define coal quality through evaluation via a pilot coke oven.
- Improve the level of confidence in project geology and coal quality.
- Complete all outstanding environmental baseline studies that are mandatory for the EA Application.
- Acquire the geotechnical and geochemical samples necessary to support BFS and mine design.
- Complete a suite of groundwater wells to allow mine design, water balance modeling, and support the BFS.

The above objectives have been accomplished and laboratory evaluations are underway.



CROWN MOUNTAIN (BRL buy-in to 50%)

Actions advancing Crown Mountain

- Prepare the Application for EA Certificate:
 - Actively underway.
 - Several entities participating in drafting the Application.
- Prove the selenium mitigation strategy:
 - Phase I work completed in December 2017: favourable.
 - Phase II laboratory work complete pending verification stage.
 - Spoil pile design to be guided by Phase I and II results.
 - Incorporate into EA Application.
- Summer field programme:
 - Complete minimal outstanding baseline work.
 - Large diameter core holes for coal quality.
 - For internal use (added confidence in quality).
 - For steel companies requesting samples.
 - Standard core holes for geotechnical and overburden sampling.
 - Test pits and boreholes for geotechnical evaluation.
 - Additional ground water wells.
- Advance design/engineering and Bankable Feasibility Study.
- Prepare the Mine Permit Application.
- Initiate Coal Marketing Discussions.



LMCH¹ CASE UPDATE

On 20 August 2018 the High Court found in favour of LMCH regarding a disputed USD \$40m performance payment under the Buller project Sale and Purchase Agreement (SPA) of 2010.

An update on the case:

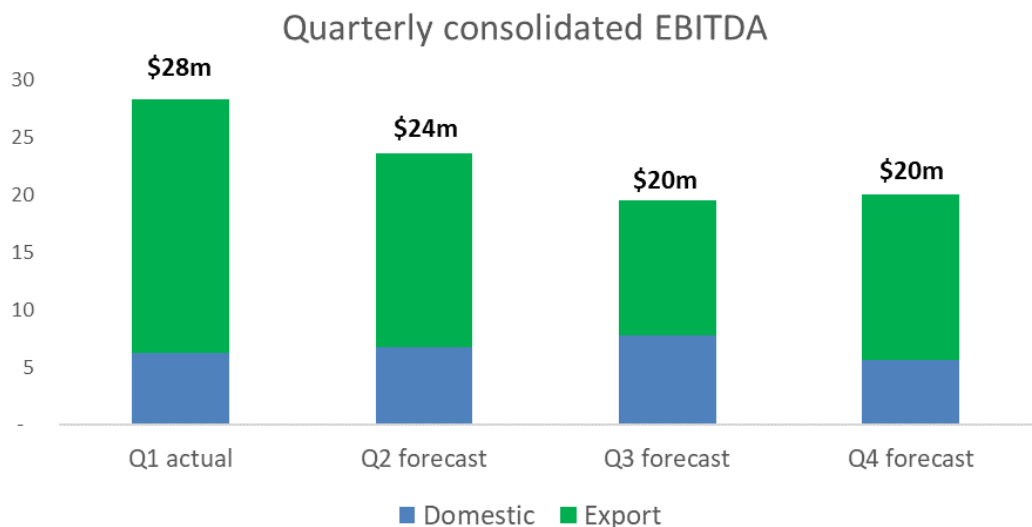
- We have lodged an appeal to the Court of Appeal against the finding on a number of grounds and will need to be successful in only one of these to reverse the judgment.
- The timing of the Appeal is expected to be in the March 2019 quarter.
- We have full confidence in our legal team (a major law firm and a leading QC). Their advice is that we have a strong case.
- We have deferred a maiden dividend at this time as a contingency only.

¹ L and M Coal Holdings

FY19 FORECAST METRICS

Forecast FY EBITDA guidance was increased to \$92m from \$75m after a strong Q1.

Measure	Export (Stockton)	North Island Domestic	South Island Domestic	BRL Equity share
Production	1.1Mt	800kt	400kt	1.6Mt
Cash cost²	\$97			
Margin/t	\$90 ¹	\$32	\$26	
EBITDA	\$100m	\$26m	\$10m	\$92m (mid-point)



Note that Domestic includes both Bathurst and BT Mining Corporate EBITDA.

¹ This is the average margin across all sales types including thermal coal sales. Coking coal price assumption based on 80% of benchmark average of US\$176 coking coal price at \$0.68 NZ:USD.

² Average tonne at port

COMPETENT PERSONS STATEMENT

Bathurst Resources Competent Person Statement

The information on this report that relates to mineral resources for Deep Creek and the mineral reserves for Escarpment Export, Stockton and Whareatea West is based on information compiled by Sue Bonham-Carter who is a full time employee of Golder Associates (NZ) Ltd and is a Chartered Professional and member of the Australasian Institute of Mining and Metallurgy and member of Professional Engineers and Geoscientists of British Columbia, Canada. Ms Bonham-Carter has a BSc Engineering (Mining) (Hons) from the Queen's University, Canada. Ms Bonham-Carter has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which she is undertaking to qualify as a Competent Person as defined in the 2004 Edition and 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Ms Bonham-Carter consents to the inclusion in this report of the matters based on her information in the form and context in which it appears above.

The information in this report that relates to exploration results and mineral resources for Escarpment Domestic, Escarpment Export, Cascade, Albury, Coalbrookdale, Whareatea West, Millerton North, North Buller, Blackburn, Takitimu, Canterbury Coal, New Brighton, Rotowaro, Sullivan and Maramarua is based on information compiled by Hamish McLauchlan as a Competent Person who is a full time employee of Bathurst Resources Limited and is a member of the Australasian Institute of Mining and Metallurgy. Mr McLauchlan has a BSc and MSc (Hons) majoring in geology from the University of Canterbury. Mr McLauchlan 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 and 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr McLauchlan consents to the inclusion in this report of the matters based on his information in the form and context in which it appears above.

The information in this report that relates to exploration results and mineral resources for Stockton and Upper Waimangaroa is based on information compiled by Mark Lionnet as a Competent Person who is a full time employee of BT Mining Limited and is a member of the Australasian Institute of Mining and Metallurgy. Mr Lionnet has a BSc (Hons) majoring in geology from the University of Witwatersrand. Mr Lionnet 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 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Lionnet consents to the inclusion in this report of the matters based on his information in the form and context in which it appears above.

The information in this report that relates to mineral reserves for Escarpment Domestic, Takitimu, Canterbury and Maramarua is based on information compiled by Terry Moynihan who is a full time employee of Bathurst Resources Limited and is a member of the Australasian Institute of Mining and Metallurgy. Mr Moynihan has a Bachelor of Technology (Mining) from the Otago School of Mines. Mr Moynihan 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 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Moynihan consents to the inclusion in this report of the matters based on his information in the form and context in which it appears above.

The information on this report that relates to mineral reserves Rotowaro is based on information compiled by Martin Bourke who is a full time employee of BT Mining Limited and is a member of the Australasian Institute of Mining and Metallurgy. Mr Bourke has a Bachelor of Engineering (Mining) and BSc (Chemistry) from University of Auckland. Mr Bourke 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 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Bourke consents to the inclusion in this report of the matters based on his information in the form and context in which it appears above.