



**BOWEN
COKING
COAL**
LIMITED

Bowen Coking Coal lists on the ASX

11 October 2017

Bowen Coking Coal Limited (ASX: BCB) will commence trading on the Australian Securities Exchange (ASX) today following a Reverse Takeover (RTO) of Cabral Resources by Cape Coal Pty Ltd. The Company raised \$4.6m million at \$0.023/share, for a market capitalisation of ~\$10.8 million.

Bowen Coking Coal's principal activity is the exploration and development of coking coal projects in the Bowen Basin, Queensland, a region known for producing some of the highest quality coking coal in the world.

Coking coal is used in the production of steel which is a critical part of construction growth in developing countries. Australia is the largest supplier of seaborne coking coal with the lowest distribution costs globally. Coking coal prices are always much higher than thermal coal prices, offering producers significant margins. Demand for high quality coking coal continues as Chinese steel making recently peaked at highest levels since 2012.

All Bowen's coking coal tenements lie within well-developed coal production areas with simple access to infrastructure, rail and ports. The tenements were optioned by Cape Coal on favourable terms when coking coal prices were below US\$100 per tonne.

The Company owns a 100% interest in the following projects in Queensland, Australia:

Cooroorah Project (100% owned)

Following an Option Agreement with Australian Pacific Coal Ltd (ASX: AQC), Bowen Coking Coal acquired a 100% interest in the Cooroorah Project (MDL 453).

MDL 453 covers an area of 16.71 km² and is located 12.5 km north-east of the township of Blackwater in the central Bowen Basin. The Cooroorah Project is down dip from Wesfarmers Resources' Curragh Mine, and hosts the same coal seams from the Rangal Coal Measures.

The Rangal Coal Measures are extensively mined throughout the Bowen basin to provide high quality coking, PCI and thermal coal for the export market.

The project hosts a resource of 125Mt (70Mt Indicated and 55Mt Inferred) in accordance with the JORC Code 2012, with analysis indicating the presence of high-quality coking/pulverised coal injection (PCI) coal at high product yields.

Exploration drilling is planned at the Cooroorah Project in the near term to further analyse the coal quality/washability and target the shallower area of the Resource. Following the appointment of key

technical consultants, BCB plans to mobilise drill rigs by the end of October, with first results expected in Q4 2017.

The holes will target all seams of the Rangal Coal Measures and will be located in an area where the Aries and Castor seams are targeted to be shallower and of a high quality.

Comet Ridge Project (100% owned)

Following an Asset Sale Agreement with Acacia Coal Limited (Acacia Coal, ASX: AJC), Bowen Coking Coal acquired a 100% interest in the Comet Ridge Project (includes EPC 1230, MLA 700005, and Environmental Authority EPML 03080315).

EPC 1230 covers 97.4 km² and is located on the southern central portion of the Comet Ridge, approximately 8 km west of BHP Billiton Mitsubishi Alliance's Blackwater Coal Mine and proximate to Glencore's Togara Project.

The project hosts a resource of 8Mt Measured, 9Mt Indicated, 40Mt Inferred, in accordance with the JORC Code 2012 all at less than 50m deep.

Permitting is underway with Mining Licence Application 700005 having been lodged with the Queensland Department of Natural Resources and Mines (Department) in March 2015, and has already advanced in the approval process. An Environmental Authority was granted in August 2016.

The proposed work plan is aimed at reviewing and updating previous mining and washability studies. The Company plans to commence a pre-feasibility study (PFS) at the project in Q1 2018.

Hillalong Projects (100% owned)

Following an Option Agreement with Australian Pacific Coal Limited (ASX: AQC), Bowen Coking Coal acquired a 100% interest in the Hillalong Project (EPC 1824). EPC 1824 is situated in the northern Bowen Basin approximately 105 km west-southwest of Mackay. The EPC covers 47.99km² and is approximately 16 km northwest of Rio Tinto's Hail Creek Mine.

The tenement is prospective for the Elphinstone (Leichhardt seam equivalent) and Hynds seams from the Rangal Coal Measures at depths which are interpreted to commence at 150m below surface, based on historic drilling information for the abutting EPC 2141 (Rio Tinto). The Hynds seam is extensively mined in the area by BHP and Rio Tinto to produce a high quality coking coal.

No coal resource has been estimated to date over the area. Expenditure is planned on the Hillalong Project in the second year after listing and will include the commencement of a seismic acquisition program.



Management

Bowen Coking Coal has a highly experienced Board and Management team with an exceptional business network and track record. CEO and Managing Director Gerhard Redelinghuys has 24 years' experience within the mining and finance sector and is the Managing Director of Cape Coal and formerly Exxaro Australia Pty Ltd.

James Agenbag, a well-known technical expert in the coal beneficiation space and Director of Cape Coal will also join the board as a Non-Executive Director.

Non-Executive Director Eddie King is a Stockbroker at CPS Capital and a Director of ASX-listed companies European Cobalt Ltd (ASX: EUC), Lindian Resources Ltd (ASX: LIN), Eastern Iron Ltd (ASX: EFE), Drake Resources Ltd (ASX: DRK) and Axxis Technology Group Ltd (ASX: AYG).

Non-Executive Steve Formica has been involved in multiple successful business ventures either as a founding shareholder, operational Managing Director or as a Non-Executive Director and is and is a Non-Executive Director of ASX-listed Lindian Resources Limited (ASX: LIN), Mintails Ltd (ASX: MLI) and Quest Minerals Ltd (ASX: QNL).

Bowen Coking Coal CEO and Managing Director Gerhard Redelinghuys said:

"We look forward to growing Bowen Coking Coal into an established player in the Queensland coal arena. In the short term as we carry out our program we will be delivering newsflow to shareholders from our portfolio of advanced coal projects, as we gain a better understanding of the geology, coal quality and the coal's extractability at each of the projects. Immediate catalysts include the commencement of drilling at Cooroorah and the commencement of a PFS at Comet Ridge. We are however also investigating various opportunities to increase our footprint in Queensland coking coal."

For further information contact:

Gerhard Redelinghuys
CEO/Managing Director
+61 (07) 33600837

Peter Taylor
Investor Relations
+61 (0) 412 036 231

Competent Person Statement:

The information in this report relating to this announcement is based on information reviewed by Mr Troy Turner who is a member of the Australian Institute of Mining and Metallurgy and is a full-time employee of Xenith Consulting Pty Ltd. Mr Turner is a qualified geologist and 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 Turner consents to the inclusion in the report of the matters based on the information, in the form and context in which it appears.



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L I M I T E D

In addition and for the avoidance of doubt, in accordance with Listing Rule 5.23.2, the Company confirms that all information regarding Mineral Resources in this announcement reflects the information in its Prospectus dated 3 August 2017 (Prospectus) and it is not aware of any new information or data that materially affects the information included in the Prospectus and, in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the Prospectus continue to apply and have not materially changed.

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