



Second Phase Exploration Commences at Cooroora Coking Coal Project in Bowen Basin

11 September 2018

Highlights

- **New exploration program targets the extension of the high-quality Mammoth seam**
- **Positive Mining Scoping Study warrants more drilling in the underexplored Northern area**
- **Drilling program will be followed by coal quality analysis and updated Resource estimate**
- **Company will be “drill ready” within 2 weeks**

Bowen Coking Coal Ltd (ASX: BCB, “Company”) is pleased to announce that following the positive Mining Scoping Study as announced on 20 June 2018, the Company has commenced the second phase of exploration at its 100% owned Cooroora Coking Coal Project (“Project”), which currently contains a 154mt JORC Resource, located between Coronado Coal’s Curragh mine and the Anglo, Marubeni and Sojitz owned Jellinbah mine in the Bowen Basin, Central Queensland.

Recently the Company announced the positive outcome of a Mining Scoping Study (ASX announcement 20 August 2018), following on a highly successful exploration program which targeted the Mammoth seam in a previously unexplored area¹. The outcome of the program, including exceptional coal quality results were significantly better than previously observed². Table 1 below is a summary of the key coal qualities from the Mammoth Seam, demonstrating very desirable coking coal properties for a primary coking coal with a high energy secondary Low Volatile PCI product with a combined estimated laboratory yield of circa 90%.

The second phase of drilling in the North and Central area of the tenement aims to connect the newly discovered Mammoth seam Resource with the rest of the Indicated Resource in the Southern area. (Figure 2 showing current Indicated

¹ ASX announcement 27 April 2018

² ASX announcement 20 June 2018

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Resource areas in accordance with the JORC Code (2012))

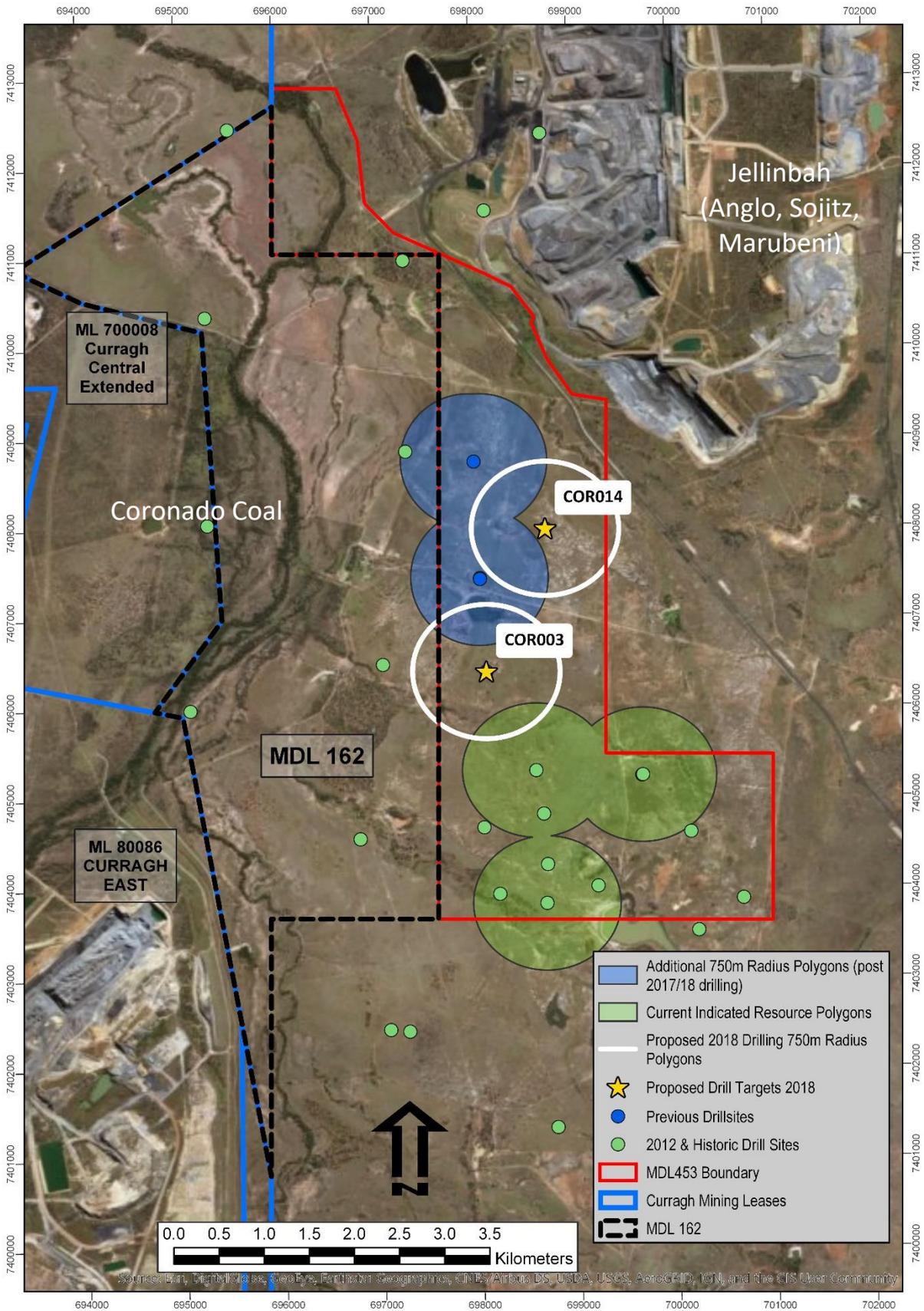
Table 1. Washed coal quality observed from the Mammoth seam for the primary and secondary products (average for both of the completed holes).²

Property	Primary Coking coal	Secondary PCI coal
Inherent Moisture (% ad)	1.2	1.4
Ash (% ad)	3.5	10.0
Volatile Matter (% ad)	18.8	17.1
Fixed Carbon (%ad)	76.5	71.5
Total Sulphur (% ad)	0.44	0.38
Phosphorus (% ad)	0.03	0.06
Calorific Value (kcal/kg gad)		7560
HGI	90	85
CSN	8 - 9	
Gray-King coke type	G4 - G5	
Reflectance R _v max. %	1.56	
Vitrinite content %	68	
Fluidity (ddpm)	5 - 10	
Base-acid ratio	0.13	
Yield % (Lab, dilution free)	40%-45%	45%-50%

The Company has engaged Xenith Consulting to conduct a turnkey program for two pilot drill holes and two partially cored holes to sample all coal seams (See Figure 1 below COR003 and COR 014). All the required approvals and agreements are now in place to commence drilling within the next two weeks. If the program is successful it would also trigger a Resource estimate update in accordance with the JORC code (2012). Part of the rationale for the exploration program is to convert more of the current Inferred Resources to an Indicated level (aiming to achieve more than 50% on Indicated level, currently 44%) which is a common milestone for Scoping Studies and Preliminary Feasibility Studies.

Managing Director and CEO Gerhard Redelinghuys commented, *“The recently completed Mining Scoping Study helped us to understand the significant impact of the Mammoth seam discovery on the Cooroorah Project. Not only did it prompt us to explore how far South the Mammoth seam extends, but also to increase our confidence in the Mammoth seam quality and washability to support future project development options”*

Figure 1. Cooroorah (MDL 453) current Indicated Resource areas. Green (Pre-2017 drilling), Blue (2017/18 Drilling) and White (Planned 2018 drilling)



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The information in this report relating to Exploration Results 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 they appear.

ABOUT THE COOROORAH COKING COAL PROJECT:

Cooroorah is located just down dip of Coronado's Curragh mine and abuts the Jellinbah mine. Curragh is a well known for its high quality Coking and Thermal coal whilst the Anglo, Marubeni and Sojitz owned Jellinbah is producing Low Volatile PCI and Semi soft coking coal. 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 Cooroorah Project hosts a resource of 154Mt (69Mt Indicated and 85Mt Inferred) in accordance with the JORC Code 2012. (See ASX Release 27 April 2018 "Cooroorah Resource Update"ⁱ).

ⁱ The Company confirms that it is not aware of any new information or data in respect of the Cooroorah Project Resource estimate that materially affects the information, and that all material assumptions and technical parameters underpinning the Resource estimate as presented in the Announcement continue to apply and have not materially changed.