



Bounty Mining Limited

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7 May 2018

PRESS RELEASE

Bounty Mining lodges IPO prospectus and secures strategic investment from investment vehicle related to Xcoal Energy & Resources

- Bounty to raise up to \$18 million through Initial Public Offer
- Upon listing Bounty will be the only hard coking coal pure play on the ASX
- Investment vehicle associated with private global coal marketing and logistics company Xcoal Energy & Resources supporting the IPO and will emerge as a ~10% shareholder
- Xcoal has also agreed to buy 275,000 tonnes of hard coking coal from Bounty's Cook Colliery
- PAC Partners sole Lead Manager and Bookrunner to the IPO

Bounty Mining Limited ("Bounty", "the Company") is pleased to announce it has lodged the prospectus for an initial public offer ("IPO") to raise up to \$18 million with the Australian Securities and Investments Commission ahead of an anticipated listing on the Australian Securities Exchange ("ASX") in June 2018.

Bounty owns the operating Cook Colliery and coal handling plant in Queensland's Bowen Basin and a portfolio of coal development projects in the Bowen and Laura basins. The Cook Colliery produces a high quality hard coking coal product that has been accepted in the main export markets of China and Japan.

The IPO for Bounty, which will be the only hard coking coal pure play on the ASX upon listing, is scheduled to open on 17 May. The Company is seeking to raise a maximum of \$18 million (before costs) through the offer of up to 51,428,571 new shares at a price of \$0.35 a share.

Proceeds from the IPO will be allocated to:

- Financing the deferred payment due on 30 June 2018 under the Cook/Minyango Purchase Agreements;
- Providing capital for fleet upgrades required to expand production at the Cook Colliery;
- Continuing pre-feasibility studies for the Cook North and Minyango projects;
- Commencing a bankable feasibility study on the Wongai Project; and
- Financing working capital.

Bounty has already secured a strategic investment in the IPO from an investment vehicle associated with Xcoal Energy and Resources (“Xcoal”), a privately owned global coal marketing and logistics company headquartered in Latrobe, PA, USA. Xcoal will emerge with approximately 10% of the Company on listing.

Bounty and Xcoal have previously agreed to a coal sale agreement under which Xcoal will buy 275,000 tonnes of Cook Colliery mid-volatile hard coking coal, provided that the coal meets certain specifications. Negotiations are continuing with other potential buyers, and port and rail access agreements are in place.

Bounty intends to expand operations at the Cook Colliery to four underground mining areas, producing 2.2 million tonnes per annum (on a run-of-mine basis) using bord and pillar mining methods.

Bounty Chairman, Gary Cochrane, said: *“It is exciting to have lodged the prospectus and to have attracted the support of a highly reputable group such as Xcoal. Once the IPO is completed, we will be in a strong position to grow Bounty’s production profile and develop the Company into a leading Australian producer and exporter of hard coking coal, a product that attracts a premium price.”*

Xcoal CEO, Ernie Thrasher, said: *“Bounty’s Cook Colliery is well positioned to support a strong brand in the global metallurgical coal market. Xcoal is pleased to support, and share in, the success of Bounty through our investment and coal sale agreement. Xcoal is eager to add the Cook Colliery hard coking coal to its portfolio of coking coal products.”*

Indicative Timetable

Event	Date
Bookbuild for IPO opens	17 May 2018
Bookbuild for IPO closes	30 May 2018
Anticipated date of allotment of New Shares	11 June 2018
Shareholding statements expected to be dispatched	12 June 2018
Expected date for official quotation of New Shares on ASX (and reinstatement of existing Shares to official quotation on ASX)	14 June 2018

PAC Partners has been appointed sole Lead Manager and Bookrunner for the Bounty IPO.

The prospectus can be viewed at <http://www.bounty.com.au>

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