



Bounty Mining Limited

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Bounty Bank Guarantee Deferred

- **Glencore defers \$9.2 million Bounty bank guarantee**
- **Coal prices remained strong for the quarter**
- **Bounty rationalising surplus mining equipment to fund rebuilds**

Deferral of Bank Guarantee

Bounty has received confirmation from Cook Resource Mining Pty Ltd, a subsidiary of Glencore, that the Bounty Bank Guarantee of \$9.2 million that was due in November will be deferred to the end of March 2019. This is an important benefit to Bounty. It:

- frees up cash which can be directed to working capital as the mine ramps up production
- provides more time for Bounty to establish alternative arrangements for financial assurance.

Higher Coal Prices

Short term cash flow has benefitted from strong spot pricing for coking coal combined with a weakening Australian dollar for the September quarter. Average Platts HCC64 pricing was US\$166.93 per tonne and in Australian dollars average USD / AUD exchange rate was 0.727 resulting in an average Australian spot equivalent of A\$229.81 per tonne. Bounty's realised price after discount averaged A\$211.55 per tonne which was higher than budget forecasts.

Equipment rationalisation

Some continuous miners, longwall equipment, and other miscellaneous items of plant, are surplus to requirements. A list of items for sale is being developed. Bounty has received expressions of interest for the sale of some of these items. Bounty has completed a swap of the longwall shearer for two continuous miners suited to our operations. The cash generated or saved by these transactions will go toward further rebuilds and acquisition of plant and spare parts specific to our bord and pillar mining operation.

Further information:

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