

# BOUNTY MINING LIMITED

**BOUNTY**



**March  
2019**

## QUARTERLY PRODUCTION REPORT

16 APRIL 2019

# HIGHLIGHTS



- Jim Griffin appointed as new CEO and John Hart appointed as new General Manager from February 2019;
- The number of mining units was reduced from 4 to 3 in mid February, which more optimally aligns with our shuttle car capacity;
- This reduction to 3 mining units combined with the introduction of a new, flatter management structure has resulted in a 15% labour reduction at Cook Colliery;
- Redeployment of equipment and changes in mining sequencing have resulted in improved productivity, while process improvements (and a new rigid maintenance plan) have led to better uptime for each unit;
- Cook Colliery set several production records during the quarter as a result of these changes;
  - Record production March quarter: 146,000 ROM tonnes
  - Record production month in March: 56,100 ROM tonnes
  - Record production week ending 3 March: 13,879 ROM tonnes



# COOK COLLIERY

## Operations

**The reduction to 3 mining units has contributed significantly to the improved efficiency, reliability and productivity of the operation.**

Since this reduction, 3 shuttle cars have been sufficient to support the operation due to a rigid maintenance program which has provided excellent reliability.

A review of the mining panel design has been completed and should result in improved productivity due to reduced shuttle car wheeling time (between the Continuous Miner and the conveyor). Productivity improvements from this change are anticipated to be realised from late April following the relocation of the sumping miner from 204A to 203A.

The second working sumping panel has had an overall increase in productivity of approximately 25% and in the latter half of April the unit will have 2 shuttle cars servicing the miner, with an expected further improvement in productivity. Action has been taken to complete the purchase of 2 newly overhauled shuttle cars for this purpose.

Mains drivage in 205 panel will commence in late April. The coal clearance system is in place and good development rates are expected.

A full review of strata control systems is being undertaken. Implementation of a new plan has the potential for further savings in installation cost as well as an increase in continuous miner operating time and thus productivity.

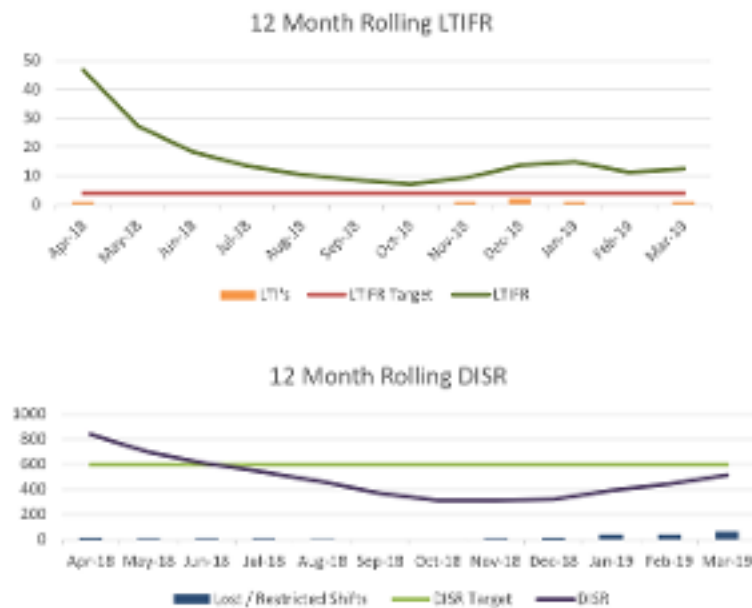
A Bord and Pillar 'place change' feasibility study is being undertaken and early indications are that the mine could convert (over the medium term) to a place change mine, replacing the current system of in-place mining and secondary extraction sumping.

Bounty is working with the Port of Gladstone, Aurizon Network and Aurizon Operations with the intent of entering into long term contract arrangements. It is expected that this arrangement will be effective as of July 2019 and will secure throughput capacity for our operation. This will result in certainty around logistics and provide further operational advantages.

Toll washing at our CHPP is expected to commence in May 2019.

## SAFETY

TRIFR	HPIs	TRIs	LTIs	FAIs
63.8	4	1	1	0



## PRODUCTION & SALES

During the quarter Bounty made sales to Xcoal Energy and Resources GmbH (coking coal) and Flame SA (thermal coal) under its Prepaid Sales Agreements with those parties.

The Platts HCC64 coal price traded in the range US\$175.3 to US\$184.4 per tonne for the quarter.

During the quarter, the Australian dollar exchange rate has traded in the range US\$0.703 to US\$0.72 giving an average of US\$0.71. The average coking coal price received was A\$236.10 per tonne.

Bounty's thermal sales during the quarter were made at an average price of US\$103.76 including the energy adjustment giving an average Australian price of A\$136 per tonne.

	Quarter Ended			Year to Date	
	Sep-18 (000 tonnes)	Dec-18 (000 tonnes)	Mar-19 (000 tonnes)	March 19 (000 tonnes)	Mar-18 (000 tonnes)
ROM coal produced	102	139	146	387	34
ROM Coal Stockpiles	7	3	10	10	8
Saleable coal processed				0	
• Coking	73	109	107	289	17
• Thermal	15	19	19	53	3
Coal railed				0	
• Coking	79	104	105	288	-
• Thermal	21	30	8	59	-
Product Coal stockpiles				0	
• Coking	4	4	4	4	17
• Thermal	4	2	13	13	3