



Bounty Mining Limited
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ABN 19 107 411 067

NOTICE OF ANNUAL GENERAL MEETING and EXPLANATORY STATEMENT

Date: Thursday 21 November 2019

Time: 11am (AEDT)

Place: Hobart Room, Level 2, Sofitel Sydney Wentworth,
61 – 101 Phillip Street, Sydney, NSW 2000

2019 Annual Report

A copy of Bounty Mining Limited's Annual Report (including the financial report, directors' report and auditor's report for the year ended 30 June 2019) is accessible on Bounty's website at the following address – <http://www.bounty.com.au/announcements>

As permitted by the Corporations Act, a printed copy of the Annual Report is sent only to those Shareholders who have elected to receive a copy.

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BOUNTY MINING LIMITED: NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of the Shareholders of Bounty Mining Limited will be convened at **11am (AEDT)** on **Thursday 21 November 2019**, at the Hobart Room on level 2 at the Sofitel Sydney Wentworth, 61 – 101 Phillip Street, Sydney, NSW 2000.

If you are unable to attend the meeting, we encourage you to complete and return the enclosed Proxy Form. The completed Proxy Form must be received by the Company at least **48 hours** before the commencement of the meeting.

It is the Chairman's intention to vote undirected proxies in favour of all resolutions.

We encourage shareholders to direct their proxies by marking the "For", "Against" or "Abstain" boxes on the attached proxy form as appropriate.

General Business

Financial Statements and Reports

To receive and consider the Financial Report, Directors' Report and Auditor's Report for the Company and its controlled entities financial year ended 30 June 2019.

Ordinary Business

Resolution 1 Re-election of Director

To consider, and if thought fit, to pass, with or without modification, the following resolution:

"That Rob Stewart, being a director of the Company who retires in accordance with Rule 11.3 of the Company's Constitution and, being eligible, offers himself for re-election, be re-elected as a director."

Resolution 2 Election of Director

To consider, and if thought fit, to pass, with or without modification, the following resolution:

"That Peter Kane, who was appointed as a director of the Company effective 11 October 2019, be elected as a Director of the Company under S201H(3) of the Corporations Act 2001."

Resolution 3 Election of Director

To consider, and if thought fit, to pass, with or without modification, the following resolution:

"That Hayden Leary, who was appointed as a director of the Company effective 11 October 2019, be elected as a Director of the Company under S201H(3) of the Corporations Act 2001."



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Resolution 4 Increase to the remuneration of non-executive directors under Listing Rule 10.17

To consider, and if thought fit, to pass, with or without modification, the following resolution:

“That the aggregate annual remuneration of non-executive directors be increased to \$850,000.”

Voting exclusion statement in respect of Resolution 4:

Under Listing Rule 14.11 the Company will disregard any votes cast on Resolution 4 by or on behalf of the directors of the entity unless the vote is cast:

- as proxy for a person entitled to vote in accordance with a direction on the proxy form; or
- by the Chairman of the Meeting as proxy for a person entitled to vote on the resolution and the proxy appointment expressly authorises the Chairman to vote undirected proxies as the Chairman sees fit, even if the resolution is connected directly or indirectly with the remuneration of a director.

Resolution 5 Remuneration Report

To consider, and if thought fit, to pass, with or without modification, the following resolution:

“To consider the Remuneration Report of the Company for the year ended 30 June 2019”. The Remuneration Report is set out on pages 20 to 26 of the 2019 Annual Report.

Please note that the vote on this resolution is advisory only and does not bind the Directors or the Company.

Resolution 6 Conditional spill resolution

To consider in accordance with section 250V of the Corporations Act 2001 (Cth) and, if thought fit, to pass the following resolution:

“That subject to and conditional on at least 25% of the votes cast on Resolution 5 being cast against the adoption of the Company’s Remuneration Report:

- *another meeting of the Company’s shareholders (the Spill Meeting) be held within 90 days of the date of this meeting; and*
- *all of the Company’s Non-Executive Directors in office when the resolution to make the Directors’ Report to be considered at this AGM was passed, and who continue in office, cease to hold office immediately before the end of the Spill Meeting; and*
- *resolutions to appoint persons to offices that will be vacated immediately before the end of the Spill Meeting be put to the vote at the Spill Meeting.*



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Voting exclusion statement in respect of Resolutions 5 (Remuneration Report) and 6 (Conditional spill resolution):

The Company will disregard any votes cast on Resolutions 5 and 6 by or on behalf of a member of the Key Management Personnel ("KMP") whose remuneration details are included in the Remuneration Report (or a KMP's closely related party) unless the vote is cast:

- as proxy for a person entitled to vote in accordance with a direction on the proxy form; or
- by the Chairman of the Meeting as proxy for a person entitled to vote on the resolution and the proxy appointment expressly authorises the Chairman to vote undirected proxies as the Chairman sees fit, even if the resolution is connected directly or indirectly with the remuneration of a director.

Other Information

An Explanatory Statement accompanies and forms part of this Notice of Meeting. All Shareholders should read the Explanatory Statement carefully and in its entirety. Shareholders who are in doubt regarding any part of the business of the Meeting should consult their financial or legal adviser for assistance.

Defined terms in this Notice of Meeting have the meaning given to them in the Explanatory Statement.

Entitlement to Vote

In accordance with section 1074E(2)(g)(i) of the Corporations Act and regulation 7.11.37 of the Corporations Regulations, the Company has determined that for the purposes of the Meeting all shares in the capital of the Company will be taken to be held by the persons who held them as registered holders at 7pm on 19 November 2019. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

The Chairman of the General Meeting intends to vote all available proxies in favour of all resolutions.

Dated this 11th day of October 2019

BY ORDER OF THE BOARD

A handwritten signature in black ink, appearing to read "Eryl Baron".

Eryl Baron
COMPANY SECRETARY



EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide Shareholders with material information to enable them to make an informed decision on the business to be conducted at the General Meeting of the Company. Amongst other things, this Explanatory Statement provides Shareholders with the information required to be provided to Shareholders by the Corporations Act 2001.

The Explanatory Statement sets out an explanation of each of the resolutions to be put to Shareholders. Please ensure that you read the Explanatory Statement in full.

General Business

1 Financial Statements & Reports

Section 317 of the Corporations Act 2001 requires that the directors lay before the AGM the financial report, the directors' report and the auditor's report. It is not the purpose of the Meeting that the financial statements be accepted, rejected or modified in any way. Further, as it is not required by the Act, no resolution to adopt, receive or consider the Company's financial statements will be put to the members at the Meeting.

In accordance with the Corporations Legislation Amendment (Simpler Regulatory System) Act 2007 Bounty makes the annual report available online for all shareholders. The annual report is available at: <http://www.bounty.com.au/announcements>.

Shareholders will be given an opportunity to ask questions of the Directors and the Auditor in relation to the financial statements of the Company.

RESOLUTION 1 – Re-election of Rob Stewart as a director

Rule 11.3 of the Company's Constitution requires that one third of all directors be re-elected each year and that re-election be put to Shareholders of the Company for approval. Rob therefore retires by rotation and offers himself for re-election.

Robert (Rob) Douglas Stewart FIEAust

Non-Executive Director and Chairman

Rob is an independent Non-Executive Director and Chairman. He is chair of the Risk committee and a member of the Audit, Remuneration, and Nomination committees. Rob has a Bachelor of Engineering (Civil), Master of Engineering Science (Mining) and has spent 40 years working in the mining and construction industries.

During the period in which the recapitalisation of the Company was being considered, evaluated, and negotiated, Rob worked almost full time on Bounty business.



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His previous appointments have included: General Manager with Leighton Holdings Ltd subsidiary Thiess Pty Ltd where he was responsible for contract mining and construction in New South Wales; Chief Executive Officer and Managing Director of Whitehaven Coal Limited; and executive Director of CRSM LLC, a Mongolian based company identifying, evaluating and managing investments in Mongolia's resource industry.

Rob is currently a director of JukesTodd Pty Ltd, a strategic business advisor offering professional services to the resources, infrastructure and energy sectors.

Rob joined the board on 17 September 2009 and became Chairman on 7 February 2019.

The Directors recommend that shareholders vote in favour of this resolution.

RESOLUTION 2 – Election of Peter Kane as director

The directors of Bounty appointed Peter Kane to the Board under S201H of the Corporations Act 2001 in October 2019. Under S201H (3) the Company must confirm the appointment by resolution at the company's next AGM.

Peter Kane was nominated to the Board by Qcoal Bounty Holdings Pty Ltd.

Peter Kane is a mining engineer with over 25 years' experience in the mining industry throughout Australia, New Zealand and Mongolia, possessing significant Queensland coal sector experience.

Mr Kane has held various executive positions during his career, including Managing Director and Chief Executive Officer roles with Cockatoo Coal, Guildford Coal, Aston Resources and Boardwalk Resources. He has also served as Chief Operating Officer of both Macarthur Coal and Whitehaven Coal, as well as various senior roles within Leighton Holdings and BHP.

Peter is currently the Chief Operating Officer of QCoal Group which owns and operates the Sonoma Coal Mine, Drake Coal Mine, Jax Coal Mine and the Byerwen Coal Mine.

The Directors recommend that shareholders vote in favour of this resolution.

RESOLUTION 3 – Election of Hayden Leary as director

The directors of Bounty appointed Hayden Leary to the Board under S201H of the Corporations Act 2001 in October 2019. Under S201H (3) the Company must confirm the appointment by resolution at the company's next AGM.

Hayden Leary was nominated to the Board by Qcoal Bounty Holdings Pty Ltd.



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Hayden Leary is a Natural Resources Engineer with over 15 years' experience in the mining industry. He has previously held senior environment and risk management roles for mining companies and service providers. Hayden is a qualified Environmental Management System (EMS) Auditor and holds the formal qualifications to be a Site Senior Executive (SSE) on a Queensland Coal Mine. Hayden is a director of the Queensland Resources Council (QRC).

In addition to industry-based experience, he was a Senior Consultant in the Risk Management Consulting Practice at Marsh for six years. In this role, he provided specialised advice in the design and implementation of risk management systems, developing risk profiles, and conducting technical and statutory risk assessments in the mining and utilities sectors. He worked with many clients including MIM Holdings, Xstrata, Vale, AMCI, Alcan, Newmont, BHP Billiton, Anglo American, Thiess, SunWater, Powerlink and Ergon.

Hayden is currently the General Manager of Environmental and Risk for the QCoal Group which owns and operates the Sonoma Coal Mine, Drake Coal Mine, Jax Coal Mine and the Byerwen Coal Mine.

The Directors recommend that shareholders vote in favour of this resolution.

RESOLUTION 4 – Remuneration of non-executive directors

The aggregate annual remuneration available to non-executive directors is currently \$500,000. As required by Bounty's loan facility agreement with QCoal Bounty Holdings Pty Ltd ("QCoal") Bounty has appointed 2 new QCoal-nominated directors to the board of Bounty. The company therefore seeks to increase this aggregate to \$850,000.

A voting exclusion applies to this Resolution as set out in the Notice of Meeting.

The Directors recommend that shareholders vote in favour of this resolution.

RESOLUTION 5 – Adoption of remuneration report

As required by the Corporations Act, the Board is presenting the Company's Remuneration Report to shareholders for consideration and adoption by a non-binding vote.

The Remuneration Report is included in the Directors' Report of the 2019 Annual Report. The Remuneration Report:

- Describes the policies behind, and structure of, the remuneration arrangements of the Company; and
- Explains the relationship between the Company's remuneration policies and the Company's; and
- Provides remuneration details for each Director and for Key Management Personnel / specified senior executives.



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The vote on this resolution is advisory only and does not bind the Company or its Directors. However, the Board will take the outcome of the vote into consideration when reviewing the remuneration practices and policies of the Company. Following the > 25% vote received against the Remuneration Report at the 2018 AGM the Board sought input from shareholders on the remuneration policies and practices of the Company. All input received has been incorporated into the remuneration policies and practices detailed in the 2019 Remuneration Report.

A voting exclusion applies to this Resolution as set out in the Notice of Meeting.

At the 2018 Annual General Meeting, > 25% of votes cast were voted against the adoption of the Remuneration Report. If 25% or more of the votes that are cast are voted against the adoption of the Remuneration Report at this November 2019 AGM shareholders will be required to vote on a resolution (a "spill resolution") that another meeting be held at which all of the Company's Directors other than the Managing Director stand for election. If more than 50% of shareholders vote in favour of the spill resolution the Company must convene an extraordinary general meeting within 90 days of the second AGM.

The Directors recommend that shareholders vote in favour of the adoption of the Remuneration Report.

RESOLUTION 6 – Conditional Spill Resolution

This resolution will only be put to the AGM if at least 25% of the votes cast on Resolution 5 to adopt the 2019 Remuneration report are voted against the resolution. If fewer than 25% of the votes cast on Resolution 5 are cast against the resolution, Resolution 6 will not be put.

If the spill resolution is put to the AGM and passed as an ordinary resolution, a special meeting of shareholders known as a Spill Meeting must be held within 90 days.

All of the Non-Executive Directors who were in office when the 2019 Directors' Report was approved, and who continue in office, will cease to hold office at the end of the Spill Meeting, unless they are re-elected at the Spill Meeting.

Mr Kane and Mr Leary were not in office when the 2019 Directors' Report was approved. Therefore if Mr Kane and Mr Leary are elected at this AGM they will not cease to hold office at the Spill Meeting.

Rob Stewart would need to be re-elected at the Spill Meeting to remain in office even if he has been re-elected at this AGM.

A voting exclusion applies to this Resolution as set out in the Notice of Meeting.

The Directors recommend that shareholders vote AGAINST this resolution.



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GLOSSARY

A number of terms are used throughout this Notice of Meeting and Explanatory Memorandum. Except to the extent the context otherwise requires:

Term	Definition
AEDT	means Australian Eastern Daylight Time
Annual Report	means the annual report of Bounty Mining Limited for the financial year ended 30 June 2019.
Auditor's Report	means the auditor's report for the financial year ended 30 June 2019 included in the Annual Report for that year.
Board	means the board of Directors of the Company.
Chairman	means the chairman of the Company, Mr Rob Stewart.
Company or Bounty	means Bounty Mining Ltd ACN 107 411 067.
Corporations Act	means <i>Corporations Act 2001</i> (Cth)
Directors	means the directors of the Company.
Constitution	means the constitution of the Company.
Explanatory Statement	means the explanatory statement accompanying the Notice.
General Meeting or Meeting	means the annual general meeting convened by this Notice.
Notice or Notice of Meeting	means this notice of annual general meeting.
Remuneration Report	means the Remuneration report included in the Annual Report for that year.
Shareholders	means shareholders of the Company.
Shares	mean fully paid ordinary shares in the Company.

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