

10 February 2021

Australian Securities Exchange
Level 4, 20 Bridge Street
SYDNEY
NSW 2000

CANTERBURY MINE CLOSURE

Directors of Bathurst Resources Limited (the “Company”) advise that the Canterbury Coal mine is to be closed. Operating 70 kilometres west of Christchurch, the mine produces low sulphur coal primarily for the local dairy industry.

Ongoing costs and the delays associated with obtaining regulatory consents for the current operations, as well as an inability to reach an agreement on a longer-term economic solution with the local regulatory bodies has resulted in the Company’s decision to cease operations at Canterbury.

Following the decision, coal will continue to be supplied to customers until June 2021, after which point the mine will formally move to care and maintenance.

The Canterbury Coal mine is the smallest mine that BRL manages, with expected FY21 EBITDA of \$2m. This announcement has no impact on the FY21 EBITDA guidance of \$55.4m released in the recent quarterly activities report.

CEO Richard Tacon said this was not an easy decision to make: “We have worked hard to turn around a small mine into a well-run, award winning and environmentally sound operation that provides jobs for New Zealanders in a regional area.

We have reached the point at which the timeframes and cost of regulatory processes outweigh the commercial returns of continuing to operate the mine. This was an outcome that we fought to prevent, recognising the cost of the staged job losses that will follow. And also that our customers will now need to source coal from much further way, meaning an increased transportation cost and carbon footprint.”

The Company confirms the decision has no impact on Bathurst’s other operations, which all have longer term regulatory consents in place with supportive local councils, but reflects an unusual and specific set of circumstances particular to the Canterbury Coal mine and its regulatory environment.

Further inquiries can be directed to wellington@bathurst.co.nz.

On behalf of Bathurst Resources Limited.



Russell Middleton
Director