

20 June 2025

ASX ANNOUNCEMENT

Bowen Coking Coal Operations, Market and Liquidity update

- **Full year 2025 ROM Coal Production and Coal Sales guidance achieved in May 2025, with one month of the financial year remaining.**
- **Extremely positive response from the workforce and suppliers following the decision to adopt the owner-operator model at Burton.**
- **Bowen is exploring a range of strategic and financial sources to fund the Burton owner-operator transition plan and to provide immediate liquidity in the depressed metallurgical and thermal coal market.**
- **If immediate funding efforts are unsuccessful, and/or coal market pricing dynamics do not improve, Bowen may seek to temporarily pause operations at part, or all, of the Burton Mine Complex.**

Bowen Coking Coal Ltd (ASX : BCB) ('Bowen' or 'the Company') has achieved production and sales guidance for the financial year ending 30 June 2025 (FY25) and provides an update on several initiatives currently underway.

Quarterly Production and Sales Performance

The Company has achieved strong operational results, following the successful implementation of recovery plans and some notable achievements in June 2025 quarter-to-date. At 31 May 2025 these include:

- May 2025 monthly ROM coal production of 304Kt, the highest production month achieved in the financial year-to-date.
- Year-to-date ROM coal production of 2.7Mt and year-to-date coal sales of 1.7Mt.
- CHPP achieved a record throughput of 10,621 feed tonnes in a 24-hour period in May.
- Year-to-date FOB unit costs (excluding Royalties) of A\$150.6 per tonne.

These strong results have been achieved despite having to navigate severe wet weather impacts and logistical disruptions following heavy rainfall experienced between February 2025 and April 2025.

Given the strong operating results achieved, the Company is pleased to announce that it has already achieved full year ROM coal production and coal sales guidance with one month of the financial



year remaining. An excellent achievement and testament to the great work of the entire Bowen team.

The Company reaffirms its aim to achieve the high-end of ROM coal production and coal sales guidance and the low-end of FOB cost guidance for the year ended 30 June 2025.

FY 2025 Guidance Metrics	Unit	FY 2025 Guidance Plan	May 2025 YTD Actuals	Tracking
ROM Coal Mined	Mt	2.7 – 3.0	2.7	High-end
Coal Sales	Mt	1.6 - 1.9	1.7	High-end
Unit Costs (FOB)	A\$/t	145 - 165	151	Low-end
Capital Expenditure (capex)	A\$m	65 - 85	65	Unchanged

Coal volume metrics shown on a 100% managed basis. Unit costs calculated as FOB costs excluding QLD State royalties and coal inventory stock movement. YTD actual results shown are unaudited.

Owner-Operator Transition Update

On 10 June 2025, the Company announced a transition of the Burton Mine Complex to an owner-operator model, under the full direction and management of Bowen Coking Coal employees, from 1 July 2025.

This transition reflects our desire to build internal capability, increase operational control and flexibility, enable further cost reduction and enhanced productivity across our mining activities. By moving to an owner-operator model, we aim to deliver greater consistency in performance, improve alignment across all aspects of the Burton operations and provide new opportunities for our workforce, strategic partners and local communities.

The business is progressing in earnest to implement a swift and efficient transition with changeover plans progressing well. The response received from the workforce, employees and contractors has been overwhelmingly positive with a general interest in contributing to a successful transition and future.

Market Conditions / Financing

The excellent work achieved in recent quarters to deliver strong production results at a sustainably lower cost has been undermined as global coal markets remained in a state of decline.

In metallurgical coal markets, the Platts Australia PLV index has recently fallen to a spot price of US\$175/t (down 25% since June 2024) driven by a combination of uncertainty in global trade flows, following the US tariff policy announcements, a surplus of Chinese steel exports in the market, low demand from India during the early onset of the monsoon season, and generally tough trading conditions for global steel producers and metallurgical coal producers alike. Furthermore, API5, 5500Kcal thermal coal has fallen to a spot price of US\$66/t (down 25% since June 2024). Despite our valiant and successful cost reduction initiatives, these combined price reductions have effectively removed approximately US\$45/t (~A\$68/t) of operating margin from our business since June 2024.



Given the status of depressed coal markets, combined with the unsustainable Queensland State coal royalty regime, earnings for producers in the industry, including Bowen, remain under extreme pressure. In addition, some producers are also facing liquidity challenges, of which Bowen is one. As a result, Bowen has been engaged in discussions with multiple parties to secure funding to support ongoing operations during this period of depressed coal prices and ongoing royalty pressures.

As Burton Mine has invested significantly in future development and during our transition to an owner-operator model, Bowen is diligently evaluating funding options to maintain the business' operating footprint and secure its long-term success. The Company has been exploring a range of strategic and financing alternatives, including potential debt, equity, and hybrid solutions, to generate and maintain sufficient liquidity for both the near-term and foreseeable future.

The transition to owner-operator status is expected to deliver significant operational efficiencies and long-term cost benefits. However, in the near term, Bowen recognises the need to bolster its financial position to navigate:

- Sustained downward pressure on metallurgical and thermal coal prices
- The increased cost burden imposed by Queensland's progressive coal royalty regime
- Operational working capital impacts associated with the owner-operator transition at Burton

If successful, securing additional funding would provide liquidity and financial flexibility, safeguarding business continuity, while the Company executes its strategic transition and navigates the current market conditions. There is no guarantee that additional funding will be secured in order to maintain the operating business, in which case Bowen may need to consider temporarily pausing part or all of its operations until markets return.

The Board of the Company has authorised the release of this announcement to the market.

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About Bowen Coking Coal

Bowen Coking Coal has established a hard coking coal position in Queensland's world class Bowen Basin as the company serves the increasing demand for high, quality steelmaking coal around the world.

The Company's flagship Burton Mine Complex near Moranbah encompasses multiple operations with the Ellensfield South Mine and the Plumtree North development serving a centralised Coal Handling and Preparation Plant (CHPP) and train load out facility connected by a haul road. The co-located Lenton and Issac pits are undeveloped open-cut projects which will provide production continuity at Burton.

Bowen's other assets include the Broadmeadow East Mine near Moranbah and the Bluff Mine near Blackwater, which are both currently under care and maintenance. The company also holds the Isaac River (100%), Hillalong (80%) Cooroorah (100%), Carborough (100%) and Comet Ridge (100%) coking coal development projects and is a joint venture partner in Lilyvale (15% interest) and Mackenzie (5% interest) with Stanmore Resources Limited.

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