

Bowen Coking Coal Limited

ABN 72 064 874 620

Interim Financial Report - 31 December 2024

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General information

These financial statements are the consolidated financial statements of the consolidated entity consisting of Bowen Coking Coal Limited and the entities it controlled at the end of, or during, the half-year ended 31 December 2024.

The financial statements are presented in Australian dollars, which is Bowen Coking Coal Limited's functional and presentation currency.

Bowen Coking Coal Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Registered office

Level 4, 167 Eagle Street
Brisbane QLD 4000

Principal place of business

Level 4, 167 Eagle Street
Brisbane QLD 4000

A description of the nature of the Group's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 14 March 2025.

Directors	Nicholas Jorss (Executive Chairman) Malte von der Ropp (Non-Executive Director) Michael Chapman (Non-Executive Director) (appointed 28 November 2024) Staffan Ever (Non-Executive Director) (appointed 28 November 2024) David Conry AM (Non-Executive Director) (resigned 22 August 2024) Neville Sneddon (Non-Executive Director) (resigned 10 January 2025)
Chief Executive Officer	Daryl Edwards
Chief Financial Officer	Andrew Mooney (appointed 17 February 2025)
Company Secretary	Duncan Cornish
Principal place of business	Level 4, 167 Eagle Street Brisbane QLD 4000 Tel: +61 7 3191 8413
Share register	Link Market Services Limited Level 21, 10 Eagle Street Brisbane QLD 4000 Tel: 1300 544 474
Auditor	Ernst & Young Level 51, 111 Eagle Street Brisbane QLD 4000 Tel: +61 7 3011 3333
Stock exchange listing	Australian Securities Exchange (ASX code: BCB)
Website	www.bowencokingcoal.com

The Directors of Bowen Coking Coal Limited (the **Company**) present their Report together with the financial statements of the Consolidated Entity (the **Group**), being the Company and the entities it controlled, for the half-year ended 31 December 2024.

Directors

The following persons were directors of Bowen Coking Coal Limited during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Nicholas Jorss	Executive Chairman
Malte von der Ropp	Non-Executive Director
Michael Chapman	Non-Executive Director
Staffan Ever	Non-Executive Director

Executive Team

The following persons were part of the executive team of Bowen Coking Coal Limited during the whole of the financial period and up to the date of this report, unless otherwise stated:

Daryl Edwards	Chief Executive Officer
Andrew Mooney	Chief Financial Officer (appointed 17 February 2025)
Duncan Cornish	Company Secretary

Principal activities

During the period, the principal continuing activities of the Group is the development, production and sale of coal in Queensland, Australia, with a primary focus on metallurgical coal. The Group also continues to review potential future projects and conduct exploration activity.

Review of Financial Results

The loss for the Group after providing for income tax amounted to \$8,678,822 (31 December 2023: \$65,059,522).

The Group's financial highlights for the half-year ended 31 December 2024 are described below:

- Record half-year EBITDA achieved of \$23.7 million (EBITDA loss 31 December 2023: \$57.0 million), 142% improvement;
- Operating profit of \$2.6 million (31 December 2023: operating loss of \$54.6 million, 105% improvement;
- Loss after income tax expense of \$8.7 million (31 December 2023: \$65.1 million), 87% improvement;
- Cash generated from operating activities of \$15.6 million (31 December 2023: \$22.4 million), 30% reduction;
- Closing cash on hand balance of \$54.4 million (30 June 2024: \$21.7 million) 151% improvement;
- Completed the transaction to sell 10% of Broadmeadow East to MPC Lenton Pty Ltd (which holds a 10% interest in the Lenton Joint Venture, which owns the Burton Mining Complex), for \$13.0 million cash plus royalties. Broadmeadow East has become an asset of the Lenton Joint Venture.
- Successfully completed a A\$70 million equity raising through a 2.66-for-1 pro-rata renounceable entitlement offer at A\$0.009 per share; and
- Successfully restructured debt agreements, extending the repayment terms of senior and subordinated loan facilities.

Financial performance

	Consolidated	
	31 Dec 2024	31 Dec 2023
	\$	\$
Revenue from contracts with customers	181,459,984	231,614,145
Other income	14,194,851	4,123,725
Other expenses	(193,057,636)	(290,309,483)
Operating profit/(loss)	2,597,199	(54,571,613)
Finance income	19,426,845	8,447,644
Finance expense	(31,767,932)	(20,588,748)
Share of profit from joint ventures	1,065,066	1,653,194
Loss before income tax for the half-year	(8,678,822)	(65,059,522)
Income tax expense	-	-
Loss after income tax for the half-year	(8,678,822)	(65,059,522)

During the half-year ended 31 December 2024, the Group demonstrated significant operational progress, marked by higher metallurgical coal sales and robust production metrics. These achievements were underpinned by strategic initiatives focussed on cost management and enhancing financial performance.

The Group's operating profit for the half-year ended 31 December 2024 was driven by improvements across the entire operations with greater efficiencies in waste removal, coal mining, processing and haulage that have resulted in higher volumes and lower unit costs. These productivity improvements have allowed the Group to invest in future growth from Plumtree North, where the box cut development works remain on track.

The Group achieved an operating profit result in the period, despite a significant fall in coal prices. The premium low volatile hard coking coal (PLV) index price decreased 16% from US\$234/t at June 2024 to US\$197/t at December 2024 close, which has impacted revenues and profit margins. Thermal coal price fluctuations were lower over the same period, with API 5500 NAR index (applicable to the Group's thermal product) closing at US\$87/t in December 2024, which aligned with US\$87/t at the end of June 2024. For the half year ended 31 December 2024, the Group's Metallurgical coal sales mix achieved was 59% compared to 53% for the same comparable period in the prior year.

Sales and Average Realised Prices

Managed Sales of Produced Coal (100%)		H1 FY2025	H1 FY2024	Movement
Coking Coal Sales	Kt	561.5	252.5	122.4%
PCI Coal Sales	Kt	-	314.9	-100.0%
Thermal Coal Sales	Kt	397.1	492.4	-19.4%
Total Managed Produced Coal Sales	Kt	958.6	1,059.8	-9.5%
Volume Mix of Coking Sales	%	58.6%	23.8%	146.1%
Volume Mix of PCI Sales	%	0.0%	29.7%	-100.0%
Volume Mix of Thermal Sales	%	41.4%	46.5%	-10.9%
Average Realised Sales Price¹				
Coking Coal Sales	US\$/t	\$171.10	\$205.13	-16.6%
PCI Coal Sales	US\$/t	n/a	\$179.24	-100.0%
Thermal Coal Sales	US\$/t	\$90.60	\$91.98	-1.5%
Total Managed Produced Coal Sales	US\$/t	\$138.10	\$144.86	-4.7%

¹ Refers to average realised coal price achieved as recognised on accounting revenue basis, during the period.

The Group's overall average realised coal sales price in United States Dollar terms decreased 4.7% to US\$138.1/t, driven largely by declining metallurgical coal prices, specifically a 38% decrease in the Platts PLV FOB price, and a 40% decrease in the LV HCC price.

Average realised coal prices in Australian dollars achieved in H1 FY2025 were A\$263.6/t for coking coal and A\$139.6/t for thermal coal (at average AUD: USD exchange rate of 0.649).

Despite the lower prices achieved, the Group benefited from improved revenue mix with overall sales volume mix of 59% metallurgical coal / 41% thermal coal for the current half year period, from 53% and 47% respectively in the prior comparative period.

Review of Operations

During the half-year, Bowen Coking Coal Limited achieved significant production and financial milestones. The primary focus was on ramping up mining activities at the Ellensfield South pit within the Burton Complex. Additionally, utilisation of the Burton CHPP increased to 91% from 70% in the period to 31 December 2023. Mine development commenced at Plumtree North, with first coal recovery successfully achieved in the December 2024 quarter.

Meanwhile, highwall coal augering operations continued at Broadmeadow East, and exploration activities progressed at the Hillalong Coking Coal Project, a farm-in arrangement with Sumitomo Corporation.

Highlights from the Group's H1 FY2025 operations

Managed Basis (100%)		H1 FY2025	H1 FY2024	%
ROM coal produced	Kt	1,557.6	1,425.6	9.3%
ROM Strip Ratio ¹	Prime (BCM:t)	5.8	13.5	57.2%
Saleable coal produced	Kt	925.9	1,023.8	-9.6%
Sales of produced coal	Kt	958.7	1,059.8	-9.5%
Saleable coal stocks at period end	Kt	126.7	158.0	-19.8%
Number of vessels shipped	Number	20.0	20.0	0.0%

¹ Inclusive of Plumtree North pit box cut development in H1 FY2025 (H1 FY2024: inclusive of Ellensfield South pit box cut development).

The key highlights from the Group's H1 FY2025 operations:

- Consolidated Run-of-mine (ROM) production of 1,557.6Kt, saleable production of 925.9Kt and total sales of produced coal of 958.7Kt;
- First Plumtree North ROM coal was successfully mined during H1 FY2025;
- Burton Complex strip ratio reduced to 5.8:1 (bcm/ROMt), lower than plan;
- Utilisation of the Burton CHPP increased by 30% to 91% during the period;
- Burton CHPP performance continued to improve, operating above nameplate capacity during H1 FY2025; and
- Resources and Reserves increased at Isaac Pit, part of the Burton Mine Complex.

Ellensfield South Mine

Ellensfield South is an opencut deposit within the greater Burton Complex, located immediately south of the Burton CHPP. It is the Company's third open-cut mining area brought into operation, producing a high yield coking coal at a planned low strip ratio.

Two excavator fleets continued operations at Ellensfield South through to the end of 31 December 2024. For the H1 FY2025, a total of 6,120 Kbcm of overburden was removed, and over 1,432.3 Kt of run-of-mine (ROM) coal was mined, achieving a strip ratio of 4.3:1 (bcm/ROMt).

Plumtree North Mine

Plumtree North is an opencut deposit within the greater Burton Complex, located to the south of the Burton CHPP. The Plumtree North mine is adjacent to the Ellensfield South Mine separated by the Teviot Creek. After commencing excavating of the box cut in August 2024, the first Plumtree North ROM coal was successfully mined in November 2024. The Plumtree

North pit is well established for terrace mining with well-defined benches. The pit is expected to be at a steady state of operations by mid-2025.

Broadmeadow East (BME)

Broadmeadow East Mine was placed into care and maintenance in May 2024 due to the costs associated with relocating a powerline that traverses the mining lease. Despite the opencut coal mining operations being in care and maintenance, coal augering operations commenced in September 2024 as a low-cost initiative to provide additional bypass coal sales. A total of 25Kt of ROM coal was extracted for the period ended 31 December 2024. Productivity of the auger stabilised late in the period due to increased understanding of the prevailing ground conditions. Broadmeadow East remains a resource that will be considered for opencut mining in future.

Burton Infrastructure

A total of 1,557Kt ROM coal was processed during the half year ended 31 December 2024, with the CHPP achieving an average availability of 95% and an average utilisation of 91%. The CHPP availability is above the 90% target feed tempo while ROM feed tempo is consistent with Module 1 nameplate capacity of 400tph. Continuing high availability and throughput confirms the robustness of this facility.

A continuous improvement project is currently underway to address opportunities identified in the recent full plant audit. This project focuses on enhancing the performance of the fines and ultra-fines circuits, aiming to optimise both their effectiveness and efficiency.

Bluff Mine

The Bluff Mine remains on care and maintenance. Environmental monitoring continues in accordance with Environmental Authority requirements.

Burton Isaac Pit

Isaac Pit is part of the Burton Complex, located north of the Burton North pit. In December 2024, the Company announced increased JORC compliant Resources and Reserves at Isaac Pit. The Coal Reserve has grown by 1.7Mt to 3.0Mt, while the Coal Resource has increased by 2.4Mt to 7.2Mt*. This contributes to a total Burton Mine Complex Reserve of 16.5Mt and a Resource of 110.7Mt. Situated north of the Burton CHPP, Isaac Pit has strong potential to support production continuity alongside deposits at Hillalong, Burton, Broadmeadow East, and Lenton. Additionally, Isaac Pit coal quality is expected to be superior to other nearby deposits, with higher coking coal product yield.

The exploitation strategy process, aimed at maximising asset value, has commenced.

*Refer to ASX announcement dated 2 December 2024.

Hillalong

The Hillalong Coal Project is jointly owned by Bowen (85%) and Japanese conglomerate, Sumitomo Corporation (15%), with Sumitomo electing to invest further in the Project by funding the Phase 2b Work Program, which will provide Sumitomo the option to increase their holding to 20%. Pursuant to exercising an option to acquire the Phase 2B Interest in January 2025, Sumitomo's holding in the project will increase by 5% in the second half of the 2025 financial year.

The existing work program will focus on the Hillalong South area to further define the Resource through a series of infill drill holes and extensions to the north and west. In addition to this exploration drilling, feasibility and long-term environmental studies will also be undertaken.

Coal quality results from the 2023-24 exploration program are expected in early the H2 FY2025. This data will be used to update the geological model and inform a concept study. Preliminary environmental desktop studies, focusing on ecological and groundwater investigations, are due to commence after the coal quality results are received and geological model completed in FY2025.

Hillalong is planned to operate as a satellite pit to the Burton complex and is strategically well located to utilise the existing Burton CHPP infrastructure to process its ROM coal and ship product to market.

Lenton Deposit

Lenton is an undeveloped open-cut deposit in the north-western part of the greater Burton Complex. It is part of the New Lenton Joint Venture, of which the Company holds a 90% interest through its wholly owned subsidiary, New Lenton Coal Pty Ltd.

The average strip ratio for the deposit is planned at 7.5:1 (BCM:t) over a mine life of 13 years. The total coal Resource at Lenton Deposit is 140Mt.

The project is being developed to a pre-feasibility level and is under value engineering review of the geological model and product washabilities. Additional geotechnical drilling is scheduled for mid-2025 to increase confidence in the geological model to a bankable level. The company is also evaluating different product scenarios and potential synergies to align with market conditions, with coal mining from Lenton included in long-term development plans.

Regulatory applications are continuing to be assessed, with responses to Requests for Information (RFIs) submitted under the Commonwealth EPBC Act. Efforts are also being made to secure biodiversity offsets as required by both federal and state environmental laws. Public consultation and review of responses are planned for the back-end of the 20205 financial year, with the final Public Environment Report (PER) expected to be assessed and published in the 2026 financial year.

Isaac River Project

Grant of the Isaac River Mining Leases are in the final phase with the application currently at decision assessment. Once operational, the Isaac River Project will produce up to 500,000 tonnes of high quality, high yielding metallurgical coal over approximately five years. The Company continues to explore the merits of a potential sale of the Isaac River Project as it focusses on its low cost, longer life Burton Lenton assets.

Corporate

In November 2024, the Company completed the A\$70 million equity raising through a 2.66-for-1 pro-rata renounceable entitlement offer at A\$0.009 per share. The offer included one free unlisted option for every two new shares subscribed, with an exercise price of A\$0.009 per share and a six-month expiry period. The offer was partially underwritten by major shareholders including Crocodile Capital 1 Global Focus Fund, Crocodile Capital Offshore Fund, Crocodile Capital Partners GmbH, Taurus Mining Finance Fund No. 2, L.P. (which partially converted A\$15.3 million debt to equity), New Hope Corporation (A\$2.0 million equity commitment to offset against future interest repayments) and Square Resources. Square Resources has additionally entered into an exclusive marketing agreement with the Company. Net proceeds from the capital raise are primarily directed towards the development of the Plumtree North mine, which is scheduled to reach steady-state production in mid-2025.

As at 31 December 2024 the Company had 10,775,527,671 ordinary shares, 42,637,976 performance rights, 3,981,628,629 options, 40,000,000 Convertible Notes on issue.

Revised Debt Terms – Taurus and New Hope

On 13 November 2024, the Company successfully reached agreements with its senior and subordinated lenders, Taurus Mining Finance Fund No. 2, L.P. and New Hope Corporation respectively, amending the loan facilities.

Taurus Debt Facility

The Taurus senior secured debt facility has been reduced from US\$44.0 million to US\$33.9 million (AUD\$54.3 million converted at closing FX spot rate of 0.6241) and revised termination date of 30 September 2026 (previously 31 December 2025), with quarterly amortisation payments to commence in March 2025. As part of the A\$70 million equity raise, the Company settled US\$10.1 million of the debt (AUD\$15.3 million converted at FX spot rate of 0.6584 on 11 November 2024) with an equity commitment from Taurus, which was offset against principal balance owing to Taurus under the senior Secured Facility agreement.

The facility interest rate (paid quarterly) is 11.00% per annum (previously 10.0%) on the facility drawn balance and royalties are payable in respect of the Broadmeadow East and Burton tenements (1.00%) and the Bluff tenements (1.00%).

New Hope Performance Bonding Facility

The Subordinated Facility with New Hope has been extended to March 2027 (previously 31 March 2026), with New Hope providing a A\$2.0 million equity commitment to offset against future interest repayments. This facility has been reduced from A\$51.1 million to A\$45.2 million (representing the value of Burton rehabilitation bonding).

As part of this transaction, 222,222,222 ordinary shares were issued to New Hope. The New Hope facility totalled principal balance remained unchanged at \$45.2 million at the end of the period.

The facility amendments include extension of tenor, substitution of obligations to New Hope with cash or equity (subject to shareholder approval) and a decrease in interest margin payable.

Matters subsequent to the end of the financial half-year

In January 2025, the Company successfully acquired the remaining 50% interest in Bowen Coking Coal Marketing Pty Ltd, resulting in full ownership and consolidation of the entity. Originally established under a 50/50 joint venture with M Resources

Matters subsequent to the end of the financial half-year (continued)

Trading Pty Ltd, Latimore Family Pty Ltd and Latimore Finance Pty Ltd. In addition, all marketing arrangements were transferred to Square Marketing from 1 January 2025.

On 13 January 2025, the Company announced that Neville Sneddon has tendered a resignation notice, resigning as a Non-Executive Director.

On 23 January 2025, the Company announced a change in executive leadership with the appointment of Mr. Andrew Mooney as Chief Financial Officer, effective 17 February 2025. Mr. Mooney is an accomplished finance leader with more than 25 years of experience leading large, high-performing accounting and commercial teams across multiple organisations and countries. Mr. Mooney will manage finance, capital management, treasury, tax, risk management, investor relations and ensuring that the financial operations of the group support the delivery of business objectives. He will also be a member of Bowen's group executive team.

On 3 March 2025, the Company announced a proposed 100:1 share consolidation (subject to shareholder approval on 3 April 2025) to streamline its capital structure and reduce volatility. This adjustment reduces total shares while proportionally increasing share value, maintaining market capitalisation.

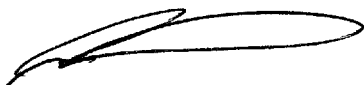
No other matters or circumstances have arisen since the end of the period which will significantly affect, or may significantly affect, the state of affairs or operations of in future financial periods.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors



Nicholas Jorss
Executive Chairman and Director

14 March 2025



**Shape the future
with confidence**

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Auditor's Independence Declaration to the Directors of Bowen Coking Coal Limited

As lead auditor for the review of Bowen Coking Coal Limited for the half-year ended 31 December 2024, I declare to the best of my knowledge and belief, there have been:

- a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review;
- b. No contraventions of any applicable code of professional conduct in relation to the review;
and
- c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the review.

This declaration is in respect of Bowen Coking Coal Limited and the entities it controlled during the financial period.

A stylized, handwritten signature of 'Ernst & Young' in black ink.

Ernst & Young

A stylized, handwritten signature of 'Tom du Preez' in black ink.

Tom du Preez
Partner
14 March 2025

BOWEN COKING COAL LIMITED
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024



		Consolidated	
	Note	31 Dec 2024	31 Dec 2023
		\$	\$
Revenue			
Revenue from contracts with customers	2	181,459,984	231,614,145
Other income	3	14,194,851	4,123,725
		195,654,835	235,737,870
Expenses			
Employee benefits expense	4	(4,576,265)	(5,051,742)
Other expenses	5	(20,795,254)	(25,218,000)
Operating expenses	6	(113,819,316)	(207,770,383)
Net inventory movements		(9,556,954)	(21,744,366)
Foreign exchange gains		1,590,844	2,341,325
Depreciation and amortisation expense	14	(22,751,136)	(8,914,987)
Onerous contract adjustment		-	8,962,000
Royalties expense		(22,629,601)	(31,548,850)
Share based payments		(519,954)	(1,364,480)
Operating profit/(loss)		2,597,199	(54,571,613)
Finance income	7	19,426,845	8,447,645
Finance expense	8	(31,767,932)	(20,588,748)
Share of profit from joint ventures	16	1,065,066	1,653,194
Loss before income tax expense		(8,678,822)	(65,059,522)
Income tax expense		-	-
Loss after income tax expense for the half-year attributable to the owners of Bowen Coking Coal Limited		(8,678,822)	(65,059,522)
Other comprehensive income for the half-year, net of tax		-	-
Total comprehensive loss for the half-year attributable to the owners of Bowen Coking Coal Limited		(8,678,822)	(65,059,522)
		Cents	Cents
Basic loss per share	9	(0.08)	(2.81)
Diluted loss per share	9	(0.08)	(2.81)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

BOWEN COKING COAL LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024



		Consolidated	
	Note	31 Dec 2024	30 Jun 2024
		\$	\$
Assets			
Current assets			
Cash and cash equivalents	10	54,404,366	21,688,083
Trade and other receivables	11	25,040,096	21,685,532
Inventories	12	17,465,927	27,022,880
Other assets	13	9,405,797	4,928,583
Assets held for sale	15	-	92,764
Total current assets		106,316,186	75,417,842
Non-current assets			
Property, plant and equipment	14	161,709,143	170,000,194
Investments accounted for using the equity method	16	2,926,123	1,861,057
Exploration and evaluation assets	17	11,286,578	11,265,558
Other assets	13	77,482,586	76,980,062
Total non-current assets		253,404,430	260,106,871
Total assets		359,720,616	335,524,713
Liabilities			
Current liabilities			
Trade and other payables	18	93,662,060	96,329,358
Interest-bearing loans and borrowings	20	28,629,372	49,926,188
Lease liability	21	162,836	155,356
Provisions	22	801,901	867,098
Total current liabilities		123,256,169	147,278,000
Non-current liabilities			
Deferred consideration	19	-	4,314,189
Interest-bearing loans and borrowings	20	101,390,408	108,684,664
Lease liability	21	42,236	125,546
Provisions	22	60,002,345	65,348,069
Total non-current liabilities		161,434,989	178,472,468
Total liabilities		284,691,158	325,750,468
Net assets		75,029,458	9,774,245
Equity			
Issued capital	23	404,527,897	330,922,475
Reserves	24	5,601,148	5,272,535
Accumulated losses		(335,099,587)	(326,420,765)
Total equity		75,029,458	9,774,245

The above consolidated statement of financial position should be read in conjunction with the accompanying notes

BOWEN COKING COAL LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024



Consolidated	Issued capital \$	Share based payment reserve \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2023 - as previously stated	261,285,098	4,726,236	(230,963,924)	35,047,410
Loss after income tax expense for the half-year	-	-	(65,059,522)	(65,059,522)
	-	-	-	-
Total comprehensive loss for the half-year	-	-	(65,059,522)	(65,059,522)
Issue of shares	73,393,409	-	-	73,393,409
Conversion of performance shares	107,975	(107,975)	-	-
Share-based payments	-	1,364,480	-	1,364,480
Share issue costs	(4,073,866)	-	-	(4,073,866)
Balance at 31 December 2023	330,712,616	5,982,741	(296,023,446)	40,671,911

Consolidated	Issued capital \$	Share based payment reserve \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2024	330,922,475	5,272,535	(326,420,765)	9,774,245
Loss after income tax expense for the half-year	-	-	(8,678,822)	(8,678,822)
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive loss for the half-year	-	-	(8,678,822)	(8,678,822)
Issue of shares	70,000,000	-	-	70,000,000
Issued to New Hope Corporation Limited under a debt facility agreement/conversion of warrants	9,106,785	-	-	9,106,785
Exercise of options	5,341	-	-	5,341
Conversion of performance shares	191,341	(191,341)	-	-
Share-based payments	-	519,954	-	519,954
Share issue costs	(5,698,045)	-	-	(5,698,045)
Balance at 31 December 2024	404,527,897	5,601,148	(335,099,587)	75,029,458

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes

BOWEN COKING COAL LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024



		Consolidated	
	Note	31 Dec 2024	31 Dec 2023
		\$	\$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		173,504,329	267,059,624
Payments to suppliers and employees (inclusive of GST)		(151,530,149)	(244,018,001)
Interest received		91,949	86,156
Other revenue		1,581,687	4,779,386
Interest and other finance costs paid		(8,084,857)	(5,500,900)
Net cash from operating activities		15,562,959	22,406,265
Cash flows from investing activities			
Payments for property, plant and equipment	14	(22,150,395)	(53,231,355)
Payments for exploration and evaluation	17	(703,578)	(687,557)
Payments for asset acquisition	19	-	(2,500,000)
Receipt for exploration costs from Sumitomo Corporation		682,559	1,860,258
Net payments for rehabilitation and other deposits		(48,605)	(1,476,443)
Net receipts for sale of property, plant and equipment	15	12,316,279	-
Net cash used in investing activities		(9,903,740)	(56,035,097)
Cash flows from financing activities			
Proceeds from issue of shares	23	48,491,548	61,085,717
Share issue transaction costs	23	(5,698,045)	(4,073,866)
Repayment of borrowings		(13,417,090)	(965,430)
Payment of financing transaction cost		(1,467,237)	(1,370,022)
Payment of principal portion of lease liabilities		(80,445)	(68,552)
Net cash from financing activities		27,828,731	54,607,847
Net increase in cash and cash equivalents		33,487,950	20,979,015
Cash and cash equivalents at the beginning of the financial half-year		21,688,082	48,944,669
Effects of exchange rate changes on cash and cash equivalents		(771,666)	(72,829)
Cash and cash equivalents at the end of the financial half-year	10	54,404,366	69,850,855

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes

Note 1. General information and significant accounting policies

These consolidated financial statements for half-year reporting period ended 31 December 2024 are condensed general purpose financial statements prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001.

The consolidated financial statements are for the Group consisting of Bowen Coking Coal Ltd and its Controlled Entities. Bowen Coking Coal Ltd is a listed public company, incorporated and domiciled in Australia. The financial statements have been prepared on an accruals basis and are based on historical cost, modified by the measurement at fair value of certain financial assets and liabilities.

These consolidated financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2024 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001 and Australian Securities Exchange (ASX).

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The Group adopted all new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations had no material impact on the Group.

Accounting standards and interpretations issued but not yet effective

To date, there have been no recent accounting pronouncements issued not yet effective that have significance, or potential significance, to the Group's consolidated financial statements.

Note 1. General information and significant accounting policies (continued)

Going concern

The financial statements have been prepared on a going concern basis which contemplates the continuity of normal business activities and the realisation of assets and discharge of liabilities in the ordinary course of business.

For the half-year ended 31 December 2024 the Group generated a consolidated loss of \$8,678,822 (31 December 2023: \$65,059,522) and incurred operating cash inflows of \$15,562,959 (inflow in 31 December 2023: \$22,406,265). As at 31 December 2024 the Group has cash and cash equivalents of \$54,404,366 (30 June 2024: \$21,688,083), current asset deficiency of \$16,939,982 (30 June 2024: \$71,860,159) and net assets of \$75,029,4588 (30 June 2024: \$9,774,245).

The Group's ability to continue to generate operational cash flows to meet its financial obligations is based on the performance of its operations and those of the mining contractors, as well as the timing and price received for coal sales shipments. The Directors, in their consideration of the appropriateness of the going concern basis for the preparation of the condensed half-year financial report, have prepared a cash flow forecast through to 31 March 2026 which indicates that, subject to the successful restructure of its debt and other liquidity measures referred to below, the Group will have sufficient cash to continue as a going concern. However, should the Group be unable to restructure its debt and should there be adverse impacts to coal presentation or performance from the mining assets, due to significant weather or market supply shortages in labour or equipment, the Group's available cash to meet its ongoing commitments may be materially impacted. In addition, volatility in coal prices realised for coal sales in the forecast may cause operating margins to be constrained or turn negative. To ensure the Group has sufficient liquidity, the Group is actively pursuing options to restructure its current debts, deferral of Queensland Government royalty payments, potentially obtaining an equity injection or conducting an asset sale to ensure the Group can continue as a going concern and meet its debts as and when they fall due.

There is no guarantee that additional funding through debt, equity or an asset sale will be available, or if it is, that such new funding will be on terms acceptable to the Group. Global credit markets have been severely constrained in the past, and the ability to obtain new funding or refinance may in the future be significantly reduced. If the Group is unable to obtain sufficient funding, either due to banking and capital market conditions generally, or due to factors specific to the coal sector, the Group may not have sufficient cash to meet its ongoing capital requirements or the ability to continue or expand its business.

Taking into account the forecast improved operational performance, cashflows from coal sales as well as the Group's past ability to raise further capital and restructure its debts, the Directors believe that the Group will be successful in obtaining additional funding and have adequate resources to fund its future operational requirements and continue as a going concern for at least 12 months from the date that the condensed half-year financial report are issued.

Should the Group be unsuccessful in achieving the matters set out above, a material uncertainty would exist that may cast significant doubt on the ability of the Group to continue as a going concern and, therefore, whether it will realise its assets and extinguish its liabilities other than in the ordinary course of business. This financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts or classification of liabilities and appropriate disclosures that may be necessary should the Group be unable to continue as a going concern.

Note 2. Revenue from contracts with customers

	Consolidated	
	31 Dec 2024	31 Dec 2023
	\$	\$
Sale of coal	181,459,984	231,614,145

Sale of coal is recognised at the point of sale, which is where the customer has taken delivery of the goods, the risks and rewards are transferred to the customer and there is a valid sales contract. Typically, the transfer of control and the recognition of a sale occurs when the coal passes the ship rail when loading at the port.

Note 3. Other income

	Consolidated	
	31 Dec 2024	31 Dec 2023
	\$	\$
Rental income	43,200	43,200
Other income	4,290,126	4,080,525
Gain on disposal of assets *	9,861,525	-
	14,194,851	4,123,725

* During the period, the Group completed the partial disposal of 10% of the Broadmeadow East mine operations' assets. The sale resulted in a net gain of \$12.2 million (refer to note 15) offset by \$2.4 million payable in relation to Broadmeadow East mine settlement cost.

Note 4. Employee benefits expense

	Consolidated	
	31 Dec 2024	31 Dec 2023
	\$	\$
Salaries & wages	3,099,555	3,553,049
Directors fees	368,004	509,224
Employee benefits	1,108,706	989,469
	4,576,265	5,051,742

Note 5. Other expenses

	Consolidated	
	31 Dec 2024	31 Dec 2023
	\$	\$
Accounting and audit fees	145,962	116,416
Administration and other expenses	11,736,248	9,380,168
Corporate compliance expenses	497,410	697,965
Operational accommodation and travel expenses	5,242,373	10,930,385
Sales and marketing expenses	3,173,261	4,093,066
	20,795,254	25,218,000

Note 6. Operating expenses

	Consolidated	
	31 Dec 2024	31 Dec 2023
	\$	\$
Mining costs	80,294,808	157,715,187
Processing costs	11,615,630	21,232,246
Transport and logistics	21,908,878	28,822,950
	113,819,316	207,770,383

Note 7. Finance income

	Consolidated	
	31 Dec 2024	31 Dec 2023
	\$	\$
Interest income, calculated using the effective interest rate method	91,949	86,157
Convertible note, derivative liability fair value adjustment	784,932	-
Derivative liability revaluation gain	-	4,919,419
Net gain on debt modification*	18,549,964	3,442,069
	19,426,845	8,447,645

* The Group's net gain on debt modification includes a \$3.3 million net gain (31 December 2023: \$5.7 million net gain) relating to the amendment of the Taurus facility and a \$15.2 million net gain (31 December 2023: \$2.3 million net loss) on debt modification and extinguishment relating to the amendment of the New Hope facility (refer to note 20).

Note 8. Finance expense

	Consolidated	
	31 Dec 2024	31 Dec 2023
	\$	\$
Convertible note - Interest expense	1,943,239	2,882,142
Interest expense*	27,283,420	15,616,785
Rehabilitation provision unwinding of discount	2,541,273	1,395,862
Deferred consideration unwinding of discount	-	413,562
Convertible note, derivative liability fair value adjustment	-	280,397
	31,767,932	20,588,748

* The majority of the interest expense relate to the Taurus facility and New Hope facility (refer to details of facilities as disclosed in note 20). As disclosed in the cashflow statement, \$8.1 million of interest expense costs were cash settled during the financial year. An additional \$1.6 million relates to interest on New Hope facility and \$6.7 million relates to interest on Taurus facility using the effective interest method.

Note 9. Earnings per share

	Consolidated	
	31 Dec 2024	31 Dec 2023
	\$	\$
Loss after income tax attributable to the owners of Bowen Coking Coal Limited	(8,678,822)	(65,059,522)
	Number	Number
Weighted average number of ordinary shares used in calculating basic loss per share	10,775,527,671	2,317,908,961
Weighted average number of ordinary shares used in calculating diluted loss per share	10,775,527,671	2,317,908,961
	Cents	Cents
Basic loss per share	(0.08)	(2.81)
Diluted loss per share	(0.08)	(2.81)

Note 10. Cash and cash equivalents

	Consolidated	
	31 Dec 2024	30 Jun 2024
	\$	\$
<i>Current assets</i>		
Cash at bank	54,404,366	21,688,083

Note 11. Trade and other receivables

	Consolidated	
	31 Dec 2024	30 Jun 2024
	\$	\$
<i>Current assets</i>		
Receivable from joint venture entity*	19,690,820	15,893,152
Other receivables	2,054,784	2,372,513
GST & fuel tax credit receivable	3,294,492	3,419,867
	25,040,096	21,685,532

* The Group's trade receivables from sales of coal to customers is receivable from the Bowen Coking Coal Marketing Joint Venture, in accordance with the marketing agreement.

Note 12. Inventories

	Consolidated	
	31 Dec 2024	30 Jun 2024
	\$	\$
<i>Current assets</i>		
Run-of-mine (ROM) stockpiles (at mine)	1,221,315	5,849,422
Run-of-mine (ROM) stockpiles (at wash plant)	4,819,792	2,817,732
Coal product stockpiles	10,919,710	17,819,837
Coal inventories	16,960,817	26,486,991
Fuel on hand	505,110	535,889
Total inventories	17,465,927	27,022,880

During the half-year, \$0.5 million (31 December 2023: \$10.5 million) was recognised as an expense for inventories carried at net realisable value. This is recognised in net inventory movements in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

Total cost of sales for the year was \$101.5 million (31 December 2023: \$209.6 million), which are costs incurred directly relating to the mining and preparation of coal for sale to customers, and excludes all downstream, logistics and sales and marketing related costs as well as administration and overheads not directly related to production.

Note 13. Other assets

	Consolidated	
	31 Dec 2024	30 Jun 2024
	\$	\$
<i>Current assets</i>		
Prepayments	9,405,797	4,802,917
Other financial asset	-	125,666
	9,405,797	4,928,583
<i>Non-current assets</i>		
Prepayments	6,460,116	6,006,198
Rehabilitation bonds	65,674,016	66,845,292
Security deposits	5,297,031	4,082,650
Other receivable	51,423	45,922
	77,482,586	76,980,062

Note 14. Property, plant and equipment

	Consolidated	
	31 Dec 2024	30 Jun 2024
	\$	\$
<i>Non-current assets</i>		
Land and buildings - at cost	13,391,815	13,391,815
Less: Accumulated depreciation	(2,768,892)	(2,088,588)
	10,622,923	11,303,227
Plant and equipment - at cost	55,830,486	52,620,922
Less: Accumulated depreciation and impairments*	(12,575,137)	(9,561,226)
	43,255,349	43,059,696
Right of use assets - at cost	455,887	455,887
Less: Accumulated depreciation	(266,627)	(190,092)
	189,260	265,795
Mine development assets - at cost	84,353,418	67,449,596
Mining assets - at cost	93,630,382	99,283,683
Less: Accumulated depreciation and impairments*	(70,342,189)	(51,361,803)
	23,288,193	47,921,880
	161,709,143	170,000,194

Note 14. Property, plant and equipment (continued)

* Accumulated impairments relate to Accumulated impairment balance carried forward from previous period relating to Bluff mine. An impairment assessment was not performed for the half-year ended 31 December 2024, as the impairment indicators were not triggered.

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial half-year are set out below:

Consolidated	Buildings and improvements \$	Plant and equipment \$	Right of use asset \$	Mine development assets \$	Mining assets \$	Total \$
Balance at 1 July 2023	12,714,375	45,572,552	418,035	79,883,850	21,720,410	160,309,222
Additions	-	262,767	-	80,074,224	-	80,336,991
Transfer to operating expenses ¹	-	-	-	(31,904,142)	-	(31,904,142)
Transfer from mine development assets	-	3,943,410	-	(55,405,920)	51,462,510	-
Depreciation expense	(1,411,148)	(6,718,372)	(152,240)	-	(23,826,386)	(32,108,146)
Remeasurement of rehabilitation	-	-	-	(5,198,414)	(137,004)	(5,335,418)
Assets reclassified as held for sale (note 15)	-	(662)	-	-	(1,297,651)	(1,298,313)
Balance at 30 June 2024	11,303,227	43,059,695	265,795	67,449,598	47,921,879	170,000,194
Additions	-	765,228	-	21,461,701	-	22,226,929
Transfer from mine development assets	-	2,444,336	-	(2,444,336)	-	-
Depreciation expense	(680,304)	(3,013,910)	(76,535)	-	(18,980,385)	(22,751,134)
Remeasurement of rehabilitation	-	-	-	(2,113,545)	(5,653,301)	(7,766,846)
Balance at 31 December 2024	10,622,923	43,255,349	189,260	84,353,418	23,288,193	161,709,143

¹ During the period, \$3.1 million was transferred out of Mine Development Assets to recognise a charge to operating expenses relating to Plumtree North coal inventory valuation. During the previous period, \$31.9 million was transferred out of Mine Development Assets to recognise a charge to operating expenses relating to Ellensfield South development coal sales.

Note 15. Assets held for sale

	Consolidated 31 Dec 2024 \$	30 Jun 2024 \$
<i>Current assets</i>		
Assets held for sale	-	92,764

On 11 July 2023, the Company announced the sale by Coking Coal One Pty Ltd (a wholly owned subsidiary of Bowen Coking Coal Limited) of a 10% interest in the Broadmeadow East Mine (BME) to MPC Lenton Pty Ltd (MPC) and executed a series of conditional agreements with MPC as part of a comprehensive transaction which included the sale of 10% of the assets of BME. Accordingly in the previous period, the Company has classified the carrying net asset value of 10% of BME's net assets as current assets held for sale as at 30 June 2024.

Note 15. Assets held for sale (continued)

In the current financial period, the Group successfully completed the 10% sale of these assets for a total consideration of \$13.0 million, resulting in a gain on disposal of \$12.2 million, which has been recognised in the statement of profit or loss under Other Income (refer to note 3).

The carrying amount of these assets immediately before disposal was \$92,764 and the sale proceeds were settled in cash. The disposal does not constitute a discontinued operation as defined under IFRS 5, as the assets were not a major line of business or geographical area of operations.

The impact of the sale on the Group's financial position is summarised as follows:

Sale proceeds received	13,000,000
Carrying amount of assets sold	(92,764)
Transaction costs	(683,721)
Gain on disposal of assets (note 3)	12,223,515

Note 16. Investments accounted for using the equity method

	Consolidated	
	31 Dec 2024	30 Jun 2024
	\$	\$
<i>Non-current assets</i>		
Investments accounted for using the equity method	2,926,123	1,861,057

Reconciliation

Reconciliation of the carrying amounts at the beginning and end of the current and previous financial half-year are set out below:

Opening carrying amount	1,861,057	938,688
Share of profit from joint ventures	1,065,066	2,272,369
Dividends paid	-	(1,350,000)
Closing carrying amount	2,926,123	1,861,057

Refer to note 30 for further information on interests in joint ventures.

Note 17. Exploration and evaluation assets

	Consolidated	
	31 Dec 2024	30 Jun 2024
	\$	\$
<i>Non-current assets</i>		
Exploration and evaluation assets	11,286,578	11,265,558

Note 17. Exploration and evaluation assets (continued)

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial half-year are set out below:

Consolidated	Exploration and evaluation assets \$
Balance at 1 July 2023	10,989,468
Additions	2,136,348
Receipt for exploration costs from Sumitomo Corporation	(1,860,258)
Balance at 30 June 2024	11,265,558
Additions	703,578
Receipt for exploration costs from Sumitomo Corporation	(682,558)
Balance at 31 December 2024	11,286,578

Note 18. Trade and other payables

	Consolidated	
	31 Dec 2024	30 Jun 2024
	\$	\$
<i>Current liabilities</i>		
Trade payables	17,402,552	2,860,248
Accrued expenses	20,724,877	40,887,683
Payable to joint venture partner	16,841,385	9,477,900
State and private royalties payable	32,452,621	31,396,717
Unearned Revenue	3,889,282	9,857,971
Other payables	2,351,343	1,848,839
	93,662,060	96,329,358

Note 19. Asset Acquisition

On 1 July 2022, the Company acquired 100% of the shares in New Lenton Coal Pty Ltd (whose significant asset is a 90% interest in the Lenton Joint Venture) on.

The assets in the Lenton joint venture include the Burton Mine and the New Lenton Project. The Burton Mine was under care and maintenance, with numerous assets in an inoperable state as at the date of acquisition. The assets requiring the highest cost to cure investment included the coal handling processing plant as well as a number of supporting mining infrastructure items including the haul road, train load-out facility and accommodation facilities. The New Lenton Project remains in the exploration and development phase, and there are significant plant and infrastructure assets held at the mine site.

Note 19. Asset Acquisition (continued)

Deferred consideration was recognised on acquisition and was subsequently measured at fair value at the date of the asset acquisition.

The deferred consideration position is measured at fair value through profit or loss, and at 30 June 2024, the value recognised was \$4.3 million classified as non-current, which is triggered through achievement of certain milestones.

As part of the debt amendments in November 2024, the Company and New Hope Corporation (New Hope) agreed that the \$4.3 million deferred consideration balance held at 30 June 2024, may be extinguished in full by paying \$5.0 million in cash or issuing \$5.0 million in new shares to New Hope at the New Equity Offer Price or a combination of cash and equity (as the Company elects), on or before 18 September 2025.

The debt amendment resulted in \$5.0 million recognised at 31 December 2024 as a current financial liability (refer to note 20).

Note 20. Interest bearing loans & borrowings

	Consolidated	
	31 Dec 2024	30 Jun 2024
	\$	\$
<i>Current liabilities</i>		
Taurus facility		
- Loan at amortised cost	22,316,462	49,818,841
New Hope facility		
- Derivative liability	-	107,347
New Hope		
- Financial Liability	5,000,000	-
Borrowings	1,312,910	-
	28,629,372	49,926,188
<i>Non-current liabilities</i>		
Taurus facility		
- Loan at amortised cost	39,813,487	30,826,465
New Hope facility		
- Loan at amortised cost	30,600,381	51,039,966
New Hope		
- Financial Liability	3,000,000	-
Convertible Notes		
- Host debt contract at amortised cost	27,918,780	25,975,541
- Derivative liability (conversion rights) at fair value through profit and loss	57,760	842,692
	101,390,408	108,684,664

Taurus Facility

The Taurus Mining Finance Fund No.2, L.P. ("Taurus facility") is senior secured with an aggregate limit of US\$33.9 million (previously US\$51 million) with the use of proceeds for capital expenditure, general working capital and expenses incurred in recommissioning the Burton coal handling and preparation plant, developing and operating the Burton Complex.

During the half year period, Taurus and the Company executed revised debt arrangements to amend the loan facility. The changes included an extension to the loan termination date to September 2026 (previously 31 December 2025), with quarterly amortisation payments to commence from March 2025.

As part of the equity raise, Taurus has provided a A\$15.3 million equity commitment which was offset against the principal balance after approval was granted by the Australian Federal Treasurer under the Foreign Acquisitions and Takeovers Act 1975 (Cth). The facility has been reduced from US\$51.0 million to US\$33.9 million, with the next scheduled repayment in March 2025 being US\$4.9 million.

Note 20. Interest bearing loans & borrowings (continued)

The facility interest rate (paid quarterly) increased to 11.0% (previously 10.0%) on the facility drawn balance of US\$44.0 million. In addition, royalties have increased for both Broadmeadow East and Burton tenements to 1.0% (previously 0.75%). Bluff royalties remained unchanged at 1.0%.

Upon completion of the amendments of the loan facility, the debt was remeasured at fair value and A\$0.8 million of transaction costs (comprising establishment, corporate and legal advisory fees) were offset during the period. The remeasurement of fair value resulted in the recognition of a net gain on debt modification of US\$2.1 million (A\$3.3 million), included within finance income (refer to note 7 for net gain on debt modification amount recognised in the period). The Taurus facility had an amortised cost of U\$39.4 million (A\$63.2 million) on 31 December 2024.

Security over the Taurus facility includes first ranking security over assets, including charges over movable and immovable property and mining leases, development licences and exploration permits.

New Hope facility

The New Hope Corporation Limited facility ("New Hope facility") is secured on a second ranking basis to the Taurus facility.

On 27 September 2024, New Hope exercised 81,310,580 warrants (of the total 100,000,000) at \$0.1120, the remaining 18,689,420 unexercised warrants lapsed at 30 September 2024. The transaction resulted in the debt being remeasured to fair value of \$29.6 million and resulted in the recognition of a loss on debt modification of \$1.4 million, included within finance income (refer to note 7 for net gain on debt modification amount recognised in the period).

On 13 November 2024, the Subordinated Facility with New Hope was extended to March 2027, with New Hope providing a A\$2.0 million equity commitment to offset against future interest repayments. This facility has been reduced from A\$61.6 million to A\$45.2 million (representing the value of Burton rehabilitation bonding). As part of this transaction, 222,222,222 ordinary shares were issued to New Hope. A total of \$0.5 million of transaction costs (comprising establishment, corporate and legal advisory fees) have been offset during the period. The New Hope facility principal balance remained unchanged at \$45.2 million at the end of the 31 December 2024. The facility amendments include extension of tenor, substitution of obligations to New Hope with cash or equity and a decrease in interest margin payable.

At date of amendment of the loan facility, after the \$2.0 million issuance of ordinary shares to New Hope, the loan facility was remeasured to fair value and resulted in a \$17.3 million gain on extinguishment as result of revised interest rates and settlement of early redemption payment, which is included within finance income disclosed in note 7 net gain on debt modification amount recognised in the period.

At 31 December 2024, the loan facility had a balance of \$30.7 million at amortised cost using effective interest rate.

The New Hope facility was used to provide a bank guarantee under the Queensland financial provisioning regime for rehabilitation performance bonding. The Company's share of the bond for the Lenton/Burton Mine rehabilitation cost is \$45.2 million.

New Hope - Current Financial liability:

On 13 November 2024, the Company and New Hope agreed that the \$4.3 million deferred consideration at 30 June 2024 (refer to note 19), may be extinguished by paying \$5.0 million in cash or issuing \$5.0 million in new shares to New Hope at the New Equity Offer Price (\$0.009 per share) or a combination of cash and equity (as the Company elects), on or before 18 September 2025. The amendment resulted in a \$0.7 million loss on debt modification (which is included within finance income disclosed in note 7 net gain on debt modification amount recognised in the period) and \$5.0 million is classified as current financial liability.

New Hope - Non-Current Financial liability:

On 13 November 2024, the Company and New Hope agreed that the Company may extinguish in full all acquisition royalties (previously recognised as contingent liability refer to note 27) by paying \$3.0 million in cash or issuing \$3.0 million in new shares to New Hope at the New Equity Offer Price or a combination of cash and equity (as the Company elects), on or before 18 March 2026. The amendment resulted in a \$3.0 million non-current financial liability recognised at 31 December 2024.

The Taurus and New Hope facilities contains warranties, indemnities and covenants (including cross default provisions) that are usual for a facility of this nature.

Note 20. Interest bearing loans & borrowings (continued)

Convertible Notes

On 20 June 2022, the Company achieved financial close on a convertible note deed for the issuance of \$40.0 million convertible loan notes (Convertible Notes) with the Crocodile Capital 1 Global Focus Fund and the Crocodile Capital Offshore Fund.

The Convertible Notes are convertible into fully paid ordinary shares in Bowen Coking Coal Ltd and have a maturity of five years unless earlier redeemed or converted in accordance with their terms and conditions.

The Convertible Notes carry an interest rate of 3.0% per annum and have an initial conversion price of \$0.325 per share. The Company has the ability to capitalise interest to the outstanding convertible loan note balance in lieu of cash at an interest rate of 4.0% per annum. Adjustments to the conversion price include an increase of \$0.005 per share every six months, a proportionate reduction should the Company issue shares at a lower price and other adjustments for dividends, capital reductions and other corporate actions. Additional adjustments to the conversion price exist if ordinary shares are issued by the Company at a price lower than the conversion price. There has been share issuance during the period (refer to note 23). Accordingly, at 31 December 2024 the conversion price has been amended and is currently \$0.0837 per conversion note.

At the date of recognition of the convertible note, a derivative liability was recognised at fair value. The fair value was determined utilising a Monte Carlo simulation which utilised Level 2 inputs. At 31 December 2024, the remeasurement of the fair value resulted in the recognition of a fair value adjustment of \$0.8 million, included in finance expense (refer note 8).

Note 21. Lease liability

	Consolidated	
	31 Dec 2024	30 Jun 2024
	\$	\$
<i>Current liabilities</i>		
Lease liability	162,836	155,356
<i>Non-current liabilities</i>		
Lease liability	42,236	125,546
	Consolidated	Consolidated
	31 Dec 2024	30 Jun 2024
	\$	\$
Opening carrying amount	280,902	421,964
Interest expense	4,614	13,267
Repayment	(80,445)	(154,329)
Closing carrying amount	205,071	280,902

Note 22. Provisions

	Consolidated	
	31 Dec 2024	30 Jun 2024
	\$	\$
<i>Current liabilities</i>		
Employee leave entitlements	801,901	867,098
<i>Non-current liabilities</i>		
Long service leave	206,687	204,343
Rehabilitation provision	59,795,658	65,143,726
	60,002,345	65,348,069

Note 22. Provisions (continued)

Movements in provisions

Movements in each class of provision during the financial period, other than employee benefits, are set out below:

	Rehabilitation provision	Provision for onerous contracts	Total
	\$	\$	\$
Carrying amount at 1 July 2023	69,273,538	16,454,000	85,727,538
Reductions through remeasurement of rehabilitation	(5,530,401)	-	(5,530,401)
Unwinding of discount	2,606,148	-	2,606,148
Reclassified as held for sale (note 15)	(1,205,550)	-	(1,205,550)
Onerous contract adjustment ¹	-	(12,995,612)	(12,995,612)
Settlement of onerous provisions	-	(3,458,388)	(3,458,388)
Carrying amount at 30 June 2024	65,143,735	-	65,143,735
Reductions through remeasurement of rehabilitation (note 14) ²	(7,889,350)	-	(7,889,350)
Unwinding of discount (note 8)	2,541,273	-	2,541,273
Carrying amount at 31 December 2024	59,795,658	-	59,795,658

¹ During the previous period, management reassessed the provision for onerous contracts following positive discussion with service providers in relation to the Bluff mine transition into safe care and maintenance, which resulted in \$13.0 million adjustment of the onerous contracts provision, due to reduction in the assessed future commitments.

² During the period ended 31 December 2024, a credit adjustment of \$122,504, which relates to the Bluff mine rehabilitation provision, was taken through Profit and Loss as the Bluff assets were impaired in the previous period.

Note 23. Issued capital

	31 Dec 2024 Shares	30 Jun 2024 Shares	Consolidated 31 Dec 2024 \$	30 Jun 2024 \$
Ordinary shares - fully paid	10,775,527,671	2,843,962,633	404,527,897	330,922,475

Movements in ordinary share capital

Details	Date	Shares	Issue price	\$
Balance	1 July 2024	2,848,005,498		330,922,475
Conversion of performance rights	02 August 2024	300,379	\$0.23	69,087
Conversion of performance rights	02 August 2024	873,246	\$0.14	122,254
Conversion of warrants	27 September 2024	81,310,580	\$0.11	9,106,785
Rights issue	05 November 2024	7,777,777,778	\$0.01	70,000,000
Issue of Taurus Debt Fee Securities	05 November 2024	66,666,666	\$0.00	-
Exercise of options	06 December 2024	98,360	\$0.01	885
Exercise of options	31 December 2024	495,164	\$0.01	4,456
Transaction costs associated with share issues				(5,698,045)
Balance	31 December 2024	10,775,527,671		404,527,897

Note 23. Issued capital (continued)

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value.

Note 24. Reserves

	Consolidated	
	31 Dec 2024	30 Jun 2024
	\$	\$
Share based payment reserve	5,601,148	5,272,535

Note 25. Dividends

There were no dividends paid, recommended or declared during the current or previous financial half-year.

Note 26. Contingent assets

There were no contingent assets as at 31 December 2024.

Note 27. Contingent liabilities

Broadmeadow East Project (ML 70257)

The Company completed the acquisition of the Broadmeadow East Project (ML 70257) from Peabody (Burton Coal) Pty Ltd in 2020. The consideration payable for the acquisition included a contingent item being a royalty arrangement of \$1/tonne which is payable on all coal produced and sold from ML 70257, capped at a maximum of 1.5Mt, being \$1.5 million and not applicable to the first 500,000 tonnes produced and sold.

Bluff PCI Coal Project (ML 80194, EPC 1175, EPC 1999)

The Company acquired the Bluff PCI Coal Project from MACA Ltd (who were the appointed receivers for Carabella Resources Pty Ltd) in 2021. The acquisition comprised the Bluff Coal mine (ML 80194) and coal exploration permits EPC 1175 and EPC 1999. The consideration payable for the acquisition included the following contingent consideration items:

Base Royalty payable: if Benchmark price for the quarter is more than USD\$120/tonne, the royalty applicable is \$2/tonne on all coal produced and sold from ML 80194, EPC 1175 and EPC 1999, subject to a maximum amount payable of \$10.0 million;
 Super Royalty payable: if Benchmark price for the quarter is more than USD\$150/tonne, the uncapped royalty is \$5/tonne on all coal produced and sold from ML 80194, EPC 1175 and EPC 1999, and if benchmark price for the quarter is more than USD\$200, the uncapped royalty is \$10/tonne.

New Lenton Coal Pty Ltd (which owns a 90% interest in the Lenton Joint Venture)

As part of the Company's acquisition of 100% of the shares in New Lenton Coal Pty Ltd from New Hope Corporation Limited in July 2022, consideration payable included a contingent item being payment of royalties as follows:

- A non-indexed royalty of 90% of coal sold (expressed in metric tonnes) by or on behalf of the Lenton Joint Venture multiplied by a royalty rate of A\$0.55 per metric tonne, capped at A\$16.0 million;
- Average Price Royalty; A non-indexed royalty of 90% of coal sold (expressed in metric tonnes) by or on behalf of the Lenton Joint Venture multiplied by a royalty rate of A\$0.00 per metric tonne where the Benchmark Price is equal to or less than USD\$160 per metric tonne or multiplied by a royalty rate of A\$1.65 per metric tonne where the Benchmark Price is more than USD\$160.00 per metric tonne, capped at A\$24.0 million; and
- High Price Royalty; A non-indexed royalty of 90% of coal sold (expressed in metric tonnes) by or on behalf of the Lenton Joint Venture multiplied by a royalty rate of A\$0.00 per metric tonne where the Benchmark Price is equal to or less than USD\$190.00 per metric tonne or multiplied by a royalty rate of A\$3.30 per metric tonne where the Benchmark Price is more than USD\$190 per metric tonne, capped at A\$30.0 million.

During the period, as part of the 13 November 2024 debt amendments, the Company and New Hope agreed that the Company may extinguish in full all acquisition royalties by paying \$3.0 million in cash or issuing \$3.0 million in new shares to New Hope at the New Equity Offer Price or a combination of cash and equity (as the Company elects), on or before 18 March 2026. The amendment resulted in a \$3.0 million non-current financial liability recognised at 31 December 2024 (refer to note 20).

Note 27. Contingent liabilities (continued)

Consistent with the Group's accounting policy, contingent, production-based royalties are not recorded as part of the consideration in an asset acquisition, rather they are recognised as an expense in the period of the obligating event i.e. Sale of produced coal occurs.

There were no other contingent liabilities at the end of the reporting period.

Note 28. Commitments

Exploration Commitments

The Group has certain obligations to expend minimum amounts on exploration in tenement areas. These obligations may be varied from time to time and are expected to be fulfilled in the normal course of operations of the Group. The following commitments exist at balance date but have not been brought to account. If the relevant option to acquire a mineral tenement is relinquished the expenditure commitment also ceases. The Group has the option to negotiate new terms or relinquish the tenements and also to meet expenditure requirements by joint venture or farm-in arrangements.

	Consolidated	
	31 Dec 2024	30 Jun 2024
	\$	\$
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	254,000	113,000
One to five years	1,614,000	1,315,000
More than five years	153,000	487,000
	2,021,000	1,915,000

Capital Commitments

At 31 December 2024 the Group had \$1.1 million in capital purchase commitments.

Note 29. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1:

Name	Principal place of business / Country of incorporation	Ownership interest	
		31 Dec 2024	30 Jun 2024
		%	%
Bowen PCI Pty Ltd	Australia	100.00%	100.00%
Coking Coal One Pty Ltd	Australia	100.00%	100.00%
New Lenton Coal Pty Ltd	Australia	100.00%	100.00%
Lenton Management and Marketing Pty Ltd	Australia	90.00%	90.00%
Cabral Metais Ltd (dormant)	Brazil	100.00%	100.00%

Note 30. Interests in joint ventures

On 23 March 2020, the Company entered into an Umbrella Deed with M Resources Trading Pty Ltd, Latimore Family Pty Ltd and Latimore Finance Pty Ltd (Latimore Parties) which sets out the terms of a 50/50 joint venture arrangement between the Company and the Latimore Parties.

In accordance with the Umbrella Deed the parties have registered Bowen Coking Coal Marketing Pty Ltd (Marketing Co) as a joint venture coal marketing vehicle, of which the Company and the Latimore Parties are shareholders in equal proportion. Marketing Co. will market, promote and sell, all coal produced by and from any of the Company's projects as well as third party coal for blending purposes. M Resources Trading Pty Ltd will provide marketing support services to Marketing Co.

Note 30. Interests in joint ventures (continued)

Interests in joint ventures are accounted for using the equity method of accounting. Information relating to joint ventures that are material to the Group are set out below:

Name	Principal place of business / Country of incorporation	Ownership interest	
		31 Dec 2024 %	30 Jun 2024 %
Bowen Coking Coal Marketing Pty Ltd*	Australia	50.00%	50.00%

* Refer to note 33.

Note 31. Interests in joint operations

The Group has recognised its share of jointly held assets, liabilities, revenues and expenses of joint operations. These have been incorporated in the financial statements under the appropriate classifications. Information relating to joint operations that are material to the Group are set out below:

Name	Principal place of business / Country of incorporation	Ownership interest	
		31 Dec 2024 %	30 Jun 2024 %
Hillalong Joint Venture (un-incorporated)	Australia	85.00%	85.00%
New Lenton Joint Venture (un-incorporated)	Australia	90.00%	90.00%

Note 32. Operating segments

Identification of reportable operating segments

The Group operates in one geographical location being Australia and its operations are organised into two business units from which the Group's expenses are incurred and revenues are earned, being for the exploration and development of coal and mining and sale of coal, which align to the table below.

The non-current assets included in the exploration and development of coal are associated with coal projects located in Queensland, Australia. All corporate (unallocated) expenditure, assets and liabilities relate to incidental operations carried out in Australia. Liabilities included within Corporate are the Group's borrowings.

Transfer prices between operating segments are on an arm's-length basis in a manner similar to transactions with third parties.

Note 32. Operating segments (continued)

	Mining and sale of coal \$	Exploration and development of coal \$	Corporate (Unallocated) \$	Total \$
For the half-year ended 31 December 2024				
Revenue				
Revenue from contracts with customers	181,459,984	-	-	181,459,984
Other income	1,971,336	-	12,223,515	14,194,851
	183,431,320	-	12,223,515	195,654,835
Expenses				
Employee benefits expense	(2,707,726)	-	(1,868,539)	(4,576,265)
Other expenses	(18,161,111)	-	(2,634,143)	(20,795,254)
Operating expenses	(113,819,316)	-	-	(113,819,316)
Net inventory movements	(9,556,954)	-	-	(9,556,954)
Foreign exchange gains	2,261,485	-	(670,641)	1,590,844
Depreciation and amortisation expense	(22,651,761)	-	(99,375)	(22,751,136)
Royalties expense	(22,629,601)	-	-	(22,629,601)
Share based payments	-	-	(519,954)	(519,954)
Operating profit/(loss)	(3,833,663)	-	6,430,862	2,597,199
Finance income	-	-	19,426,844	19,426,844
Finance expense	(4,112,793)	-	(27,655,139)	(31,767,932)
Share of profit from joint ventures	-	-	1,065,066	1,065,066
Loss before income tax expense	(7,946,456)	-	(732,366)	(8,678,822)
Income tax expense	-	-	-	-
Profit/(loss) after income tax expense for the half-year	(7,946,456)	-	(732,366)	(8,678,822)
For the period ended 31 December 2024				
Property, plant and equipment	161,475,353	-	233,790	161,709,143
Investments accounted for using the equity method	-	-	2,926,123	2,926,123
Exploration and evaluation assets	-	11,286,578	-	11,286,578
Other assets	77,482,586	-	-	77,482,586
Total non-current assets	238,957,939	11,286,578	3,159,913	253,404,430
Total assets	317,417,592	11,286,578	31,016,446	359,720,616
Total liabilities	(141,954,324)	-	(142,736,834)	(284,691,158)

Note 32. Operating segments (continued)

	Mining and sale of coal \$	Exploration and development of coal \$	Corporate (Unallocated) \$	Total \$
For the half-year ended 31 December 2023				
Revenue				
Revenue from contracts with customers	231,614,145	-	-	231,614,145
Other income	4,116,640	-	7,085	4,123,725
	235,730,785	-	7,085	235,737,870
Expenses				
Employee benefits expense	(1,989,570)	-	(3,062,172)	(5,051,742)
Other expenses	(22,574,385)	-	(2,643,615)	(25,218,000)
Operating expenses	(207,770,383)	-	-	(207,770,383)
Net inventory movements	(21,744,366)	-	-	(21,744,366)
Foreign exchange gains	(972,909)	-	3,314,234	2,341,325
Depreciation and amortisation expense	(8,815,612)	-	(99,375)	(8,914,987)
Onerous contract	8,962,000	-	-	8,962,000
Royalties expense	(31,548,850)	-	-	(31,548,850)
Share based payments	-	-	(1,364,480)	(1,364,480)
Operating loss	(50,723,289)	-	(3,848,324)	(54,571,614)
Finance income	764	-	8,446,881	8,447,645
Finance expense	(2,185,117)	-	(18,403,630)	(20,588,747)
Share of profit from joint ventures	-	-	1,653,194	1,653,194
Loss before income tax expense	(52,907,643)	-	(12,151,878)	(65,059,522)
Income tax expense	-	-	-	-
Loss after income tax expense for the period	(52,907,643)	-	(12,151,878)	(65,059,522)
For the period ended 30 June 2024				
Property, plant and equipment	102,217,432	67,449,598	333,164	170,000,194
Investments accounted for using the equity method	-	-	1,861,057	1,861,057
Exploration and evaluation assets	-	11,265,558	-	11,265,558
Other assets	76,980,062	-	-	76,980,062
Total non-current assets	179,197,494	78,715,156	2,194,221	260,106,871
Total assets	234,210,411	78,715,156	22,599,146	335,524,713
Total liabilities	(150,510,310)	-	(175,240,158)	(325,750,468)

Note 33. Events after the reporting period

In January 2025, the Company successfully acquired the remaining 50% interest in Bowen Coking Coal Marketing Pty Ltd, resulting in full ownership and consolidation of the entity. Originally established under a 50/50 joint venture with M Resources Trading Pty Ltd, Latimore Family Pty Ltd and Latimore Finance Pty Ltd. In addition, all marketing arrangements were transferred to Square Marketing from 1 January 2025.

On 13 January 2025, the Company announced that Neville Sneddon has tendered a resignation notice, resigning as a Non-Executive Director.

On 23 January 2025, the Company announced a change in executive leadership with the appointment of Mr. Andrew Mooney as Chief Financial Officer, effective 17 February 2025. Mr. Mooney is an accomplished finance leader with more than 25 years of experience leading large, high-performing accounting and commercial teams across multiple organisations and countries. Mr. Mooney will manage finance, capital management, treasury, tax, risk management, investor relations and ensuring that the financial operations of the group support the delivery of business objectives. He will also be a member of Bowen's group executive team.

On 3 March 2025, the Company announced a proposed 100:1 share consolidation (subject to shareholder approval on 3 April 2025) to streamline its capital structure and reduce volatility. This adjustment reduces total shares while proportionally increasing share value, maintaining market capitalisation.

No other matters or circumstances have arisen since the end of the period which will significantly affect, or may significantly affect, the state of affairs or operations of in future financial periods.

No other matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

BOWEN COKING COAL LIMITED
DIRECTORS' DECLARATION
31 DECEMBER 2024



In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the financial half-year ended on that date; and
- subject to matters disclosed in note 1 of the consolidated financial statements, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors

A handwritten signature in black ink, appearing to read 'Nicholas Jorss', written over a horizontal line.

Nicholas Jorss
Executive Chairman and Director

14 March 2025



**Shape the future
with confidence**

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Independent auditor's review report to the members of Bowen Coking Coal Limited

Conclusion

We have reviewed the accompanying condensed half-year financial report of Bowen Coking Coal Limited (the Company) and its subsidiaries (collectively the Group), which comprises the condensed statement of financial position as at 31 December 2024, the condensed statement of comprehensive income, condensed statement of changes in equity and condensed statement of cash flows for the half-year ended on that date, explanatory notes and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Group does not comply with the *Corporations Act 2001*, including:

- a. Giving a true and fair view of the consolidated financial position of the Group as at 31 December 2024 and of its consolidated financial performance for the half-year ended on that date; and
- b. Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Material uncertainty related to going concern

We draw attention to Note 1 of the condensed half-year financial report, which describes the principal conditions that raise doubt about the Group's ability to continue as a going concern. These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Directors' responsibilities for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2024 and its



performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

The Ernst & Young logo is written in a cursive, handwritten style.

Ernst & Young

A handwritten signature in black ink, appearing to read 'Tom du Preez', is written over a horizontal line.

Tom du Preez
Partner
Brisbane
14 March 2025