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2 December 2016

Market Announcements Office
Australian Securities Exchange
Level 4
20 Bridge Street
Sydney NSW
Australia

**CHAIRMAN'S ADDRESS
2016 ANNUAL GENERAL MEETING**

The Board of Bathurst Resources Limited (ASX: BRL) is pleased to attach the Chairman's Address for the 2016 Annual General Meeting being held on 2 December 2016.

A handwritten signature in black ink, appearing to read "Bill Lyne", with a horizontal line underneath.

Bill Lyne
Company Secretary
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CHAIRMAN'S ADDRESS

ANNUAL GENERAL MEETING 2016

BATHURST RESOURCES LIMITED

This year has been a time for building on organisational change, continuing to pursue operating efficiency and delivering on our strategy.

And that strategy is working.

We now have a robust business based on our domestic operations in the South Island which can support the company until such time as we can bring our export coking coal project into full development.

Back in August we reported to shareholders that the company returned a \$1m surplus for FY2016, the first recorded surplus since the company was incorporated. Whilst reasonably modest, this compares with a net loss in the prior year of \$16m.

The company produced operating cash flow of \$10m in FY16 compared with \$1m a year earlier.

This was off the back of record production of 430,000t in FY16, an increase of 10% from the prior year.

Most importantly, we are proud to have recorded another year with no significant injuries or environmental incidents reported. This is a result of the continued efforts from board and management and the whole Bathurst workforce to entrench a culture of safety above all else across all of our operations.

The success of the domestic business and delivery on our promises over the past 2 years, has provided a platform for the company to compete in, and achieve, a successful tender for the North Island and Stockton assets of Solid Energy via a Joint Venture with Talleys Energy.

Whilst this acquisition remains subject to a number of conditions, including Overseas Investment Office approval, this is an incredibly exciting time for Bathurst and enhances the value in both in the acquired assets, and Bathurst's existing portfolio. Richard will talk more about this opportunity shortly.

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In closing, I would like to acknowledge the efforts of my fellow directors, management and staff over the past year for all their hard work.

On behalf of the board, I would also extend our appreciation to our shareholders for their continued support.

We have emerged from a challenging period in a strong position and I am confident that the company is now well placed to deliver on our strategy and a successful integration of the Solid Energy assets in the year ahead.

Our Chief Executive Officer, Richard Tacon, will now give a more detailed update on the company's progress.

We will then proceed to the formal part of the meeting to consider the resolutions put forward to shareholders.

After this, we would be happy to take any questions. I would then like to invite you to stay on for refreshments and to meet the board and management team.

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