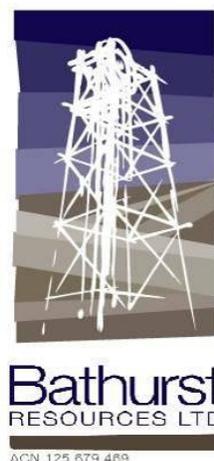


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Centralised Company Announcements Platform
Australian Stock Exchange
10th floor, 20 Bond Street
Sydney NSW 2000

BATHURST TO FOCUS ON HIGH QUALITY NEW ZEALAND COAL PROJECT

- **Bathurst Resources Limited (ASX:BTU) is pleased to announce that following extensive due diligence, the company has now decided to focus on the highly prospective, high quality hard coking coal project in the Buller coalfield in New Zealand.**
- The Buller coalfield, which accounts for approximately half of New Zealand's coking coal, is regarded as a **high quality coking coal province**.
- The project contains **extremely high quality coking coal**. **Similar coal in the current market is receiving prices of up to US\$200 a tonne.**
- The Buller project's exploration potential is conceptually in the order of **50 and 90 million tonnes of coking and thermal coal**. **Studies show** it should be developed as an **open cut operation** that could be in production within 18-24 months.
- **Coal from the Buller region is low ash and has high fluidity** with the majority of production suitable for export to overseas steel making industries.
- The Buller Project includes a portfolio of advanced near-surface coal deposits and open cut mining access. In addition the project includes a pipeline of brown-field and advanced exploration prospects with two permits covering over 100 square kilometres in the coalfield.

As a result no further expenditure will be undertaken on Bathurst's US assets and the company will no longer have a presence there. Negotiations are in progress to transfer the Feds Creek assets in Eastern Kentucky to the previous operators, Highwall Mining. In line with the focus on New Zealand, Mr Chuck Griffith has resigned from the Bathurst Board and the company is actively reviewing directors with suitable coal expertise to add value to the Board.

Bathurst is currently conducting a Due Diligence review on the Buller project and will update the market once this has been completed.

For and on behalf of Bathurst Resources Ltd

Hamish Bohannan
Managing Director
Bathurst Resources Ltd

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Introduction

Bathurst Resources Limited is an Australian listed company focused on becoming a producer of high quality coking and thermal coal to niche export markets.

Bathurst announced, on 24 February 2010, the signing of an agreement with L&M Coal Holdings to joint venture and ultimately acquire an outstanding hard coking coal asset in the Buller Coalfield in NZ through the acquisition of 100% of L&M Coal Limited.

Highlights

- Joint Venture to develop the high grade metallurgical coal resources in NZ.
- 100% acquisition of high grade metallurgical coal resources in NZ.
- Current exploration potential of over 50 million tonnes.
- Open cut development opportunity with production in 18-24 months.
- Development in an area of established operations with infrastructure in close proximity.

Background

The Buller Coalfield on the West Coast of the South Island of New Zealand is one of the country's most significant fields and is particularly well known for its production of very high quality, low ash, coking coals that command premium prices on world markets. The 125 year history of mining in the field continues with the current production of a range of coking and thermal coal, much of which is currently exported.

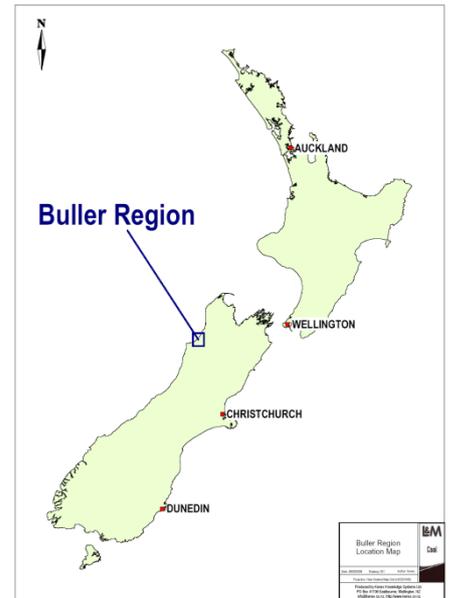
Coal mining is a significant part of the NZ economy and facilities for export from the West Coast coalfields are extensive. Railway lines service the entire West Coast coal mining industry and connect to both river and deep water ports.

L&M Coal has established exploration potential in excess of 50 million tonnes of coking and thermal coals within two permits that cover over 10,000 hectares of the Buller Coalfield with significant further exploration potential remaining within the permits.

The permits largely surround Solid Energy's Stockton opencast mining operation. The state-owned mine produces about 2 million tonnes per annum of high-value coal. Most of the coal mined at Stockton is exported for use in steel mills in India, China, Japan, South Africa and Brazil. The Buller Project would expect to produce the same high quality coal from the same seams mined by Solid Energy at Stockton.

Agreement

Bathurst and L&M Coal Holdings have signed an agreement whereby Bathurst will work in a joint venture with L&M Coal to develop the Buller Project as well providing Bathurst the sole and exclusive right to execute a sale and purchase agreement to acquire all of the shares in L&M Coal, the agreement of which is to be completed by the 30th April 2010. Following the acquisition of the project, Bathurst would pursue a joint listing on the New Zealand stock exchange.



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Statement of Exploration Potential

The estimate of exploration potential was calculated by CRL Energy using the results from historical and recent drilling undertaken by L&M Coal. The potential quantity and grade is conceptual in nature and there has been insufficient exploration to define a mineral resource and it is uncertain if further exploration will result in determination of a mineral resource.

For further information contact

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The information in this announcement that relates to exploration results, mineral resources or ore reserves is based on information compiled by Dr James Pope, of CRL Energy of Christchurch New Zealand, who is a consultant to the company and is a member of the Australasian Institute of Mining and Metallurgy. Dr Pope has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Dr Pope consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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