BOWEN COKING COAL LTD
AND CONTROLLED ENTITIES

ABN: 72 064 874 620

CONSOLIDATED FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2020

Contents

Cautionary Statements

Forward-looking statements

This document may contain certain forward-looking statements. Such statements are only predictions, based on certain assumptions and involve known and unknown risks, uncertainties and other factors, many of which are beyond the Company's control. Actual events or results may differ materially from the events or results expected or implied in any forward-looking statement.

The inclusion of such statements should not be regarded as a representation, warranty or prediction with respect to the accuracy of the underlying assumptions or that any forward-looking statements will be or are likely to be fulfilled. Bowen Coking Coal Ltd undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date of this document (subject to securities exchange disclosure requirements).

The information in this document does not take into account the objectives, financial situation or particular needs of any person or organisation. Nothing contained in this document constitutes investment, legal, tax or other advice.

Competent Person Statement

All exploration results and Mineral Resources referred to in this Annual Report have previously been announced to the market by the Company in accordance with the requirements of Chapter 5 of the ASX Listing Rules and the JORC Code 2012, including as to the requirements for a statement from a Competent Person; and the relevant announcements have been referred to in the body of the Annual Report. The Company confirms that it is not aware of any new information or data that materially affects that information. In respect of the Mineral Resources, all material assumptions and technical parameters continue to apply and have not materially changed.

Corporate Information

Directors and Company Secretary
Neville Sneddon (Non-Executive Chairman)
Gerhard Redelinghuys (Managing Director)
Blair Sergeant (Executive Director - Corporate Development)
Steven Formica (Non-Executive Director)
James Agenbag (Non-Executive Director)
Nicholas Jorss (Non-Executive Director)
Matthew Latimore (Non-Executive Director)

Duncan Cornish (Company Secretary)

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RSM Australia Partners
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Brisbane QLD 4000

Share Registry
Link Market Services Limited
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Stock Exchange Listing
Australian Securities Exchange Ltd
ASX Code: BCB

Australian Company Number
064 874 620

Solicitor
Colin Biggers & Paisley Pty Ltd
Level 35, 1 Eagle Street
Brisbane QLD 4000

Banker
Westpac Banking Corporation Limited

Review of Operations

The year ended 30 June 2020 was not unlike the previous year, represented by a long list a notable achievements and progress across the Company's highly prospective portfolio of coking coal assets held in the Bowen Basin of Queensland, Australia. Below is a list of some of the more material highlights:

- A Farm-In Agreement at the Hillalong Coking Coal Project with Japanese conglomerate, Sumitomo was completed, whereby Sumitomo may earn up to 20% of the project in return for spending $7.5m over a two-Phase exploration program
- Phase 1 of the above-mentioned program was completed, with Sumitomo investing $2.5m for the first 10%
- Sumitomo elects to proceed with the Hillalong JV post successful completion of Phase 1 Farm-In
- As part of Phase 1, a maiden drilling program was completed at both Hillalong South and Hillalong North
- Issuance of maiden JORC Resource of 43Mt at Hillalong North
- Positive drilling results, coal quality and washability analysis received from Hillalong South's maiden drilling program
- Acquisition of the 33mt Broadmeadow East Coking Coal project and associated $2.25m capital raising
- Establish a Marketing JV with M Resources Trading, which included M Resources agreeing to provide a $15m Finance Facility
- Maiden drilling program at Isaac River resulted in a revised resource estimate of 8.7Mt, being a 67% increase on the previous estimate
- Subsequent coal analysis and washability data from the Isaac River drilling program confirmed improved coal qualities
- Mining Lease Application for Isaac River was lodged and the documentation relating to the Environmental Authority application was near completion

CORPORATE

From a corporate perspective, the Company also achieved a number of significant milestones during the year ended 2020. In addition to the Sumitomo Farm-in Agreement and acquisition of Broadmeadow East, both mentioned above, BCB agreed to establish a Marketing JV with M Resources Trading, which included M Resources agreeing to provide a $15m Finance Facility, to be used for the development of any one of BCB's projects. M Resources specialises in marketing coking coal, including hard coking coal, semi hard coking coal, semi soft coking coal, PCI coals for steel manufacturing, and is controlled and managed by Mr Matt Latimore, who, along with certain of his related entities, is a substantial shareholder of BCB, with an interest in excess of 15%.

Following shareholder approval of the aforementioned Marketing JV, Matt joined the Board as a Non-Executive Director.

Funding of the Company's activities were facilitated by several capital raisings as summarised below:

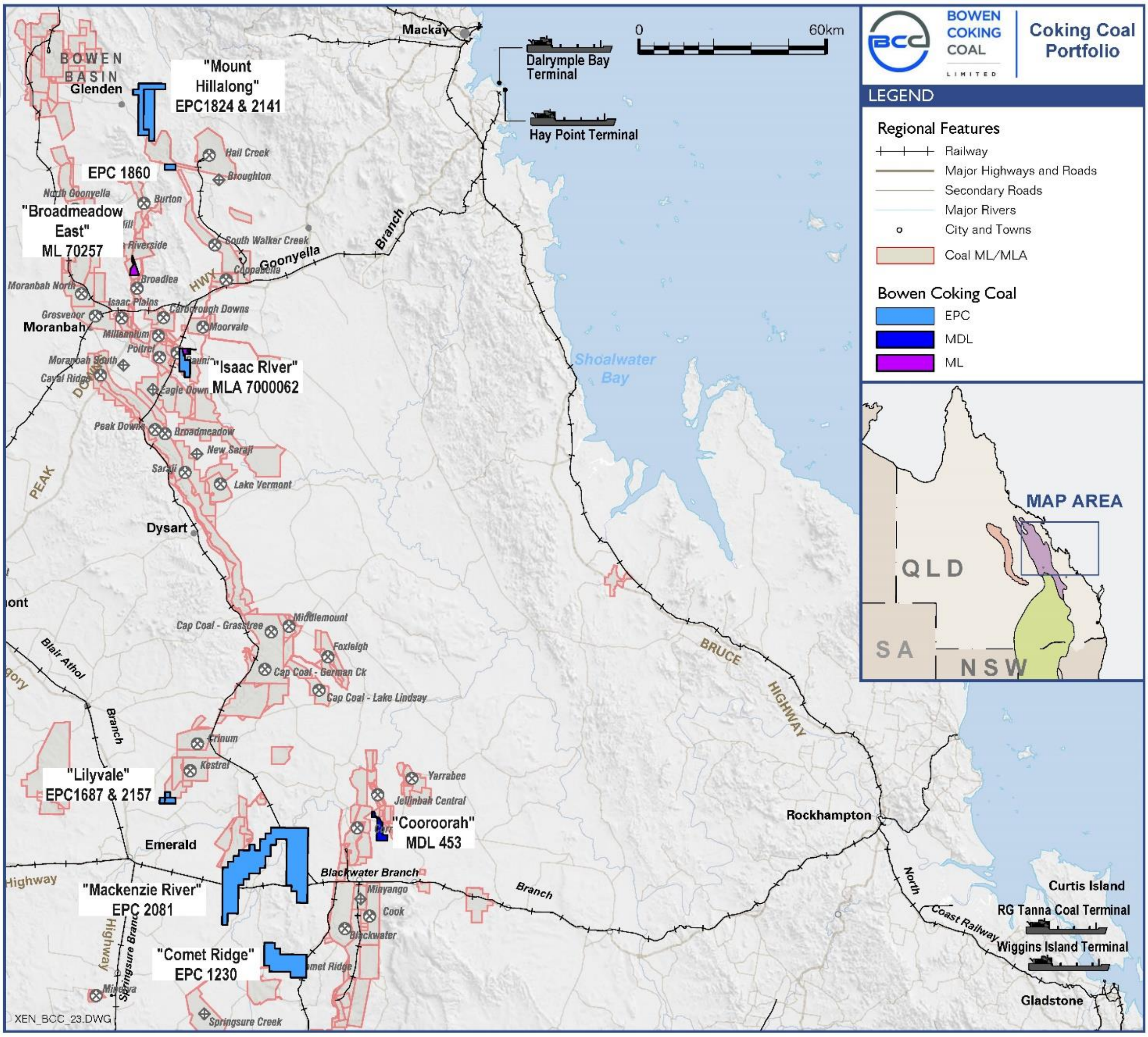
1. Private placement to raise $500,000 completed in August 2019
2. $2m received from the exercise of 50m listed options exercised at 4c each
3. $489,760 received from the exercise of 24,488,000 unlisted options exercised at 2.0c each
4. In late June 2020, the Company completed $2.25m private placement, which was in association with the acquisition of Broadmeadow East Project.,.

As at 30 June 2020, the Company held cash at bank of $2.4m, which in the opinion of the Board, is more than sufficient to enable it to continue executing on its stated exploration and development strategy. Further, post balance date, an additional $1.75m was received, being the balance of the $2.25m placement referred to above.

Review of Operations

PROJECTS

Figure 1. Project Location.



Hillalong Project (90%) (EPC 1824 & EPC 2141)

EPC 1824 and EPC 2141 ("Hillalong Project") are located in the northern Bowen Basin approximately 105km west-southwest of Mackay. The tenements comprise 31 sub-blocks (approximately 99km^2) located to the west of the Mount Hillalong anticline and is approximately 16km northwest of Rio Tinto's Hail Creek Mine. The Project contains sub cropping coal seams from the Rangal coal measures ("RCM"), Fort Cooper coal measures and Moranbah coal measures ("MCM"). Two economic coal seams, Elphinstone and Hynds (Leichardt and Vermont equivalents) within the Rangal measures are currently being mined nearby. See Figure 2.

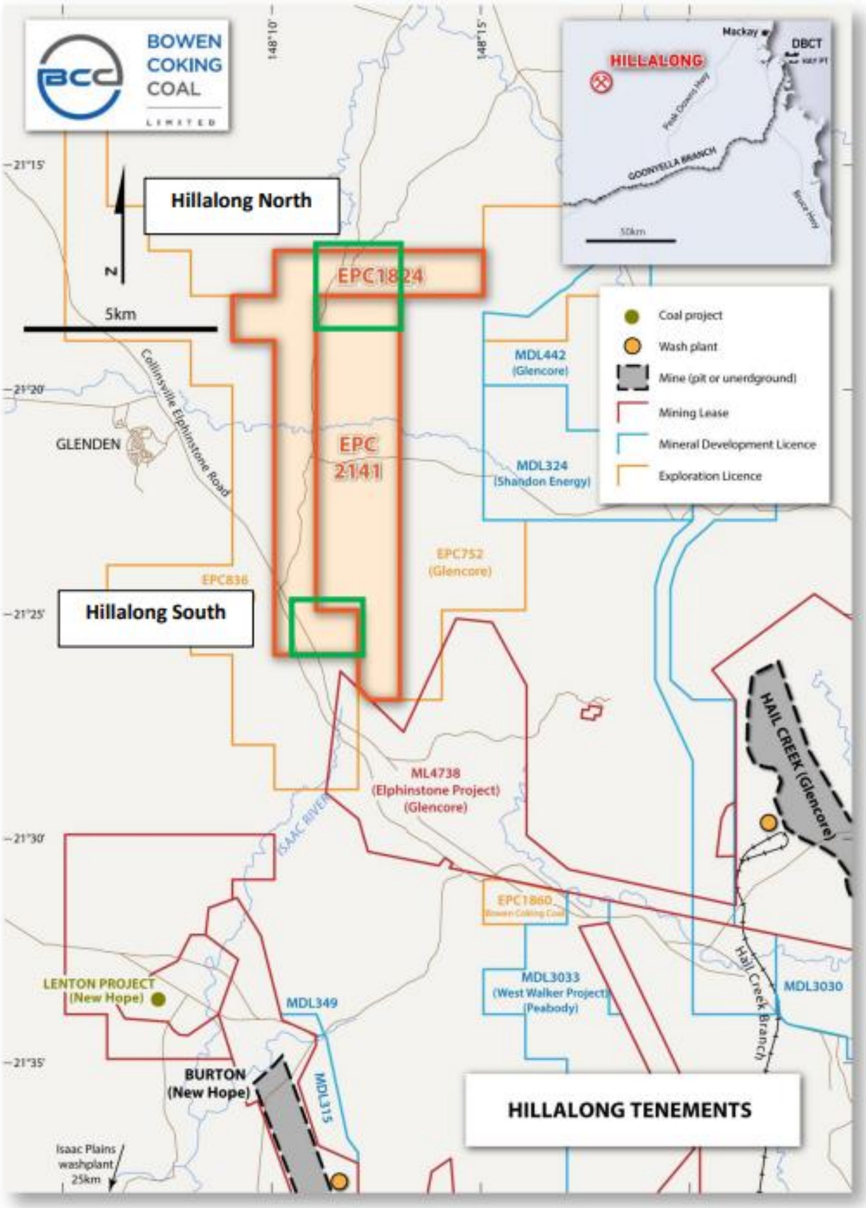
Review of Operations

Hillalong JV with Sumitomo Corporation

During the year, BCB executed a formal Farm-In with Japanese conglomerate, Sumitomo Corporation ("Sumitomo"), in relation to the Hillalong Coking Coal Project ("Sumitomo Farm-In"). Under the terms of the Sumitomo Farm-In:

- Sumitomo agreed to fund $2.5m of pre-defined exploration expenditure, being the entire Phase 1 exploration program for both Hillalong North and Hillalong South, to earn an initial 10% interest in Hillalong;
- Sumitomo has the right to then earn an additional 10% interest, post a further $5m funding of agreed exploration and study activities at Hillalong ("Phase 2");
- BCB and Sumitomo will form an unincorporated Joint Venture ("JV") managed by BCB, post Sumitomo earning either the initial 10% or 20% interest, as the case may be; and
- Sumitomo will provide support to BCB to secure future Hillalong development funding.

Figure 2. Location of Hillalong North and Hillalong South within the Hillalong Coking Coal Project (EPC 2141 & EPC 1824).



Review of Operations

The formal, binding Sumitomo Farm-In Agreement was signed with SCAP Hillalong Pty Ltd, which is a wholly owned subsidiary of Sumitomo, a multi-billion dollar diversified Japanese conglomerate with a long history of investing in Australian mines and currently holds interests in Hail Creek, Clermont, Rolleston and Oaky Creek mines in the Bowen Basin, Queensland, mainly through Glencore managed joint ventures.

The Phase 1 program as referred to above was completed, with Sumitomo having contributed the agreed $2.5m to earn an initial 10% interest in Hillalong. Consequently, Sumitomo elected to proceed with the JV and as a result, the formal documentation governing such is being prepared.

Sumitomo's decision to proceed with the Hillalong JV, reflects the success of the maiden drilling programmes undertaken by BCB at both Hillalong North and Hillalong South, more detailed below.

Hillalong North & Hillalong South Phase 1 Exploration Program
The Phase 1 exploration program forming part of the Sumitomo Farm-In included the completion of a maiden drilling program at both Hillalong North and Hillalong South.

At Hillalong North, the Company confirmed that the target seams were intersected in 26 of the 27 drill sites, and the main target seams (Elphinstone and/or Hynds Upper) were encountered in approximately 75% of the holes from depths as shallow as 5m (weathered) and 12m (unweathered).

The 2020 Hillalong North exploration program covered less than 10% of the surface area of the total Hillalong Project, albeit it is the most prospective target area, emanating from historic Rio Tinto drilling data. Xenith Consulting has estimated a total resource of 43Mt in accordance with the JORC Code, of which 19.5Mt is shallower than 150m deep, a typical depth cut-off for open cut resources (see table 1 below). Importantly, the resource area remains open in the East and South West directions, providing opportunities to expand on this maiden resource estimate. Raw coal quality data is extremely positive in terms of coking coal indicators for both the Elphinstone and Hynds seams as can be seen in Table 2 below.

Table 1. Summary of the resource estimate for Hillalong North.

DEPTH	SEAM	RESOURCE CATEGORY (MT)			
		MEASURED	INDICATED	INFERRED	TOTAL
<150m	**Elphinstone**		4.0	4.5	8.5
	Hynds Upper		9.1	1.9	11.0
	Subtotal		**13.1**	**6.4**	**19.5**
>150m	**Hynds Upper**		7.7	15.9	23.7
	Subtotal		**7.7**	**15.9**	**23.7**
TOTAL			**21**	**22**	**43**

Note – Some rounding to the nearest significant figure has occurred and this may reflect in minor differences in the overall reported resource. Tonnes were calculated for an in situ Relative Density (RD). No total moisture or moisture holding capacity analysis results were available to use as in situ moisture.

Review of Operations

Table 2. Average raw coal quality per seam and resource category (Air Dried Basis).

CATEGORY	MT	Relative Density g/cm^3	Inherent Moisture %	Ash %	Volatile Matter %	Fixed Carbon %	Total Sulphur %	Calorific Value MJ/kg	CSN
INDICATED									
Elphinstone	4.0	1.45	2.7	19.0	27.3	52.4	0.39	26.8	5
Hynds Upper	16.8	1.49	1.9	21.3	25.9	53.9	0.35	27.8	4.5
INFERRED									
Elphinstone	4.5	1.46	2.6	19.8	27.0	51.7	0.39	26.6	5
Hynds Upper	17.8	1.49	1.9	20.6	26.3	54.4	0.37	27.8	4.5
TOTAL	**43**	**1.48**	**2.0**	**20.7**	**26.3**	**53.7**	**0.36**	**27.6**	**4.5**

Fast float laboratory testing, a procedure designed to test the expected product coal after washing at a density of 1.375, which provides a first indication of coking properties and yields for a primary coking product, indicated the potential to wash to a high quality coking coal from both the Elphinstone and Hynds Upper seams in all 3 boreholes of which the results have been received at 30 June 2020. CSN results as high as 8.5 (average of 7 for all seams) and fluidity as high as 1500ddpm (average of 822ddpm for all seams) were observed at an average ash of 8.1% (air dried) at yields ranging between 44% and 80% for a primary product only.

Hillalong South

Also included in the Hillalong Phase 1 exploration program were several drill holes, which encountered the main target seams (Elphinstone and Hynds) between 116m and 167m deep with an average thickness of 5.6m for the Elphinstone seam and 2.5m for the Hynds Upper seam. Both seams in hole HIL015C and the unaffected part of the Elphinstone seam in HIL018C underwent fast float tests, which indicated the potential to wash a primary, high quality coking coal from both the Elphinstone and Hynds Upper seams. Two drill holes encountered heat affected coal which impacted the coking properties of the coal.

The washability tests demonstrated that washing a primary coking coal with a secondary PCI, or a primary coking coal with a secondary Energy coal, will result in an overall increase in the yield from raw coal, as per Table 3 below.

Further washability tests on the heat affected coal in Holes HIL016C and HIL017C have exceeded initial expectations as results have indicated that the heat affected coal can be washed to a primary PCI coal with secondary energy coal, or a primary energy coal with a calorific value of between 6,167 and 6,675 kcal/kg (Gross Air Dried, “gad”).

Review of Operations

*Table 3. Coal quality from HIL015C and HIL018C (Not materially affected by intrusions)**

Primary coking coal with secondary PCI option

Seam	Primary Coking Coal			Secondary PCI Coal		Total Yield%
	Product Ash%[1]	Yield%[1]	CSN	Product Ash%	Yield%	
Elphinstone Upper	8.8	35-45	3½-6½	10.6	8-14	49-53
Elphinstone Lower	7.9	54-73	3½-4	10.5	16-18	71-89
Hynds Upper	8.6	61-85	4½-7	9.8	0 to 8[2]	69-85

Primary coking coal with secondary energy coal

Seam	Primary Coking Coal			Secondary Energy Coal			Total Yield%
	Product Ash%[1]	Yield%[1]	CSN	Product Ash%	Yield%	CV (kcal/kg)(gad)	
Elphinstone Upper	8.8	35-45	3½-6½	19.1	33	6263	68-78
Elphinstone Lower	7.9	54-73	3½-4	19.2	33[3]	6107	73-87
Hynds Upper	8.6	61-85	4½-7	16.1	23[3]	6661	69-85

** See ASX Release of 27 November 2019 and 24 February 2020 for detail of the exploration outcomes*

1 Air-dry basis, nil dilution and loss

2 HIL018C is only washing a Primary coking coal at 85% yield and no PCI

3. Yield from hole HIL015C only as HIL018C is only washing a Coking and secondary PCI

4. Data from hole HIL017C only as HIL016C did not encounter the Hynds Upper seam at the cut off depth

Broadmeadow East Coking Coal Project (ML 70257)

In a significant milestone, the Company announced in late June 2020, that it had executed binding agreements with Peabody (Burton Coal) Pty Ltd ("Peabody"), a wholly owned subsidiary of US headquartered Peabody Energy Corporation, whereby BCB will acquire the Broadmeadow East coking coal project, located within undeveloped Mining Lease 70257 ("Project" or "Broadmeadow East").

The Company's independent consultants, Xenith Consulting, were commissioned to review all available and relevant data and have completed a Resource Estimate of 33Mt, in accordance with the JORC Code (2012), as per Table 4 below.

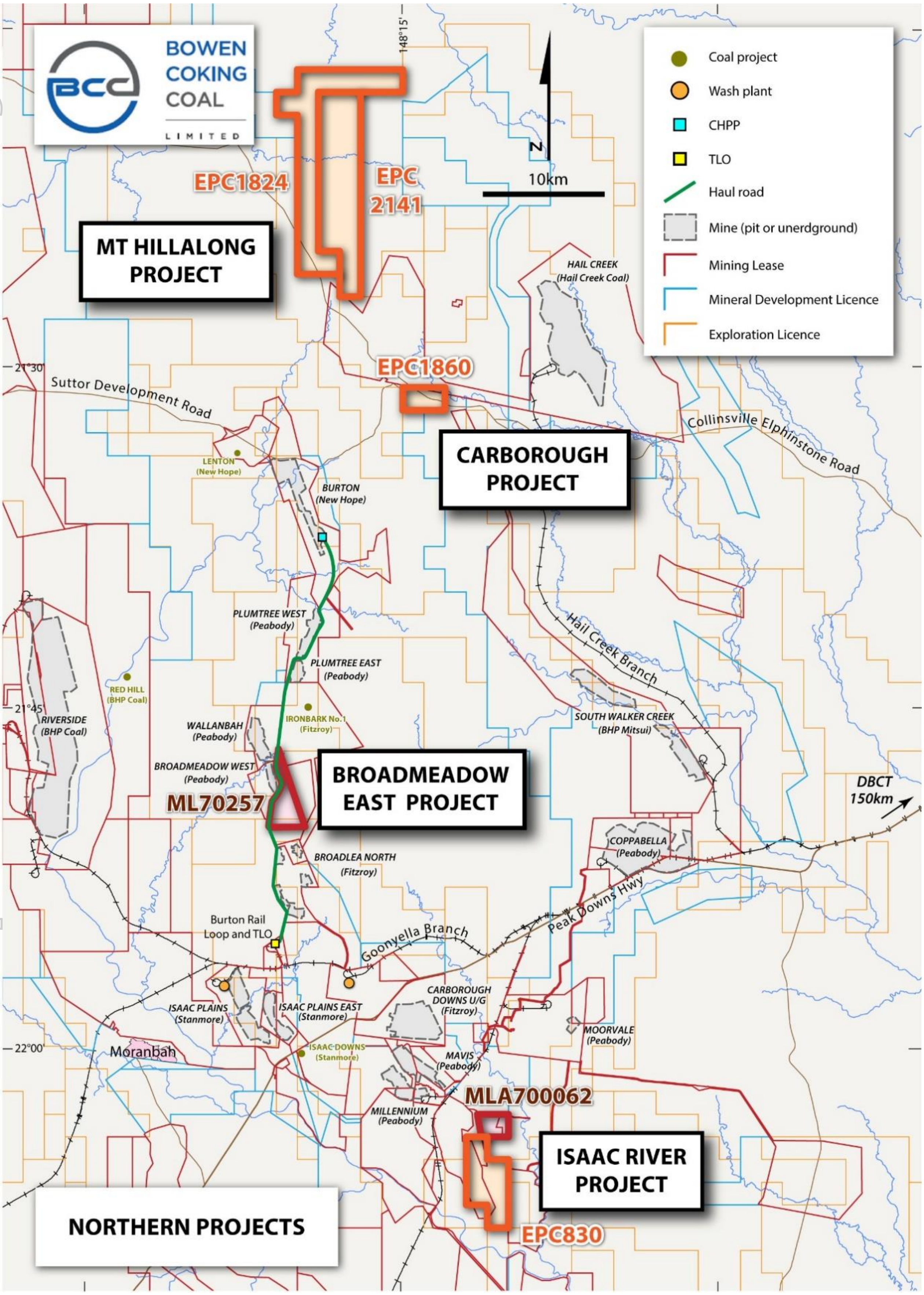
The transaction includes access rights to both the New Lenton Joint Venture Coal Handling and Preparation Plant ("CHPP") and the Train Load Out Facility ("TLO"), which are connected by an established haul road passing immediately adjacent to ML 70257, as shown in Figure 3. The Company has secured throughput capacity of a minimum of 1Mtpa, with the ability to potentially increase this capacity to a total of 2Mtpa, subject to agreement.

Table 4. Summary of the Resource Estimate for Broadmeadow East.

SEAM	RESOURCE CATEGORY (MT)			
	MEASURED	INDICATED	INFERRED	TOTAL
< 100m	6.4	1.9	3	11
> 100m	0.1	2.2	20	22
TOTAL RESOURCES	**6.5**	**4.1**	**26**	**33**

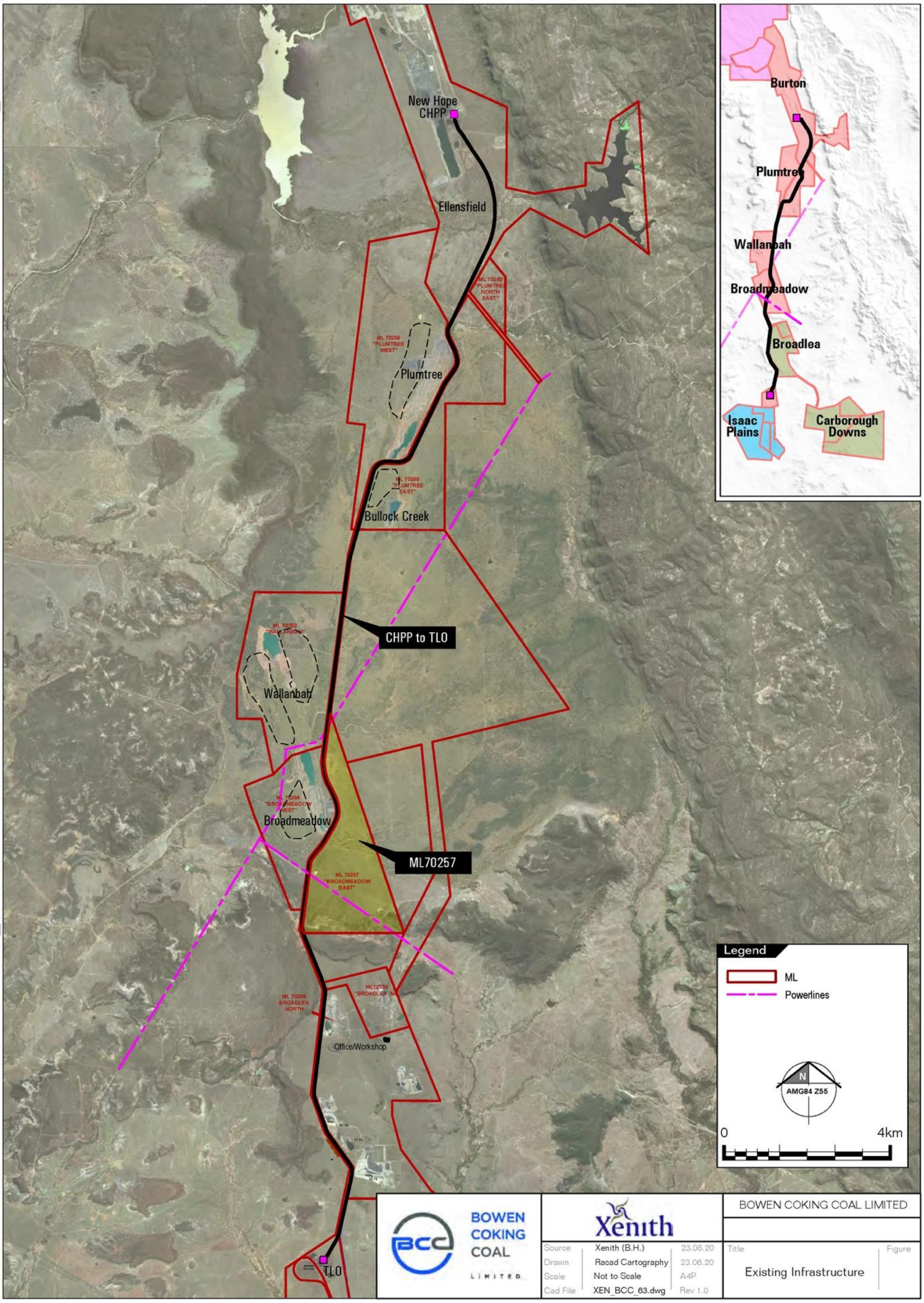
Review of Operations

Figure 3. Regional Location.



Review of Operations

Figure 4. Project and Infrastructure Location.



Review of Operations

Key Terms and Conditions of the Acquisition

Assets being acquired:
The Company has agreed to acquire and assume the following from Peabody:

Granted Mining Lease ML 70257:
Land access for the purposes of exploration, development and mining; and Assignment of 1Mtpa throughput capacity at (a) the New Lenton Joint Venture CHPP and (b) the New Lenton Joint Venture TLO, with access to the haul road. The parties may agree the assignment of a further potential 1Mtpa throughput capacity.

Consideration:
Total consideration payable for the above-mentioned assets is as follows:

1. Cash consideration of $1,000,000, payable upon Completion;
2. Royalty payable of $1/t on all coal produced and sold from ML 70257, to a maximum of 1.5Mt, being $1.5M;
3. Assumption of environmental rehabilitation obligations; and
4. $500,000 cash consideration for land compensation, payable only upon site works commencing or the renewal of the ML, whichever occurs first.

Conditions Precedent:
The above-mentioned Acquisition is subject to the following conditions precedent:

1. Indicative Approval to transfer from the Minister of Mines, any conditions attached subject to BCB's approval, acting reasonably;
2. Entering into the Deeds of Covenant relating to CHPP, Haul Road and TLO tolling/access with the consent of New Lenton Joint Venture; and
3. The De-amalgamation of ML 70257 from the Burton Mine Environmental Authority.

Satisfaction of the above-mentioned conditions precedent, and therefore Completion, is expected to take between 3 and 6 months.

Next steps:
The Company will work with Peabody to complete the transaction as soon as possible and thereafter all efforts will be made to have the project 'shovel ready' at the earliest possible time. The project has a low capital intensity and short development timeframe due to the availability of existing regional infrastructure. Commencing immediately, the Company will evaluate several mine operation options to determine the best value proposition. The selected option will inform environmental impact assessments undertaken by specialist environmental consultants engaged by the Company. Although ML 70257 will come with certain Environmental Authorisations, it is planned to apply for an Environmental Authority ("EA") amendment when the project is de-amalgamated. Application will then be made for a site-specific EA after environmental impact assessments have been completed, reflecting the optimal mine plan as referred to above.

Coal washability optimisation in terms of quality, yield and final product specifications will be undertaken, aiming to support an optimal configuration to maximise financial value.

Isaac River Project (100%) (MLA 700062, MDL 444 & EPC 830)

The Isaac River Project covers an area of 14 km^2 and is located in the Bowen Basin in Central Queensland, approximately 30km west of Moranbah and 130km southwest of Mackay. The Project consists of Mining Lease Application 700062 ("MLA700062'), Mineral Development Licence 444 ("MDL 444") and Exploration Permit for Coal 830 ("EPC 830"). BMA's (BHP Mitsubishi Alliance) Daunia Mine is located to the immediate west, and Peabody's Gundyer resource is located to the immediate north of the Project. EPC 830 occurs south of MDL 444 and abuts Peabody's Olive Downs North Project and is approximately 3km North of Rio Tinto's Winchester South project. The Project is well located relative to regional infrastructure with the Peak Downs Highway located 12km north and the Goonyella rail system within 3km of the Project. Please see Figure 5 below.

Review of Operations

Maiden Drilling Program & Upgrade to Resource Statement

Following completion of a maiden drilling program at Isaac River, the Company confirmed the existence of the higher quality Vermont Upper seam, which was intersected in all six drill holes. Consequently, the total Coal Resource was upgraded to 8.7Mt, of which 8.35Mt is classified as Measured & Indicated, with the Vermont Upper seam estimated to be 3.2Mt, of which 89% is classified as Measured & Indicated. The increase in tonnage from the previous estimate of 5.2Mt, primarily reflects the inclusion of 3.2Mt of the Vermont Upper seam. (See ASX Release 23 August 2019)

Washability results from the above-mentioned maiden exploration program were received and the washability tests from the Vermont Upper seam and bottom section of the Leichhardt seam confirm the ability to wash the raw coal to a primary Coking Coal product with a typical PCI secondary product. This potential configuration, based on the 2019 exploration outcomes, is a significant quality upgrade from the historical coal quality results, which initially suggested a primary semi-soft coking coal with a secondary thermal coal. See Table 5 below.

Table 5. Key outcomes of the washability tests (Average of all 6 drill holes)*

Seam	Primary			Secondary		Total Yield%2
	Product Ash%[1]	Yield%[2]	CSN	Product Ash%[1]	Yield%[2]	
VU2	8.0	45-60	6-7½	10.5	10-35	70-90
LHD TOP	8.0	20-30	4-5	10.5	15-50	40-85
LHD BOT	10.0	50-60	4-4½	10.5	20-35	70-85

**See ASX release 15 July 2019 for detail on the program*

[1] *Air-dry basis.*

[2] *Air-dry basis, nil dilution and loss, wash simulations using limiting density ranges and efficiency factors in line with standard processing equipment utilised.*

Mining Lease Application & Environmental Authorisations

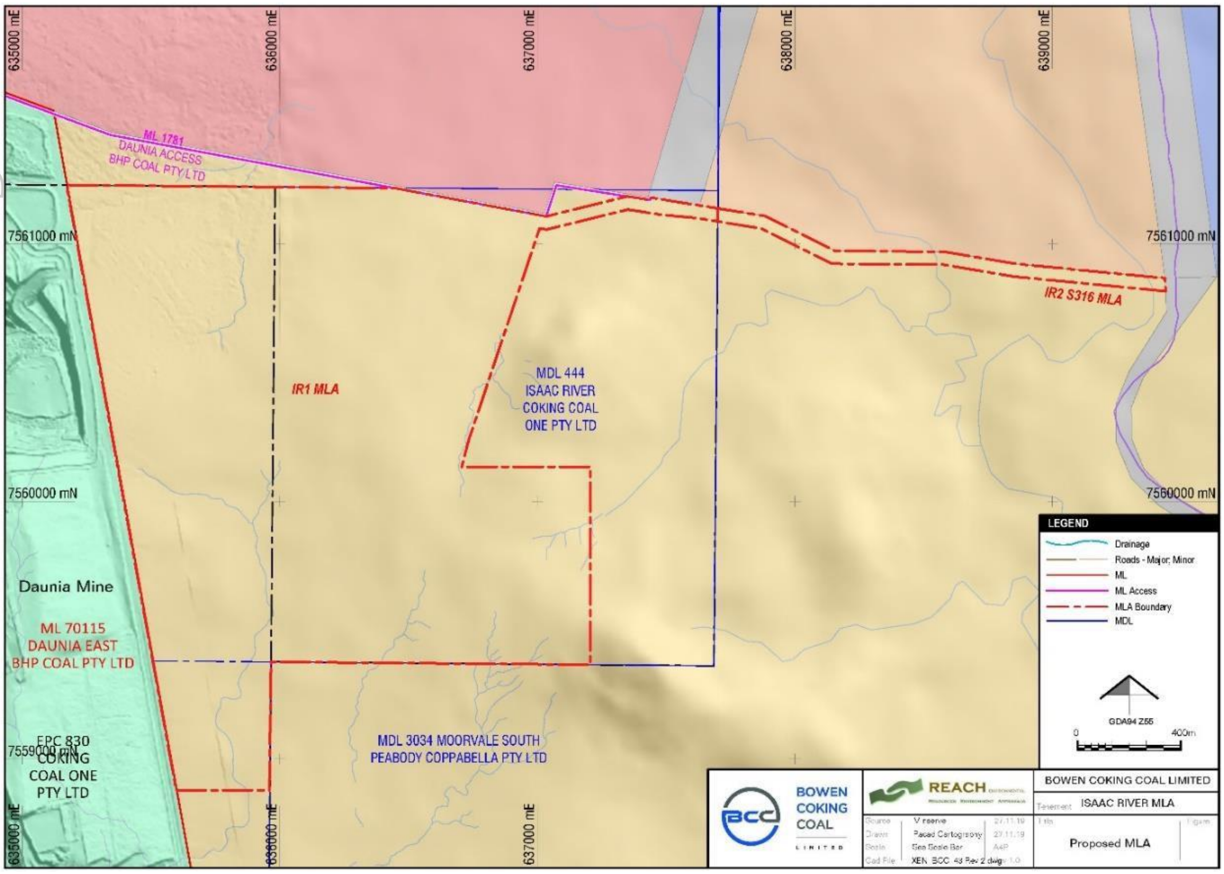
As part of the effort to have Isaac River “shovel ready”, the Company completed and lodged a Mining Lease Application (“MLA”) with Queensland Government’s Department of Natural Resources, Mines & Energy. The MLA covers most of MDL 444 and access to the project, as well as a small section of EPC 830 (see Figure 5 below).

The lodging of the MLA for Isaac River represents a significant milestone in the critical path to converting the project to a producing asset. The Initial Development Plan submitted with the MLA proposes a contractor operated open cut along with highwall mining, utilizing off site infrastructure and toll washing of mined coal at a nearby facility. The proposal is based on a mine plan targeting a high-quality coking coal and secondary PCI coal from the Leichhardt and Vermont seams in the Rangals coal measures, similar to regional operating mines. (See ASX Release 12 September 2019).

The Company continues to engage specialist Environmental Consultants to conduct all necessary studies to prepare a site-specific Environmental Authority Application for the Project, which will be lodged as soon as possible.

Review of Operations

Figure 5. Isaac River Mine Licence Application area.



Cooroorah Project (100%) (MDL 453)

Cooroorah is located 17km north of Blackwater, between Coronado Coal's (ASX:CRN) Curragh mine (and MDL 162) in the West and Jellinbah Mine in the East. The Project targets the well-known Rangal measures and hosts the Aries, Castor, Pollux and Pisces seams.

The Company and Coronado Global Resources Inc. (ASX: CRN) entered into a data and mobilization cost sharing arrangement relating to a 6,500m 2D seismic program covering Bowen's Cooroorah Coking Coal Project. Seismic acquisition is widely used to interpret seam continuance and geological structure and forms a vital component of mine planning.

The acquisition part of the program was completed successfully by Velseis, who specialize in the acquisition and interpretation of seismic data. They confirmed that the data quality was of a high standard which contributed to a higher level of confidence in the interpretation. Only one significant fault was interpreted with an estimated displacement of +/- 15m, and the overall risk of structure is now materially less than what was originally anticipated, given the interpreted proximity of the Jellinbah fault.

Carborough (100%) (EPC 1860)

The Company has progressed geological and technical studies to gain a better understanding of the project's potential. The Company has reached agreement with the landowner for site access and has also completed a Fauna and Flora survey. The planned exploration program for the project was postponed to later in the year once COVID-19 restrictions have eased.

In addition, the Company undertook a study of the regional geology proximate to the Carborough Project. Furthermore, the Company lodged a tender to the Department of Natural Resources, Mines and Energy for an exploration area abutting the Project, the outcome of which has not yet been determined.

Review of Operations

Comet Ridge Project (100%) (EPC 1230)

Comet Ridge is an open pit project with a JORC resource of 57Mt shallower than 50m. BCC is targeting the Fair Hill seam and the stratigraphically lower Triumph seam to produce a coking coal with secondary thermal coal.

EPC 1230 underlies Comet Ridge, and the renewal of the tenement was granted in September 2018 for a further 5 years with an annual exploration commitment of $20 000 per annum.

BCB is currently considering various strategic options to realise value from this tenement.

Lilyvale (15%) and Mackenzie (5%) Joint Ventures with Stanmore Coal Ltd

Lilyvale Coking Coal Project (15%)

The Lilyvale project is located 25km north east of Emerald in the Bowen basin (Queensland Australia) and is in close proximity to BHP Mitsubishi Alliance's Gregory Crinum operating coking coal mine and bordering Rio Tinto's Kestrel mine. Planned exploration has been postponed to the next financial year.

Mackenzie Coking Coal Project (5%)

The Mackenzie Coking Coal Project in the Bowen Basin is well located for export markets as it lies on the existing Blackwater railway line to Gladstone. The project is located between the Ensham and Curragh operating mines and is adjacent to the Washpool coking coal project, which is also targeting the Burngrove Coal Formation.

No further technical work was undertaken during the financial year.

Directors' Report

The directors submit their report on the consolidated entity ("Group") consisting of Bowen Coking Coal Ltd and the entities it controlled at the end of, and during, the financial period ended 30 June 2020.

Directors

The following persons were directors of Bowen Coking Coal Ltd during the financial period and up to the date of this report, unless otherwise stated:

Neville Sneddon	Non-Executive Chairman
Gerhard Redelinghuys	Managing Director
Blair Sergeant	Executive Director - Corporate Development
Steven Formica	Non-Executive Director
James Agenbag	Non-Executive Director
Nicholas Jorss	Non-Executive Director
Matthew Latimore	Non-Executive Director (appointed 17-Jun-20)

Information on Directors

The board has a strong combination of technical, managerial and capital markets experience. Expertise and experience include operating and coal exploration. The names and qualifications of the current directors are summarised as follows:

Neville Sneddon - Independent Non-Executive Chairman

Qualifications	B. Eng (Mining)(Hons), M. Eng, MAusIMM, Grad AICD
Appointment Date	12 December 2018
Resignation Date	N/A
Length of Service	1.5 years
Current ASX Listed Directorships	Nil
Former ASX Listed Directorships	Stanmore Coal Limited

A mining engineer with over 40 years' experience in most facets of the Queensland and NSW resource sectors, and as the recently retired Chairman of Stanmore Coal Ltd, Mr Sneddon brings substantial Board and industry knowledge to the Company. He has developed and operated both underground and open cut mines working for Coal & Allied in the Hunter Valley and from 1997 worked in a senior role in the NSW Mines Inspectorate, covering operations in all forms of mining in the state.

Moving to Queensland in 1999, Mr Sneddon accepted the position of Chief Operating Officer with Shell Coal which was acquired by Anglo American's Australian coal operations the following year. Leaving as CEO in 2007, he held several Board positions with mining and infrastructure companies including Chairman of the operating company at Dalrymple Bay Coal Terminal near Mackay and Director of Port Waratah Coal Services, a major coal export facility at Newcastle. Mr Sneddon has also been a member of the Boards of the Queensland, NSW and National Mining Councils. His expertise has been sought by several government committees such as the NSW Mine Subsidence Board, NSW Mines Rescue Board, Queensland Ministerial Coal Mine Safety Advisory Committee and the joint federal/state advisory committee which is developing nationally consistent mining safety legislation.

Directors' Report

Gerhard Redelinghuys – Managing Director

Qualifications	B. Comm. Acc, Hons, B. Compt, GAICD
Appointment Date	27 September 2017
Resignation Date	N/A
Length of Service	3 years
Current ASX Listed Directorships	Nil
Former ASX Listed Directorships	Nil

Mr Redelinghuys is the Managing Director of Cape Coal and has 24 years' experience in financial and project development within the mining sector. After studying finance at the University of Pretoria in South Africa, he joined PricewaterhouseCoopers, before commencing his employment with EXXARO Resources Ltd (former ISCOR and KUMBA Resources) in 1995.

Since 1995 he has held various senior management positions in the corporate office, as well as both open cut and underground mining operations in South Africa. He has held directorships in Australia, including the position of Managing Director of Exxaro Australia Pty Ltd. In addition to his business analysis experience, Mr Redelinghuys has extensive experience in mining project acquisitions and deal making on an international level. He was also the owner's representative on a multi-billion dollar underground coal project in Queensland until 2015 and is a graduate member of the Australian Institute of Company Directors.

Blair Sergeant - Executive Director - Corporate Development

Qualifications	B. Bus, PostGradDip (CorpAdmin), MAICD, AGIA, ACIS, ASCPA
Appointment Date	28 September 2018
Resignation Date	N/A
Length of Service	2 years
Current ASX Listed Directorships	Nil
Former ASX Listed Directorships	Nil

Mr Sergeant is an experienced mining executive, having been the former Founding Managing Director of Lemur Resources Limited, an ASX listed coal exploration and development company, as well as the former Finance Director of Coal of Africa Limited, growing the company from a sub-$2m market capitalisation to over $1.5b at its peak. During his career, Mr Sergeant has also held the position of Managing Director, Non-Executive Director and/or Company Secretary for numerous listed entities across a broad spectrum of industry. Mr Sergeant graduated from Curtin University, Western Australia with a Bachelor of Business and subsequently, a Post Graduate Diploma in Corporate Administration. He is a member of the Institute of Chartered Secretaries and Administrators and the Australian Institute of Company Directors.

Directors' Report

Steven Formica – Independent Non-Executive Director

Qualifications	N/A
Appointment Date	4 August 2015
Resignation Date	N/A
Length of Service	5 years
Current ASX Listed Directorships	High Grade Metals Limited Ragnar Metals Limited Veriluma Limited
Former ASX Listed Directorships	Orminex Limited Lindian Resources Limited

Mr Formica is a successful businessman with over 30 years' experience. He has been involved in multiple business ventures either as a founding shareholder, operational Managing Director or as a Non-Executive Director. Mr Formica is currently a director of both FPG Projects and Viridian Property Group, both successful property developers.

James Agenbag - Independent Non-Executive Director

Qualifications	B. Eng (Chemical Engineering), MBA
Appointment Date	27 September 2017
Resignation Date	N/A
Length of Service	3 years
Current ASX Listed Directorships	Nil
Former ASX Listed Directorships	Nil

Mr Agenbag has 15 years' experience in the mining industry covering all phases of business and project development, process design, including the commissioning and optimisation of processing facilities across multiple commodities. After completing his Chemical Engineering degree at the University of Stellenbosch in 2003, Mr Agenbag worked as a process design engineer at EPCM companies including GRD Minproc Limited and DRA Global.

In 2008, Mr Agenbag moved to Australia to help build DRA's Brisbane office. His responsibilities included research and development of new business and client management in Southern Africa, Australia and Indonesia. Mr Agenbag also has substantial experience in beneficiation optimisation with emphasis on various technologies including some technologies where he jointly holds patent rights. Mr Agenbag has delivered technical papers within his area of expertise in the minerals processing field. He held a position responsible for the process engineering discipline across Peabody Energy Australia PCI Pty Ltd coal projects, and has been a Director of Cape Coal since 2012.

Mr Agenbag has been accredited with ECSA as a Professional Engineer. He is a Member of IEAust (Chem) and is an active Member of the South African and Australian Coal Processing Societies.

Directors' Report

Nicholas Jorss – Non-Executive Director

Qualifications	BE (Hons) Civil, MBA, GDip App Fin (Sec Inst)
Appointment Date	12 December 2018
Resignation Date	N/A
Length of Service	1.5 years
Current ASX Listed Directorships	Nil
Former ASX Listed Directorships	Stanmore Coal Limited

Mr Jorss is the founding Managing Director of Stanmore Coal Ltd (via St Lucia). Mr Jorss served on Stanmore's Board from its formation in June 2008 through to 26 November 2016. He has over 20 years' experience in investment banking, civil engineering, corporate finance and project management. Mr Jorss was instrumental in the success of Stanmore Coal Ltd, which currently has a market value of around $190m. As the Founding Managing Director, Mr Jorss led Stanmore's growth from a coal exploration company to a profitable, mid-tier producer. In his prior roles in investment banking (as a director of Pacific Road Corporate Finance) he has been involved in leading advisory mandates with corporate, government and private equity clients across industry sectors ranging from resources to infrastructure.

Prior to this Mr Jorss was an engineer with Baulderstone Hornibrook where he delivered significant infrastructure and resource projects over a period of approximately eight years. Mr Jorss is a founding shareholder and Director of St Lucia Resources, Konstantin Resources, Ballymore Resources and Wingate Capital. He was previously a Director of Kurilpa Uranium, Vantage Private Equity Growth, Vantage Asset Management and WICET Holdings Pty Ltd. Mr Jorss holds a Bachelor with Honours in Civil Engineering from the University of Queensland, a Master of Business Administration from the University of NSW (AGSM) and a Graduate Diploma of Applied Finance and Investment.

Matthew Latimore - Non-Executive Director

Qualifications	Executive Education Program, Columbia University Graduate School of Business, New York. Master of Business (Executive), Australian Graduate School of Management Advanced Diploma of Leadership and Management, The University of Western Australia. Bachelor of International Business, Griffith University.
Appointment Date	17 June 2020
Length of Service	3 months
Current ASX Listed Directorships	Nil
Former ASX Listed Directorships	Nil

M Resources, an entity controlled and managed by Mr Matt Latimore, specialises in marketing coking coal, including hard coking coal, semi hard coking coal, semi soft coking coal and PCI coals for steel manufacturing. Mr Latimore held the position of General Manager Sales and Marketing for Wesfarmers Curragh mine and was responsible for global sales of Curragh metallurgical coal products to international steel mills and thermal coal to domestic and international power utilities, rail and port and quality and finance functions. Mr Latimore was a Director of Curragh Coal Sales. Prior to joining Wesfarmers in early 2001, Mr Latimore held various positions with Mitsui & Co (Australia) Pty Ltd.

Directors' Report

Company Secretary

Duncan Cornish –Company Secretary and CFO

Appointment Date	1 May 2019
Resignation Date	N/A

Mr Cornish was the founding CFO and Company Secretary for Stanmore Coal Ltd (ASX:SMR), Waratah Coal Ltd (TSX and ASX:WCI) and Cokal Ltd (ASX:CKA) and is a Chartered Accountant with significant experience as a public company CFO and Company Secretary, focused on finance, administration and governance roles. He has more than 20 years' experience in the accountancy profession both in England and Australia, mainly with the accountancy firms Ernst & Young and PricewaterhouseCoopers. He has extensive experience in all aspects of company financial reporting, corporate regulatory and governance areas, business acquisition and disposal due diligence, capital raising, company initial public offerings and company secretarial responsibilities, and has served as CFO and/or Company Secretary of several Australian and Canadian public companies.

Interests in Securities

As at the date of this report, the interests of each director in shares and options issued by the Company are shown in the table below:

Directors	Shares	Options ($0.025 @ 12-Dec-20)	Options ($0.03 @ 12-Dec-20)	Options ($0.035 @ 12-Dec-20)	Options ($0.0338 @ 30-Jun-21)
Neville Sneddon	3,380,952	-	-	-	3,500,000
Gerhard Redelinghuys	111,882,826(1)	-	-	-	14,000,000
Blair Sergeant	11,335,000	-	-	-	10,500,000
Steven Formica	9,407,100	-	-	-	2,100,000
James Agenbag	110,357,826(1)	-	-	-	2,100,000
Nicholas Jorss	40,957,120	10,000,000	10,000,000	10,000,000	-
Matthew Latimore(2)	135,225,840	-	-	-	-

Notes:

(1) 110,357,826 of these shares are held by both Gerhard Redelinghuys and James Agenbag through their respective associations with Cape Coal Pty Ltd

(2) Director appointed on 17-Jun-20

Principal Activities

The principal activity of the Group during the period was the exploration and development of coal projects with a primary focus on Metallurgical coal.

Corporate

Bowen Coking Coal Ltd ACN 064 874 620 was incorporated as an Australian public company limited by shares on 6 July 1994, listing on the Australian Stock Exchange shortly thereafter.

Dividends Paid or Recommended

There were no dividends paid or recommended during the financial year.

Review of Operations

Information on the operations of the Group during the financial year and up to the date of this report is set out separately in the Annual Report under Review of Operations.

Directors' Report

Operating Results

The Group's operating loss for the financial year was $2,057,812 (2019: $1,579,050). The increased loss was caused principally by:

- General corporate and administrative expenses ($989,446);
- Exploration expenses ($182,535);
- Employee benefits expense ($807,795); and
- Share-based payments ($198,876).

Review of Financial Condition

Capital Structure

As at 30 June 2019 the Company had 706,274,262 ordinary shares, 13,000,000 performance shares and 140,378,000 options on issue.

During the year ended 30 June 2020, the following shares were issued:

- 10,000,000 shares were issued (raising $500,000);
- 74,488,000 shares were issued following option exercises (raising $2,489,760); and
- 13,000,000 Class A performance shares with a fair value of $89,700 were converted into ordinary shares for nil consideration.

During the year ended 30 June 2020, 12,000,000 performance rights were issued with various performance hurdles and test dates.

As at 30 June 2020 the Company had 803,762,262 ordinary shares, 12,000,000 performance rights and 65,700,000 options on issue.

Financial Position

At 30 June 2020, the Group's net assets totalled $10,480,649 (2019: $9,427,700) which included cash assets of $2,394,319 (2019: $2,043,310). The movement in net assets largely resulted from the following factors:

- Operating losses of $2,057,812;
- Cash outflows from operating activities of $1,632,870;
- Cash outflows on exploration and evaluation assets of $1,470,881; and
- Net cash inflows from issue of shares and options of $3,454,760.

Throughout the year the Group focussed on exploration and development on the Group's coal projects.

The Group's working capital, being current assets less current liabilities has decreased from $1,902,690 in 2019 to $1,363,381 in 2020.

Treasury policy

The Group does not have a formally established treasury function. The Board is responsible for managing the Group's finance facilities. The Group does not currently undertake hedging of any kind and is not currently directly exposed to material currency risks.

Directors' Report

Liquidity and funding

The Group has sufficient funds to finance its operations and exploration activities, and to allow the Group to take advantage of favourable business opportunities, not specifically budgeted for, or to fund unforeseen expenditure.

Significant Changes in State of Affairs

Other than the securities issued as noted above, there were no other significant changes in the state of affairs of the Group in the financial year.

Subsequent Events

On 3 July 2020 the Company completed a private placement of 45.0m shares, raising $2.25million.

Other than the matter noted above, there are no material matters or circumstances that have arisen since the end of the year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

COVID-19 Impact

The COVID-19 pandemic has impacted the Company on several fronts. The Hillalong exploration program was impacted by inter-state travel restrictions for the exploration team and also additional costs to keep the team on site and compliant with Queensland Government regulations. International travel restrictions and working from home policies by larger corporations are impacting Phase 2 Farm-in negotiations with Sumitomo Corporation, the completion of the Broadmeadow East transaction with Peabody Energy and other interaction with larger companies. However, the Company has advanced these negotiations and discussions via telephone and video conferencing with limited face to face interaction. Social distancing restrictions and inter-state travel restrictions have resulted in roadshows, Shareholder meetings and board meetings being scheduled as virtual events.

Business Results

The prospects of the Group in progressing their exploration projects may be affected by a number of factors. These factors are similar to most exploration companies moving through exploration phase and attempting to get projects into development. Some of these factors include:

- Exploration - the results of the exploration activities may be such that the estimated resources are insufficient to justify the financial viability of the projects. The Group undertakes extensive exploration and product quality testing prior to establishing JORC compliant resource estimates and to (ultimately) support mining feasibility studies. The Group engages external experts to assist with the evaluation of exploration results where required and utilises third party competent persons to prepare JORC resource statements or suitably qualified senior management of the Group. Economic feasibility modelling of projects will be conducted in conjunction with third party experts and the results of which will usually be subject to independent third party peer review.

- Social Licence to Operate – the ability of the Group to secure and undertake exploration and development activities within prospective areas is also reliant upon satisfactory resolution of native title and (potentially) overlapping tenure. To address this risk, the Group develops strong, long term effective relationships with landholders with a focus on developing mutually acceptable access arrangements. The Group takes appropriate legal and technical advice to ensure it manages its compliance obligations appropriately.

- Environmental - All phases of mining and exploration present environmental risks and hazards. The Group's operations are subject to environmental regulations pursuant to a variety of state and municipal laws and regulations. Environmental legislation provides for, among other things, restrictions and prohibitions on spills, releases or emissions of various substances produced in association with mining operations. Compliance with such legislation can require significant expenditures and a breach may result in the imposition of fines and penalties, some of which may be material. Environmental legislation is evolving in a manner expected to result in stricter standards and enforcement, larger fines and liability and potentially increased capital expenditures and operating costs. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers and employees. The Group assesses each of its projects very carefully with respect to potential environmental issues, in conjunction with specific environmental regulations applicable to each project, prior to commencing field exploration. Periodic reviews are undertaken once field exploration commences.

- Safety - Safety is of critical importance in the planning, organisation and execution of the Group's exploration and development activities. The Group is committed to providing and maintaining a working environment in which its employees are not exposed to hazards that will jeopardise an employee's health, safety or the health and safety of others associated with our business. The Group recognises that safety is both an individual and shared responsibility of all employees, contractors and other persons involved with the operation of the organisation. The Group has a Safety and Health Management system which is designed to minimise the risk of an uncontrolled safety and health event and to continuously improve the safety culture within the organisation.

- Funding - the Group will require additional funding to continue exploration and potentially move from the exploration phase to the development phases of its projects. There is no certainty that the Group will have access to available financial resources sufficient to fund its exploration, feasibility or development costs at those times.

- Market - there are numerous factors involved with exploration and early stage development of its projects, including variance in commodity price and labour costs which can result in projects being uneconomical.

Environmental Issues

The Group is subject to significant environmental regulations under the (Federal, State and local) laws in Australia. The directors monitor the Group's compliance with environmental obligations. The directors are not aware of any compliance breach arising during the year and up to the date of this report.

Native Title

Mining tenements that the Group currently holds, may be subject to Native Title claims. The Group has a policy that is respectful of the Native Title rights and will, as required, negotiate with relevant indigenous bodies.

Directors' Report

Remuneration Report (Audited)

This report details the nature and amount of remuneration for each director and other key management personnel.

The names of key management personnel of Bowen Coking Coal Ltd who have held office during the financial year are:

Neville Sneddon	Non-Executive Chairman
Gerhard Redelinghuys	Managing Director
Blair Sergeant	Executive Director - Corporate Development
Steven Formica	Non-Executive Director
James Agenbag	Non-Executive Director
Nicholas Jorss	Non-Executive Director
Matthew Latimore	Non-Executive Director (appointed 17-Jun-20)
Duncan Cornish	Company Secretary and Chief Financial Officer

The Group's remuneration policy seeks to align director and executive objectives with those of shareholders and the business, while at the same time, recognising the early development stage of the Group and the criticality of funds being utilised to achieve development objectives. The board believes the current policy has been appropriate and effective in achieving a balance of these objectives.

The Group's remuneration policy provides for long-term incentives to be offered through a director and employee equity incentive plan. Options, shares or performance rights may be granted under this plan to align directors', executives', employees' and shareholders' interests. Two methods may be used to achieve this aim, the first being securities that vest upon reaching or exceeding specific predetermined objectives, and the second being options granted with higher exercise prices (than the share price at issue) rewarding share price growth.

The board of directors is responsible for determining and reviewing the Group's remuneration policy, remuneration levels and performance of both executive and non-executive directors. Independent external advice will be sought when required. No independent external advice was sought during the current year.

Performance-Based Remuneration

Performance-based remuneration includes both short-term and long-term incentives and is designed to reward key management personnel for reaching or exceeding specific objectives or as recognition for strong individual performance. Short-term incentives are available to eligible staff of the Group and may be comprised of cash bonuses, determined on a discretionary basis by the board. No short-term incentives were made available during the year.

Long-term incentives are currently comprised of share options and performance rights, which are granted from time-to-time to encourage sustained strong performance in the realisation of strategic outcomes and growth in shareholder value.

The exercise price of the options is determined after taking into account the underlying share price performance in the period leading up to the date of grant and if applicable, performance conditions attached to the share options. Subject to specific vesting conditions, each option is convertible into one ordinary share.

The Group's policy for determining the nature and amount of remuneration of board members and key executives is set out below.

Directors' Report

Remuneration Report (Audited) (Continued)

Directors

Board policy is to remunerate non-executive directors at market rates for comparable companies for time, commitment and responsibilities. The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders at the Annual General Meeting and is not linked to the performance of the Group. The maximum aggregate amount of fees that can be paid to non-executive directors approved by shareholders is currently $300,000. One-third, by number, of non-executive directors retires by rotation at the Company's Annual General Meeting. Retiring directors are eligible for re-election by shareholders at the Annual General Meeting of the Company. The appointment conditions of the non-executive directors are set out and agreed in letters of appointment.

Executives

The remuneration structure for executives is based on a number of factors, including length of service, particular experience of the individual concerned, and overall performance of the Group.

The executives receive payments provided for under an employment or service agreement, which may include cash, superannuation, short-term incentives and equity-based performance remuneration.

The Company has entered into an employment agreement with Gerhard Redelinghuys on the following material terms. This employment agreement replaces the previous executive services agreement dated on 11 October 2017 with Red House Consulting Pty Ltd for Gerhard Redelinghuys' services.

- Position: Managing Director and CEO.
- Commencement Date: 1 June 2020.
- Notice period: The Company must give 3 months' notice to terminate the agreement other than for cause. The executive must give 3 months' notice to terminate the agreement.
- Remuneration: $320,000 including superannuation per annum, indexed per CPI Brisbane on 1 July each year, plus an allowance of $5,000 per annum for death & disability insurance.
- Other industry standard provisions for senior executive of a public listed company are included in the agreement.

The Company has entered into an employment agreement with Blair Sergeant on the following material terms. This employment agreement replaces the previous executive services agreement dated on 28 September 2018.

- Position: Executive Director with respect to the Company's promotion to investors, corporate development and potential acquisitions.
- Commencement Date: 1 June 2020.
- Notice period: The Company must give 3 months' notice to terminate the agreement other than for cause. The executive must give 3 months' notice to terminate the agreement.
- Remuneration: $198,000 including superannuation per annum.

The Company has a services agreement with Corporate Administration Services Pty Ltd ("CAS") and Duncan Cornish, the Company's CFO and Company Secretary. Under the agreement, CAS also provides accounting, bookkeeping and administrative services. Both the Company and CAS are entitled to terminate the agreement upon giving not less than three months' written notice. The base fee under the services agreement is $120,000 per annum, in effect from 1 May 2019. The agreement also provides for additional services to be charged as agreed in advance.

Directors' Report

Remuneration Report (Audited) (Continued)

Remuneration Details of Key Management Personnel

The remuneration of the key management personnel of Bowen Coking Coal Ltd for the year ended 30 June 2020 was as follows:

Key Management Personnel	Short Term Benefits		Post-Employment		Equity-settled Share-based Payments		Total	Performance related %	% consisting of options/rights
	Salary & Fees	Non-cash Benefits	Super-annuation	Provision for leave entitlements	Shares	Options /Rights			
	$	$	$	$	$	$	$	%	%
N. Sneddon	60,000	-	5,700	-	-	-	65,700	0%	0%
G. Redelinghuys	241,258	-	18,450	28,429	-	-	288,137	0%	0%
B. Sergeant	180,822	-	17,178	1,270	-	-	199,270	0%	0%
S. Formica	39,420	-	-	-	-	-	39,420	0%	0%
J. Agenbag	36,000	-	-	-	-	-	36,000	0%	0%
N. Jorss	48,000	-	4,560	-	-	64,644	117,204	55.2%	55.2%
M. Latimore(1)	1,187	-	113	-	-	-	1,300	0%	0%
D. Cornish	125,000	-	-	-	-	-	125,000	0%	0%
Total	**731,687**	**-**	**46,001**	**29,699**	**-**	**64,644**	**872,031**		

Notes:

(1) Director appointed on 17-Jun-20

The remuneration of the key management personnel of Bowen Coking Coal Ltd for the year ended 30 June 2019 was as follows:

Key Management Personnel	Short Term Benefits		Post-Employment		Equity-settled Share-based Payments		Total	Performance related %	% consisting of options/rights
	Salary & Fees	Non-cash Benefits	Super-annuation	Provision for leave entitlements	Shares	Options /Rights			
	$	$	$	$	$	$	$	%	%
N. Sneddon(1)	33,226	-	3,156	-	-	29,785	66,167	45.0%	45.0%
G. Redelinghuys	244,668	-	4,412	9,175	-	119,140	377,395	31.6%	31.6%
B. Sergeant	159,342	-	9,248	-	-	89,355	257,945	34.6%	34.6%
S. Formica	39,420	-	-	-	-	17,871	57,291	31.2%	31.2%
J. Agenbag	36,000	-	-	-	-	17,871	53,871	33.2%	33.2%
N. Jorss(1)	26,581	-	2,525	-	-	78,356	107,462	72.9%	72.9%
E. King(2)	13,437	-	-	-	-	-	13,437	0.0%	0.0%
D. Cornish	20,000	-	-	-	-	29,785	49,785	59.8%	59.8%
Total	**572,674**	**-**	**19,341**	**9,175**	**-**	**382,163**	**983,353**		

Notes:

(1) Directors appointed on 12-Dec-18

(2) Director resigned on 12-Dec-18

Directors' Report

Remuneration Report (Audited) (Continued)

The percentage of equity-based remuneration for persons who were key management personnel of the Group during the year ended 30 June 2020 is set out below:

Key Management Personnel	Proportion of Remuneration	
	Equity Based	Salary and Fees
N. Sneddon	0%	100%
G. Redelinghuys	0%	100%
B. Sergeant	0%	100%
S. Formica	0%	100%
J. Agenbag	0%	100%
N. Jorss	55.2%	44.8%
M. Latimore(1)	0%	100%
D. Cornish	0%	100%

Note: (1) *Director appointed 17-Jun-20*

Company Performance, Shareholder Wealth, and Director and Executive Remuneration

During the financial year, the Company generated losses as its principal activity was mineral exploration. As the Company is still in the exploration and development stage, the link between remuneration, company performance and shareholder wealth is tenuous. Share prices are subject to the influence of commodity prices and market sentiment towards the sector, and as such, increases and decreases might occur independent of executive performance and remuneration.

Options Held by Key Management Personnel

Details of options held directly, indirectly or beneficially by key management personnel during the year ended 30 June 2020 were as follows:

Key Management Personnel	Balance at 1 July 2019	Granted as Compensation	Exercised	Expired	Balance at 30 June 2020	Total Vested 30 June 2020	Total Vested and Exercisable 30 June 2020
N. Sneddon	3,500,000	-	-	-	3,500,000	3,500,000	3,500,000
G. Redelinghuys	14,000,000	-	-	-	14,000,000	14,000,000	14,000,000
B. Sergeant	10,500,000	-	-	-	10,500,000	10,500,000	10,500,000
S. Formica	2,100,000	-	-	-	2,100,000	2,100,000	2,100,000
J. Agenbag	2,100,000	-	-	-	2,100,000	2,100,000	2,100,000
N. Jorss	30,000,000	-	-	-	30,000,000	30,000,000	30,000,000
M. Latimore(1)	-	-	-	-	-	-	-
D. Cornish	3,500,000	-	-	-	3,500,000	3,500,000	3,500,000

Note: (1) *Director appointed 17-Jun-20*

Directors' Report

Remuneration Report (Audited) (Continued)

Options Granted as Remuneration

No options were granted as remuneration during the financial year ended 30 June 2020.

Performance Shares Held by Key Management Personnel

No performance shares were granted as remuneration during the financial year ended 30 June 2020.

Details of performance shares held directly, indirectly or beneficially by key management personnel during the year ended 30 June 2020 were as follows:

Key Management Personnel	Balance at 1 July 2019	Granted as Compensation	Converted	Expired	Balance at 30 June 2020	Total Vested 30 June 2020	Total Vested and Convertible 30 June 2020
G. Redelinghuys	13,000,000	-	13,000,000	-	-	-	-
J. Agenbag	13,000,000	-	13,000,000	-	-	-	-

Note:

(1) All of the 13,000,000 performance shares were held by both Gerhard Redelinghuys and James Agenbag through their respective associations with Cape Coal Pty Ltd (the registered holder of the 13,000,000 performance shares)

Performance Rights Granted as Remuneration

12,000,000 performance rights were granted to Mike McKee (Chief Operating Officer) on 16-Sep-19 for nil consideration. The performance rights are subject to various performance hurdles and vesting conditions, and expire as follows:

- 2,000,000 @ 31-Dec-20
- 2,000,000 @ 30-Jun-21
- 4,000,000 @ 31-Dec-21
- 4,000,000 @ 31-Dec-23

Directors' Report

Remuneration Report (Audited) (Continued)

Shares Held by Key Management Personnel

Details of shares held directly, indirectly or beneficially by key management personnel during the year ended 30 June 2020 were as follows:

Key Management Personnel	Balance at 1 July 2019	Granted as Compensation	Other Changes	Balance at 30 June 2020
N. Sneddon	2,380,952	-	1,000,000	3,380,952
G. Redelinghuys(2)	114,325,000(2)	-	(2,442,174)	111,882,826(2)
B. Sergeant	11,335,000	-		11,335,000
S. Formica	9,407,100	-		9,407,100
J. Agenbag(2)	113,000,000(2)	-	(2,642,174)	110,357,826(2)
N. Jorss	38,528,548	-	2,428,572	40,957,120
M. Latimore(1)	117,532,782	-	5,693,058	123,225,840
D. Cornish	2,380,952	-		2,380,952

Notes:

(1) Director appointed on 17-Jun-20

(2) 110,357,826 of these shares are held (at 30 June 2020) by both Gerhard Redelinghuys and James Agenbag through their respective associations with Cape Coal Pty Ltd (113,000,000 at 30 June 2019)

Other transactions with Key Management Personnel

There have been no other transactions with key management personnel during the year ended 30 June 2020.

End of Remuneration Report (Audited)

Options

At the date of this report, the unissued ordinary shares of the Company under options are as follows:

Unlisted Options

Issue Date	Expiry Date	Exercise Price	No. Under Option
12-Dec-18	12-Dec-20	$0.025	10,000,000
12-Dec-18	12-Dec-20	$0.03	10,000,000
12-Dec-18	12-Dec-20	$0.035	10,000,000
31-May-19	30-Jun-21	$0.0338	35,700,000
TOTAL			**65,700,000**

At the date of this report, there are 12,000,000 unlisted performance rights on issue, with various vesting conditions and expiry dates.

There have been no unissued shares or interests under option of any controlled entity within the Group during or since reporting date. Option holders do not have any rights to participate in any share issue or other interests in the Company or any other entity.

Directors' Report

Directors' Meetings

The meetings (held while a director) attended by each director during the financial year were:

Directors	Board		Remuneration	
	Meetings	Attended	Meetings	Attended
Neville Sneddon	7	7	2	2
Gerhard Redelinghuys	7	7	-	-
Blair Sergeant	7	7	-	-
Steven Formica	7	7	2	2
James Agenbag	7	5	-	-
Nicholas Jorss	7	7	-	-
Matthew Latimore	1	1	-	-

It is noted that the Directors were able to attend to business of the Company during the year by circulated resolution and telephone meetings as permitted by the Company's Constitution in place of conducting meetings.

The Company does not have an audit committee. The Board is of the opinion that due to the nature and size of the Company, the functions performed by an audit committee can be adequately handled by the full Board. At such time when the Company is of sufficient size, a separate Audit and Risk Management Committee will be formed.

Corporate Governance

In recognising the need for the highest standards of corporate behaviour and accountability, the directors of Bowen Coking Coal Ltd support and, where practicable or appropriate, have adhered to the ASX Principles of Corporate Governance. The Company's Corporate Governance Statement is lodged separately on the ASX and can be found on the Company's website (www.bowencokingcoal.com.au).

Indemnifying Directors and Auditors

The Company has entered into a Deed with each of the Directors (and the Company Secretary) whereby the Company has agreed to provide certain indemnities to each Director (and the Company Secretary) to the extent permitted by the Corporations Act and to use its best endeavours to obtain and maintain directors' and officers' indemnity insurance, subject to such insurance being available at reasonable commercial terms.

The Company has paid premiums to insure each of the directors (and the Company Secretary) of the Company against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director (or Company Secretary) of the Company, other than conduct involving a wilful breach of duty in relation to the Company. The contracts include a prohibition on disclosure of the premium paid and nature of the liabilities covered under the policy.

The Company has not given an indemnity or entered into an agreement to indemnify, or paid or agreed to pay insurance premiums in respect of any person who is or has been an auditor of the Company or a related entity during the year and up to the date of this report.

Proceedings on Behalf of the Company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the year.

Directors' Report

Non-Audit Services

During the financial year, RSM Australia provided tax services to the value of $6,500 (2019: nil).

Auditor's Independence Declaration

The lead auditor's independence declaration under section 307C of the Corporations Act 2001 is attached to and forms part of this financial report.

Signed in accordance with a resolution of the board of directors.

Gerhard Redelinghuys, Director
24 September 2020
Brisbane, Queensland

RSM Australia Partners

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Bowen Coking Coal Limited for the year ended 30 June 2020, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

RSM

RSM AUSTRALIA PARTNERS

Albert Loots
Partner

Brisbane, Queensland
Dated: 23 September 2020

Shareholder Information

Additional information required by the Australian Securities Exchange Ltd and not shown elsewhere in this report is as follows. The information is current as at 15 September 2020.

(a) Distribution of equity securities

The number of holders, by size of holding, in each class of security are:

	Ordinary Shares		Unlisted Options ($0.025 @ 12-Dec-20)	
	No. Holders	**No. Shares**	**No. Holders**	**No. Options**
1 - 1,000	133	28,603	-	-
1,001 - 5,000	18	46,065	-	-
5,001 - 10,000	19	152,101	-	-
10,001 - 100,000	326	18,910,764	-	-
100,001 and over	344	723,291,963	1	10,000,000
Total	**840**	**742,429,496**	**1**	**10,000,000**

	Unlisted Options ($0.03 @ 12-Dec-20)		Unlisted Options ($0.035 @ 12-Dec-20)	
	No. Holders	**No. Options**	**No. Holders**	**No. Perf. Rights**
1 - 1,000	-	-	-	-
1,001 - 5,000	-	-	-	-
5,001 - 10,000	-	-	-	-
10,001 - 100,000	-	-	-	-
100,001 and over	1	10,000,000	1	10,000,000
Total	**1**	**10,000,000**	**1**	**10,000,000**

	Unlisted Options ($0.0338 @ 30-Jun-21)		Unlisted Options ($0.08 @ 30-Sep-23)	
	No. Holders	**No. Options**	**No. Holders**	**No. Options**
1 - 1,000	-	-	-	-
1,001 - 5,000	-	-	-	-
5,001 - 10,000	-	-	-	-
10,001 - 100,000	-	-	-	-
100,001 and over	6	35,700,000	1	1,300,000
Total	**6**	**35,700,000**	**1**	**1,300,000**

	Performance Rights	
	No. Holders	**No. Rights**
1 - 1,000	-	-
1,001 - 5,000	-	-
5,001 - 10,000	-	-
10,001 - 100,000	-	-
100,001 and over	1	12,000,000
Total	**1**	**12,000,000**

There are 178 shareholders holding less than a marketable parcel of 8,928 shares.

Shareholder Information

(b) Twenty Largest Shareholders

The names of the twenty largest holders of Quoted Ordinary Shares are:

#	Registered Name	Number of Shares	% of total Shares
1	LATIMORE FAMILY PTY LTD *	124,509,138	14.7%
2	CAPE COAL PTY LTD	110,057,826	13.0%
3	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	55,008,762	6.5%
4	OLD FORRESTER PTY LTD *	40,300,000	4.7%
5	ST LUCIA RESOURCES CAPITAL FUND PTY LTD	37,328,548	4.4%
6	MAYFAIR VENTURES PTE LTD	21,459,746	2.5%
7	BNP PARIBAS NOMINEES PTY LTD	20,222,799	2.4%
8	CROCODILE CAPITAL OFFSHORE FUND	19,300,000	2.3%
9	FIRST ONE REALTY PTY LTD	17,858,022	2.1%
10	BRAZIL FARMING PTY LTD *	15,900,000	1.9%
11	SAS INVESTMENTS PTY LTD	15,000,000	1.8%
12	RIO SUPER PTY LTD	11,335,000	1.3%
13	M RESOURCES PTY LTD	10,716,702	1.3%
14	ROACH SUPER PTY LTD	10,320,000	1.2%
15	WISHART FAMILY SUPER PTY LTD	10,241,839	1.2%
16	MR DEANE ROBERT FIRMIN	9,700,000	1.1%
17	STEVSAND INVESTMENTS PTY LTD	9,407,100	1.1%
18	FOLEY SUPER PTY LTD	6,736,460	0.8%
19	BNP PARIBAS NOMS PTY LTD	6,392,549	0.8%
20	MR GOH GEOK KHIM	6,000,000	0.7%
	TOP 20 TOTAL	**557,794,491**	65.7%
	Total of Securities	**848,762,262**	**100%**

Denotes merged holding

Shareholder Information

(c) Substantial Shareholders

The Company has received substantial shareholder notices from the following entities:

Name of Shareholder	Ordinary Shares	% of total Shares
M Resources Pty Ltd and Matthew Latimore	135,225,840	15.9%
Cape Coal Pty Ltd and Gerhard Redelinghuys	111,382,826	13.8%
Crocodile Capital (and associated entities)	50,000,000	7.37%

The Company notes that, as at the date of this report, the following shareholders own substantial shareholdings (≥ 5.0%) in Bowen Coking Coal Ltd:

Name of Shareholder	Ordinary Shares	% of total Shares
M Resources Pty Ltd and Matthew Latimore	135,225,840	15.9%
Cape Coal Pty Ltd and Gerhard Redelinghuys	111,882,826	13.0%
JP Morgan Nominees Australia Pty Limited	55,008,762	6.5%

(d) Voting rights

All ordinary shares carry one vote per share without restriction.

Options and performance rights do not carry voting rights.

(e) Restricted securities

As at the date of this report, there are no ordinary shares subject to ASX escrow.

(f) On-market buy back

There is not a current on-market buy-back in place.

(g) Business objectives

The Group has used its cash and assets that are readily convertible to cash in a way consistent with its business objectives.

Interests in Tenements

Bowen Coking Coal Ltd held the following interests in tenements as at the date of this report:

Country	Location	Project	Tenement	Status	Current Interest (%)
Australia	Queensland	Cooroorah	MDL 453	Granted	100%
Australia	Queensland	Mt Hillalong	EPC 1824	Granted	100%*
Australia	Queensland	Hillalong East	EPC 2141	Granted	100%*
Australia	Queensland	Carborough	EPC 1860	Granted	100%
Australia	Queensland	Lilyvale	EPC 1687	Granted	15%
Australia	Queensland	Lilyvale	EPC 2157	Granted	15%
Australia	Queensland	Mackenzie	EPC 2081	Granted	5%
Australia	Queensland	Comet Ridge	EPC 1230	Granted	100%
Australia	Queensland	Isaac River	MDL 444/MLA700062	Granted	100%
Australia	Queensland	Isaac River	EPC830	Granted	100%

* Sumitomo Corporation elected to proceed with the Hillalong Joint Venture ("Hillalong JV") following the completion of the $2.5m Phase 1 exploration program at Hillalong, resulting in Sumitomo solidifying a 10% interest in the Project. Completion of the first 10% transfer is expected to complete after 30 June 2020.

Annual Mineral Resources Statement

Resources Statement on 30 June 2019 (JORC 2012, Mt) ** Includes 28Mt attributable to Stanmore Coal Ltd as part of the Lilyvale Joint Venture*

Project	Tenement	Measured Resource	Indicated Resource	Inferred Resource	Total	% Holding
Cooroorah	MDL 453		96	81	177	100%
Lilyvale	EPC 1687 &2157			33	33	15%
Comet Ridge	EPC 1230	8	9	43	60	100%
Isaac River	MDL 444 & EPC830		4	1	5	100%
TOTAL		**8**	**109**	**158***	**275***	

** Includes 28Mt attributable to Stanmore Coal Ltd as part of the Lilyvale Joint Venture*

Resources Statement as at 30 June 2020 (JORC 2012, Mt)

Project	Tenement	Measured Resource	Indicated Resource	Inferred Resource	Total	% Holding
Cooroorah	MDL 453		96	81	177	100%
Lilyvale	EPC 1687 &2157			33	33	15%
Comet Ridge	EPC 1230	8	9	43	60	100%
Isaac River	MDL 444 / MLA700062 & EPC830	6	3	0	9	100%
Hillalong	EPC2141 &1824		21	22	43	100%**
TOTAL		**14**	**129**	**179***	**322***	

** Includes 28Mt attributable to Stanmore Coal Ltd as part of the Lilyvale Joint Venture*

**Includes 4Mt attributable to Sumitomo Corporation following the completion of the Phase 1 farm in. See ASX release 4 May 2020 and 9 June 2020.

Movements:

- On 22 August 2019 the Company reported an increase in the Isaac River resource estimate following the Company's completion of its maiden exploration program for the project
- On 9 June 2020 the Company announced its maiden resource estimate for the Hillalong North project, following its maiden exploration program completed during the year. Sumitomo Corporation elected to proceed with the Hillalong Joint Venture ("Hillalong JV") following the completion of the $2.5m Phase 1 exploration program at Hillalong, resulting in Sumitomo solidifying a 10% interest in the Project. Completion of the first 10% transfer is expected to occur after 30 June 2020. See ASX release 4 May 2020 and 9 June 2020.

Other than the change to the Isaac River Project and Hillalong Project noted above, the Group confirms that it is not aware of any new information or data (since 30 June 2020) that materially affects any other Mineral Resources for the projects set out above.

Annual Mineral Resources Statement

The Group regularly reviews its Mineral Resources and Reserves to assess their reasonableness, engaging suitably qualified competent persons where required. A summary of the governance and controls applicable to the Group's Mineral Resources and Reserves processes is as follows:

- Review and validation of drilling and sampling methodology and data spacing, geological logging, data collection and storage, sampling and analytical quality control;
- Geological interpretation — review of known and interpreted structure, lithology and weathering controls;
- Estimation methodology — relevant to mineralisation style and proposed mining methodology;
- Comparison of estimation results with previous mineral resource models, and with results using alternate modelling methodologies;
- Visual validation of block model against raw composite data; and
- Peer review by independent consultants as required.

This Annual Mineral Resources and Ore Reserves Statement:

- is based on, and fairly represents, information and supporting documentation prepared by competent persons (referred to on page 2); and
- has been approved by Mr Troy Turner who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Turner, Managing Director and a fulltime employee of Xenith Consulting Pty Ltd, has sufficient experience that is relevant to the styles of mineralisation under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Turner has approved this Annual Mineral Resources and Ore Reserves Statement as a whole in the form and context in which it appears in this Annual Report.

Consolidated Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2020

	Note	2020 $	2019 $
Revenue	2	120,840	30,521
Corporate and administrative expenses	3	(989,446)	(631,115)
Employee benefits expense	3	(807,795)	(596,189)
Exploration expense		(182,535)	-
Impairment of loans		-	(104)
Share-based payments	19	(198,876)	(382,163)
Loss before income tax expense		(2,057,812)	(1,579,050)
Income tax expense	4	-	-
Loss for the year		(2,057,812)	(1,579,050)
Other comprehensive income			
Other comprehensive income for the year, net of tax		-	-
Total comprehensive loss for the year		**(2,057,812)**	**(1,579,050)**
Total comprehensive loss for the year attributable to the owners of the Company		(2,057,812)	(1,579,050)
Loss per share attributable to owners of the parent company		**Cents**	**Cents**
Basic earnings per share	15	(0.26)	(0.26)
Diluted earnings per share	15	(0.24)	(0.26)

The accompanying notes form part of these financial statements.

Consolidated Statement of Financial Position
As at 30 June 2020

	Note	30 June 2020 $	30 June 2019 $
CURRENT ASSETS			
Cash and cash equivalents	5	2,394,319	2,043,310
Trade and other receivables	6	164,260	89,446
Prepayments	7	19,849	15,780
Total Current Assets		**2,578,428**	**2,148,536**
NON-CURRENT ASSETS			
Exploration and evaluation assets	8	9,117,268	7,525,010
Total Non-Current Assets		**9,117,268**	**7,525,010**
TOTAL ASSETS		**11,695,696**	**9,673,546**
CURRENT LIABILITIES			
Trade and other payables	9	730,047	245,846
Other liabilities	10	485,000	-
Total Current Liabilities		**1,215,047**	**245,846**
TOTAL LIABILITIES		**1,215,047**	**245,846**
NET ASSETS		**10,480,649**	**9,427,700**
EQUITY			
Issued capital	11	56,399,643	53,398,058
Reserves	12	581,039	471,863
Accumulated losses		(46,500,033)	(44,442,221)
TOTAL EQUITY		**10,480,649**	**9,427,700**

The accompanying notes form part of these financial statements.

Consolidated Statement of Changes in Equity
For the Year Ended 30 June 2020

	Note	Issued Capital	Reserve	Accumulated Losses	Total Equity
		$	$	$	$
Balance at 30 June 2018		**49,830,181**	**258,294**	**(42,863,171)**	**7,225,304**
Loss for the year		-	-	(1,579,050)	(1,579,050)
Total comprehensive loss		**-**	**-**	**(1,579,050)**	**(1,579,050)**
Issue of shares	11	3,427,150	-	-	3,427,150
Exercise of options	11	106,440	-	-	106,440
Conversion of performance shares	11	167,794	(167,794)	-	-
Share-based payments	19	-	382,163	-	382,163
Recognise prior years general reserve to other income		-	(800)	-	(800)
Share issue costs		(133,507)	-	-	(133,507)
Balance at 30 June 2019		**53,398,058**	**471,863**	**(44,442,221)**	**9,427,700**
Loss for the year		-	-	(2,057,812)	(2,057,812)
Total comprehensive loss		**-**	**-**	**(2,057,812)**	**(2,057,812)**
Issue of shares	11	500,000	-	-	500,000
Exercise of options	11	2,489,760	-	-	2,489,760
Conversion of performance shares	11	89,700	(89,700)	-	-
Share-based payments	19	-	198,876	-	198,876
Share issue costs		(77,875)	-	-	(77,875)
Balance at 30 June 2020		**56,399,643**	**581,039**	**(46,500,033)**	**10,480,649**

The accompanying notes form part of these financial statements.

Consolidated Statement of Cash Flows
For the Year Ended 30 June 2020

		2020 $	2019 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Interest receipts		20,840	25,708
Other receipts/payments		41,199	(19,428)
Payments to suppliers and employees		(1,694,909)	(1,289,373)
Net cash used in operating activities	14	**(1,632,870)**	**(1,283,093)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for exploration and evaluation assets		(1,470,881)	(1,535,125)
Payments for exploration costs recoverable from farmee		(2,500,000)	-
Receipts for exploration costs from farmee		2,500,000	-
Net cash used in investing activities		**(1,470,881)**	**(1,535,125)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares and options		2,989,760	3,533,590
Payments for capital raising costs		(20,000)	(133,507)
Receipts from share placement applications		485,000	-
Net cash provided by financing activities		**3,454,760**	**3,400,083**
Net increase in cash held		351,009	581,865
Cash at beginning of the year		2,043,310	1,461,445
Cash at end of the year	5	**2,394,319**	**2,043,310**

The accompanying notes form part of these financial statements.

Notes to the Consolidated Financial Statements For the Year Ended 30 June 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements are general purpose financial statements that have been prepared in accordance with the Corporations Act 2001, Australian Accounting Standards, and other authoritative pronouncements of the Australian Accounting Standards Board. Bowen Coking Coal Ltd is a for-profit entity for the purpose of preparing the financial statements. The financial statements are presented in Australian dollars.

Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards.

The financial statements are for the consolidated entity consisting of Bowen Coking Coal Ltd and its Controlled Entities (the Group). Bowen Coking Coal Ltd is a listed public company, incorporated and domiciled in Australia. The financial report was authorised for issue on 24 September 2020 by the directors of the Company.

Separate financial statements for Bowen Coking Coal Ltd as an individual entity are no longer presented following a change to the Corporations Act 2001. However, financial information required for Bowen Coking Coal Ltd as an individual entity is included in Note 24.

Material accounting policies adopted in the preparation of these financial statements are presented below. They have been consistently applied unless otherwise stated.

Basis of Preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (‘AASB’) and the Corporations Act 2001, as appropriate for for-profit orientated entities. These financial statements and notes also comply with the International Financial Reporting Standards and Interpretations as issued by the International Accounting Standards Board (‘IASB’).

Historical Cost Convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss.

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 year ended 30 June 2020 the Group generated a consolidated loss of $2,057,812 and incurred operating cash outflows of $1,632,870. As at 30 June 2020 the Group has cash and cash equivalents of $2,394,319 and net assets of $10,480,649.

The Group’s ability to continue to adopt the going concern assumption will depend upon the Group being able to manage its liquidity requirement and by taking some or all of the following actions:

1. raising additional capital;
2. successful exploration and subsequent exploitation of the Group’s tenements; and
3. reducing its working capital expenditure.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Going Concern (Continued)

The directors have concluded as a result of the requirement to raise funds in the future there exists a material uncertainty that may cast significant doubt regarding the Group's ability to continue as a going concern and therefore, the Group may be unable to realise their assets and discharge their liabilities in the normal course of business. Nevertheless, after taking into account the current financial position of the Group, and the Group's ability to raise further capital, the directors have a reasonable expectation that the Group will have adequate resources to fund its future operational requirements and for these reasons they continue to adopt the going concern basis in preparing the financial report.

Should the Group be unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements. 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.

Principles of Consolidation

Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Bowen Coking Coal Ltd ("Company" or "parent entity") as at 30 June 2020, and the results of all subsidiaries for the year then ended. Bowen Coking Coal Ltd and its subsidiaries together are referred to in these financial statements as the Group.

The names of the subsidiaries are contained in Note 22. All subsidiaries in Australia have a 30 June financial year end and are accounted for by the parent entity at cost.

Subsidiaries are all entities over which the Group has control. The Group has control over an entity when the Group is exposed to, or has a right to, variable returns from its involvement with the entity, and has the ability to use its power to affect those returns. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of controlled entities have been changed where necessary to ensure consistency with the policies adopted by the Group.

Changes in ownership interests

When the Group ceases to have control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value, with the change in the carrying amount recognised in profit or loss.

The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Executive Director/Chief Executive Officer.

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Segment Reporting (Continued)

The Group is managed primarily on the basis of geographical locations as these locations have notably different risk profiles and performance assessment criteria. Operating segments are therefore determined on the same basis. Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics and are similar with respect to any external regulatory requirements. Management currently identifies the Group as having only one reportable segment, being the exploration of mineral projects in Australia.

Income Tax

The income tax expense/income for the period comprises current income tax expense/income and deferred tax expense/income. Current income tax expense charged to profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities/assets are therefore measured at the amounts expected to be paid to/recovered from the relevant taxation authority. Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the period as well unused tax losses. Current and deferred income tax expense/income is charged or credited directly to equity instead of profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

The Company and its Australian 100% owned controlled entities have formed a tax consolidated group.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised. The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the Group will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

Exploration and Evaluation Assets

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. Such expenditures comprise net direct costs and an appropriate portion of related overhead expenditure but do not include overheads or administration expenditure not having a specific nexus with a particular area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves and active or significant operations in relation to the area are continuing.

A regular review will be undertaken on each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. A provision is raised against exploration and evaluation assets where the directors are of the opinion that the carried forward net cost may not be recoverable or the right of tenure in the area lapses. The increase in the provision is charged against the results for the year. Accumulated costs in relation to an abandoned area are written off in full against profit or loss in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Restoration Costs

Costs of site restoration are provided over the life of the facility from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with clauses of the exploration and mining permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

Any changes in the estimates for the costs are accounted for on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly, the costs have been determined on the basis that the restoration will be completed within one year of abandoning the site.

The Group is not currently liable for any future restoration costs in relation to current areas of interest. Consequently, no provision for restoration has been deemed necessary.

Impairment of Assets

At each reporting date, the Group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to profit or loss.

Financial Instruments

Recognition and Initial Measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instrument. Trade date accounting is adopted for financial assets. Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset.

Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Classification and Subsequent Measurement

Financial instruments are subsequently measured at fair value or amortised cost using the effective interest rate method. Fair value is the price that would be received to sell an asset or paid to transfer an asset. Amortised cost is calculated as:

(a) the amount at which the financial asset or financial liability is measured at initial recognition;

(b) less principal repayments;

(c) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and

(d) less any reduction for impairment.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Instruments (Continued)

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

The Group does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of accounting standards specifically applicable to financial instruments.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Impairment

The Group recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the Group's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of less than 3 months.

Issued Capital

Ordinary shares are classified as equity. Transaction costs (net of tax where the deduction can be utilised) arising on the issue of ordinary shares are recognised in equity as a reduction of the share proceeds received.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Share-Based Payments

The Group makes equity-settled share based payments to directors, employees and other parties for services provided or the acquisition of exploration assets. Where applicable, the fair value of the equity is measured at grant date and recognised as an expense over the vesting period, with a corresponding increase to an equity account. The fair value of shares is ascertained as the market bid price. The fair value of options is ascertained using the Black and Scholes option valuation pricing model which incorporates all market vesting conditions. Where applicable, the number of shares and options expected to vest is reviewed and adjusted at each reporting date such that the amount recognised for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

Where the fair value of services rendered by other parties can be reliably determined, this is used to measure the equity-settled payment.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the Group or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Group or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST (or overseas VAT), except where the amount of GST incurred is not recoverable. In these circumstances the GST (or overseas VAT) is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST. Cash flows are presented in the statement of cash flows on a gross basis except for the GST component of investing and financing activities which are disclosed as operating cash flows.

Foreign Currency Transactions and Balances

Functional and presentation currency

The functional and presentation currency of Bowen Coking Coal Ltd and its Australian subsidiaries is Australian dollars ($A).

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate.

Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were measured. Exchange differences arising on the translation of monetary items are recognised in profit or loss.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Group Companies

The financial results and position of foreign operations whose functional currency is not Australian dollars are translated as follows:

- assets and liabilities are translated at period-end exchange rates prevailing at that reporting date;
- income and expenses are translated at average exchange rates for the period;
- retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations are recognised in other comprehensive income.

Employee Benefits

Short-term employee benefit obligations

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled wholly within 12 months after the end of the reporting period are recognised in liabilities in respect of employees' services rendered up to the end of the reporting period and are measured at amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Earnings Per Share (EPS)

Basic earnings per share is calculated by dividing the loss attributable to equity holders of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year adjusted for any bonus elements in ordinary shares issued during the year.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

New and Amended Standards and Interpretations for Future Periods –The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the AASB that are necessary for the current reporting period.

Critical Accounting Estimates and Judgements

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

Key Judgements:

Exploration and Evaluation Assets

The Group performs regular reviews on each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. These reviews are based on detailed surveys and analysis of exploration and drilling results performed to reporting date. Exploration and evaluation assets as at 30 June 2020 were $9,117,268.

NOTE 2: REVENUE

	2020 $	2019 $
Revenue from operating activities:		
Interest received from other persons	20,840	25,707
Cash flow boost	100,000	-
Excess capital raising funds received	-	4,814
	120,840	**30,521**

NOTE 3: EXPENSES

	2020 $	2019 $
Included in expenses are the following items:		
Accounting and audit fees	68,020	151,613
ASX, ASIC, share registry expenses	124,183	66,231
Consulting fees	200,817	128,050
Insurance	57,329	48,610
Legal fees	367,035	54,829
Marketing	17,671	61,385
Occupancy costs	28,694	17,790
Travel expenses	68,866	52,428
Superannuation expense	45,889	19,341

Notes to the Consolidated Financial Statements for the Year Ended 30 June 2020

NOTE 4: INCOME TAX EXPENSE

Recognised in the Statement of profit or loss

	2020 $	2019 $
a) Tax expense		
Current tax expense	-	-
Deferred tax expense	-	-
Total income tax expense per the Statement of profit or loss	-	-
b) Numerical reconciliation between tax expense and pre-tax net profit or (loss)		
Net loss before tax	**(2,057,812)**	**(1,579,050)**
Corporate tax rate applicable	*30%*	*30%*
Income tax benefit on above at applicable corporate rate	**(617,344)**	**(473,715)**
Increase in income tax due to tax effect of:		
Share-based payments expense	59,663	-
Non-deductible expenses	718	162,146
Current year tax losses not recognised	648,197	414,727
Decrease in income tax expense due to:		
Non-assessable income	(29,976)	(46,572)
Deductible equity raising costs	(61,258)	(56,586)
Income tax expense attributable to entity	-	-
Deferred tax assets and liabilities		
(c) Recognised deferred tax assets and liabilities	*30%*	*30%*
Deferred tax assets		
Employee provisions	11,662	2,753
Other provisions and accruals	11,613	12,152
Blackhole – previously expensed	62,616	32,448
Tax losses	1,281,449	727,169
	1,367,340	774,522
Set-off of deferred tax liabilities	(1,367,340)	(774,522)
Net deferred tax assets	-	-

NOTE 4: INCOME TAX EXPENSE (Continued)

	2020 $	2019 $
(c) Recognised deferred tax assets and liabilities (Continued)		
Deferred tax liabilities		
Prepayments	(97)	(333)
Exploration and mine properties	(1,367,243)	(774,189)
Gross deferred tax liabilities	(1,367,340)	(774,522)
Set-off of deferred tax assets	1,367,340	774,522
Net deferred tax liabilities	-	-
(d) Unused tax losses and temporary differences for which no deferred tax assets has been recognised		
Deferred tax assets have not been recognised in respect of the following using corporate tax rates of:	30%	30%
Deductible temporary differences	122,092	159,987
Tax revenue losses	4,548,210	3,952,088
Tax capital losses	1,104,890	1,104,890
Total unrecognised deferred tax assets	5,775,192	5,216,966

The corporate tax rates on both recognised and unrecognised deferred tax assets and deferred tax liabilities have been calculated with respect to the tax rate that is expected to apply in the year the deferred tax asset is realised or the liability is settled.

NOTE 5: CASH AND CASH EQUIVALENTS

	2020 $	2019 $
Cash at bank and on hand	1,527,604	693,310
Short term deposits	866,715	1,350,000
	2,394,319	**2,043,310**

NOTE 6: RECEIVABLES

	2020 $	2019 $
Current:		
Other receivables	164,260	89,446
	164,260	**89,446**

NOTE 7: OTHER CURRENT ASSETS

	2020 $	2019 $
Current:		
Prepayments	19,849	15,780
	19,849	**15,780**

NOTE 8: EXPLORATION AND EVALUATION ASSETS

	2020 $	2019 $
Exploration and evaluation expenditure carried forward in respect of areas of interest are:		
Acquisitions - at cost	4,319,997	4,219,997
Exploration and evaluation phase - at cost	4,797,271	3,305,013
	9,117,268	7,525,010
Movement in exploration and evaluation assets:		
Acquisitions:		
Opening balance - at cost	4,219,997	4,131,531
Acquisition costs during the period	100,000	88,466
Total acquisitions costs	4,319,997	4,219,997
Exploration and evaluation phase – at cost:		
Opening balance - at cost	3,305,013	1,800,681
Capitalised exploration expenditure	1,492,258	1,504,332
Total exploration and evaluation phase – at cost:	4,797,271	3,305,013
Carrying amount at the end of the year	**9,117,268**	**7,525,010**

NOTE 9: TRADE AND OTHER PAYABLES

	2020 $	2019 $
Current:		
Trade payables and accrued expenses	691,174	236,671
Short term employee benefits	38,873	9,175
Total payables (unsecured)	**730,047**	**245,846**

The average credit period on purchases of goods and services is 30 days. No interest is paid on trade payables.

NOTE 10: OTHER CURRENT LIABILITIES

	2020 $	2019 $
Current:		
Partial proceeds from placement completed in July 2020	485,000	-
Total other current liabilities	**485,000**	**-**

NOTE 11: CONTRIBUTED EQUITY

Fully paid ordinary shares

		2020		2019	
		No. of Shares	$	No. of Shares	$
Balance at the beginning of the year		706,274,262	53,398,058	499,486,810	49,830,181
Share issues:					
Placement - 28 September 2018	(a)			74,875,000	1,198,000
Placement - 12 December 2018	(b)			31,250,000	500,000
Placement - 20 March 2019 and 31 May 2019	(c)			82,340,452	1,729,150
Conversion of Class B performance shares - 9 April 2019	(d)			13,000,000	167,794
Exercise of options - May & June 2019	(e)			5,322,000	106,440
Placement - 7 August 2019	(f)	10,000,000	500,000		
Conversion of Class A performance shares - 19 August 2019	(g)	13,000,000	89,700		
Exercise of 2.0c options: July to October 2019	(h)	24,488,000	489,760		
Exercise of 4.0c options: July to October 2019	(i)	50,000,000	2,000,000		
Transaction costs associated with share issues		-	(77,875)	-	(133,507)
Balance as at 30 June		**803,762,262**	**56,399,643**	**706,274,262**	**53,398,058**

Ordinary shareholders are entitled to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amount paid on the shares held. Every ordinary shareholder present at a meeting in person or by proxy is entitled to one vote on a show of hands or by poll. Ordinary shares have no par value.

NOTE 11: CONTRIBUTED EQUITY (Continued)

Notes for the above table:

(a) 74,875,000 shares issued at $0.016 each in the placement on 28 September 2018, raising $1,198,000.

(b) 31,250,000 shares issued at $0.016 each in the placement on 12 December 2018, raising $500,000.

(c) 82,340,452 shares issued at $0.021 each in the placement issued on 20 March 2019 (for 72,680,952 shares) and 31 May 2019 (for 9,659,500 shares), raising $1,729,150.

(d) 13,000,000 Class B performance shares with a fair value of $167,794 converted into ordinary shares at no consideration.

(e) 5,322,000 shares were issued upon exercise of options at $0.02 each, raising $106,440.

(f) 10,000,000 shares issued at $0.05 each in the placement on 7 August 2019, raising $500,000.

(g) 13,000,000 Class A performance shares with a fair value of $89,700 converted into ordinary shares at no consideration.

(h) 24,488,000 shares were issued upon exercise of options at $0.02 each between July and October 2019, raising $489,760.

(i) 50,000,000 shares were issued upon exercise of options at $0.04 each between July and October 2019, raising $2,000,000.

Listed Options

	Note	Weighted average exercise price	2020 No. of Options	Weighted average exercise price	2019 No. of Options
Listed Share Options		$0.04	50,000,000	$0.04	50,000,000
Balance at the beginning of the year				$0.04	50,000,000
Options exercised		$0.04	(50,000,000)		
Exercisable at end of year		**-**	**-**	**$0.04**	**50,000,000**

Unlisted Options

	Note	Weighted average exercise price	2020 No. of Options	Weighted average exercise price	2019 No. of Options
Unlisted Share Options		$0.032	65,700,000	$0.029	90,378,000
Balance at the beginning of the year		$0.029	90,378,000	$0.02	30,000,000
Change of options during the year:					
Issued to a director	19	-	-	$0.03	30,000,000
Issued to directors & an officer	19	-	-	$0.0338	35,700,000
Exercised during the year		$0.02	(24,488,000)	$0.02	(5,322,000)
Options lapsed		$0.02	(190,000)		
Exercisable at end of year		**$0.032**	**65,700,000**	**$0.029**	**90,378,000**

NOTE 11: CONTRIBUTED EQUITY (Continued)

Performance Shares

	Note	Weighted average exercise price	2020 No. of Performance Shares	Weighted average exercise price	2019 No. of Performance Shares
Unlisted Performance Shares		-	-	-	13,000,000
Balance at the beginning of the year		-	13,000,000	-	26,000,000
Changes of Performance Shares during the year:					
Converted	11	-	(13,000,000)	-	(13,000,000)
Balance at end of year		**-**	**-**	**-**	**13,000,000**

Capital Management

Exploration companies such as Bowen Coking Coal Ltd are funded almost exclusively by share capital. Management controls the capital of the Group to ensure it can fund its operations and continue as a going concern. Capital management policy is to fund its exploration activities principally by way of equity, and where required, debt and/or project finance. No dividend will be paid while the Group is in exploration stage. There are no externally imposed capital requirements.

There have been no other changes to the capital management policies during the year.

NOTE 12: RESERVES

Share-Based Payments Reserve

The share-based payment reserve is used to recognise the fair value of options and performance shares issued to consultants. This reserve can be reclassified as retained earnings if options lapse.

NOTE 13: OPERATING SEGMENTS

Segment Information

Identification of reportable segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

The Group is managed primarily on geographic basis, that is, the location of the respective areas of interest (tenements) in Australia. Operating segments are determined on the basis of financial information reported to the board of directors which is at the consolidated entity level. The Group does not have any products or services that it derives revenue from. The Group's exploration and development activities in Australia is the Group's sole focus.

Accordingly, management currently identifies the Group as having only one reportable segment, being the exploration of mineral projects in Australia. There have been no changes in the reporting segments during the year. Accordingly, all significant operating decisions are based upon analysis of the consolidated entity as one segment. The financial results from this segment are equivalent to the financial statements of the Group as a whole.

NOTE 14: CASH FLOW INFORMATION

	2020 $	2019 $
A. Reconciliation of Cash Flow from Operations with Loss after Income Tax:		
Loss after income tax	(2,057,812)	(1,579,050)
Non-cash flows in loss from ordinary activities:		
Impairment of loans	-	104
Equity settled compensation	198,876	382,163
Changes in operating assets and liabilities:		
(Increase)/Decrease in receivables	(74,814)	(22,628)
(Increase)/Decrease in prepayments and other assets	(4,069)	(4,370)
Increase/(decrease) in payables and accruals	304,949	(59,312)
Net cash used in operations	**(1,632,870)**	**(1,283,093)**
B. Non-cash Financing Activities		
Share issue:		
- 13,000,000 Class B performance shares with a fair value of $167,794 converted into ordinary shares at no consideration.	-	167,794
- 13,000,000 Class A performance shares with a fair value of $89,700 converted into ordinary shares at no consideration.	89,700	-

NOTE 15: EARNINGS PER SHARE

	2020 $	2019 $
Net loss used in the calculation of basic and diluted EPS attributable to owners of the parent company	(2,116,613)	(1,579,050)
Weighted average number of ordinary shares outstanding during the period used in the calculation of basic EPS	779,784,232	597,920,773
Weighted average number of ordinary shares outstanding during the period used in the calculation of diluted EPS	854,959,642	617,473,376

Options are considered potential ordinary shares. Options issued are not presently dilutive and were not included in the determination of diluted earnings per share for the period.

NOTE 16: COMMITMENTS

(a) 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.

	2020 $	2019 $
Not later than 1 year	567,400	464,025
Later than 1 year but not later than 5 years	745,650	1,311,925
Later than 5 years	-	-
Total commitment	**1,313,050**	**1,775,950**

(b) Operating Lease Commitments

The Group has no operating leases.

(c) Capital Commitments

The Group has no capital commitments.

NOTE 17: CONTINGENT LIABILITIES

On 24 June 2020 the Company announced that it had executed binding agreements with Peabody (Burton Coal) Pty Ltd (“Peabody”), a wholly owned subsidiary of US headquartered Peabody Energy Corporation, to acquire the Broadmeadow East coking coal project, located within undeveloped Mining Lease 70257 (“ML”, “Project” or “Broadmeadow East”).

The transaction includes access rights to both the New Lenton Joint Venture Coal Handling and Preparation Plant (“CHPP”) and the Train Load Out Facility (“TLO”), which are connected by an established haul road passing immediately adjacent to ML 70257. The Company has secured throughput capacity of a minimum of 1Mtpa, with the ability to potentially increase this capacity to a total of 2Mtpa, subject to agreement.

Assets being acquired

The Company has agreed to acquire the following from Peabody:

1. Granted Mining Lease ML 70257;
2. Land access for the purposes of exploration, development and mining; and
3. Assignment of 1Mtpa throughput capacity at (a) the New Lenton Joint Venture CHPP and (b) the New Lenton Joint Venture TLO, with access to the haul road. The parties may agree the assignment of a further potential 1Mtpa throughput capacity.

Consideration

Total consideration payable for the above-mentioned assets is as follows:

- Cash consideration of $1,000,000, payable upon Completion;
- Royalty payable of $1/t on all coal produced and sold from ML 70257, to a maximum of 1.5Mt, being $1.5M;
- Assumption of environmental rehabilitation obligations; and
- $500,000 cash consideration for land compensation, payable only upon site works commencing or the renewal of the ML, whichever occurs first.

Conditions Precedent

The above-mentioned acquisition is subject to the following conditions precedent:

1. Indicative approval to transfer from the Minister of Mines, any conditions attached subject to the Company’s approval, acting reasonably;
2. Entering into the Deeds of Covenant relating to CHPP, haul road and TLO tolling/access with the consent of New Lenton Joint Venture; and
3. The de-amalgamation of ML 70257 from the Burton Mine Environmental Authority.

Satisfaction of the above-mentioned conditions precedent, and therefore completion, is expected to take between 3 and 6 months (from 24 June 2020).

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

NOTE 18: RELATED PARTY TRANSACTIONS

Parent Entity

Bowen Coking Coal Ltd is the legal parent and ultimate parent entity of the Group.

Subsidiary

Interest in subsidiaries are disclosed in Note 22.

Key Management Personnel

	2020 $	2019 $
Short-term employee benefits	777,688	592,014
Share-based payments	64,644	382,163
Provision for leave entitlements	29,699	9,175
	872,031	**983,352**

NOTE 19: SHARE-BASED PAYMENTS

Director and Employee Share-based Payments

Share-based payment expense recognised during the year:

	2020 $	2019 $
Share-based payment expense recognised during the period:		
Options issued to a director in Dec 2018 (1)	64,644	78,356
Options issued to key management personnel in May 2019 (2)	-	303,807
Performance rights issued to a consultant in Sep 2019 (3)	134,232	-
	198,876	**382,163**

Notes for the above table, relating to the years ended 30 June 2020 and 30 June 2019 are:

1. 30,000,000 options were granted to a director for nil consideration on 12 December 2018. The options vested on 12 December 2019 and expire on 12 December 2020. 10,000,000 options have an exercise price of $0.025, 10,000,000 options have an exercise price of $0.03 and 10,000,000 options have an exercise price of $0.035.

   The weighted average fair value of options granted during the period was 0.48 cents. The fair values at grant date were determined by an independent valuer using a Black-Scholes option pricing model that takes into account the share price at grant date, exercise price, expected volatility, option life, expected dividends, the risk free rate, the impact of dilution, the fact that the options are not tradeable. The inputs used for the Black-Scholes option pricing model for options granted were as follows:
   - grant dates: 12 December 2018
   - share price at grant date: 1.6 cents
   - exercise prices: 10,000,000 options for 2.5 cents; 10,000,000 options for 3.0 cents; 10,000,000 options for 3.5 cents
   - expected volatility: 100%
   - expected dividend yield: nil
   - risk free rate: 1.957%

NOTE 19: SHARE-BASED PAYMENTS (Continued)

2. 35,700,000 options with an exercise price of \$0.0338 were granted to directors and an officer for nil consideration on 31 May 2019. The options vested on grant date and expire on 30 June 2021.

   The weighted average fair value of options granted during the period was 0.85 cents. The fair values at grant date were determined by an independent valuer using a Black-Scholes option pricing model that takes into account the share price at grant date, exercise price, expected volatility, option life, expected dividends, the risk free rate, the impact of dilution, the fact that the options are not tradeable. The inputs used for the Black-Scholes option pricing model for options granted were as follows:
   - grant dates: 31 May 2019
   - share price at grant date: 2.6 cents
   - exercise prices: 3.38 cents
   - expected volatility: 100%
   - expected dividend yield: nil
   - risk free rate: 1.12%

3. 12,000,000 performance rights which have various vesting conditions, performance hurdles and expiry dates were granted to a consultant on 16 September 2019. The undiscounted fair value of the performance rights granted was 8.3 cents. The fair values at grant date were determined by an independent valuer taking into account the share price at grant date, expected volatility, vesting conditions, expiry dates, expected dividends, the risk free rate, the impact of dilution, the fact that the performance rights are not tradeable and the likelihood that the performance conditions will be achieved (as assessed at the time of issue by the Board). The fair value of the performance rights after discount was assessed as \$498,000, to be allocated to each accounting period according to the expiry date. The inputs used for the Black-Scholes pricing model for performance rights granted were as follows:
   - grant dates: 16 September 2019
   - share price at grant date: 8.3 cents
   - exercise prices: nil
   - expected volatility: 79.27%
   - expected dividend yield: nil
   - risk free rate: 0.93%

NOTE 20: AUDITOR'S REMUNERATION

Remuneration for the auditor of the parent entity:

	2020 $	2019 $
RSM Australia Partners and its related entities:		
Auditing or reviewing the financial reports	34,135	31,510
Taxation services	6,500	-
	40,635	**31,510**

NOTE 21: FINANCIAL RISK MANAGEMENT

(a) Financial Risk Management Policies

The Group's financial instruments comprises cash balances, receivables and payables and loans to and from subsidiaries. The main purpose of these financial instruments is to provide finance for Group operations.

Treasury Risk Management

Key executives of the Company meet on a regular basis to analyse exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

The board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. Management is responsible for developing and monitoring the risk management policies and reports to the board.

Financial Risks

The main risks the Group is exposed to through its financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk. These risks are managed through monitoring of forecast cash flows, interest rates, economic conditions and ensuring adequate funds are available.

Interest Rate Risk

The Group's exposure to interest rate risk, which is the risk that a financial instrument's cash flows or fair value will fluctuate as a result of changes in market interest rates, arises in relation to the Group's bank balances. This risk is managed through the use of variable rate bank accounts.

Liquidity Risk

Liquidity risk is the risk that the Group will not be able meet its financial obligations as they fall due. This risk is managed by ensuring, to the extent possible, that there is sufficient liquidity to meet liabilities when due, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group's activities are funded from equity and where required and available debt and/or project finance.

During the year ended 30 June 2020, the Group executed a finance facility with M Resources Trading Pty Ltd (“M Resources”), a related entity of Mr Matt Latimore (a director and substantial holder of the Company), to provide the Group with a finance facility of up to $15.0 million, to be utilised in funding the development of the Group’s Isaac River Coking Coal Project, or any other of the Group’s coking coal projects, as the case may be. The Group may draw down on the finance facility in respect of a particular project once the decision to mine that project has been made, and the finance facility will be secured against the project being developed. At the date of this report, the finance facility remains undrawn.

NOTE 21: FINANCIAL RISK MANAGEMENT (Continued)

(a) Financial Risk Management Policies (Continued)

Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is their carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements.

Credit risk arises from exposures to deposits with financial institutions and sundry receivables.

Credit risk is managed and reviewed regularly by key executives. The key executives monitor credit risk by actively assessing the rating quality and liquidity of counter parties:

- only banks and financial institutions with an ‘A’ rating are utilised; and
- all other entities are rated for credit worthiness taking into account their size, market position and financial standing.

At 30 June 2020, there was no concentration of credit risk, other than bank balances.

Foreign Currency Risk

The Group has no material exposure to foreign currency risk at the end of the reporting period.

(b) Financial Instrument Composition and Contractual Maturity Analysis

	2020 $	2019 $
Financial assets:		
Within 6 months:		
cash & cash equivalents[(1)]	2,394,319	2,043,310
receivables[(1)]	58,801	-
	2,453,120	**2,043,310**
Financial liabilities:		
Within 6 months:		
payables[(1)]	643,414	197,599
	643,414	**197,599**

Notes:

(1) Non-interest bearing. The contractual cash flows do not differ to the carrying amount.

(c) Net Fair Values

Fair values of financial assets and financial liabilities are materially in line with carrying values.

(d) Sensitivity Analysis

The Company has performed sensitivity analysis relating to its exposure to interest rate risk. At year end, the effect on profit and equity as a result of a 1% change in the interest rate, with all other variables remaining constant, is immaterial.

NOTE 22: SUBSIDIARIES

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

	Country of incorporation	Ownership interest	
		2020	2019
Coking Coal One Pty Ltd	Australia	100%	100%
Cabral Metais Ltd (dormant)	Brazil	100%	100%
Bowen Coking Coal Marketing Pty Ltd(1)	Australia	50%	-

Note: (1) *Company registered on 24 June 2020*

NOTE 23: SUBSEQUENT EVENTS

On 3 July 2020 the Company completed a private placement of 45.0m shares, raising $2.25million.

Other than the matter noted above, there are no other matters or circumstances that have arisen since the end of the year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

NOTE 24: PARENT ENTITY INFORMATION

The following information relates to the parent entity, Bowen Coking Coal Ltd at 30 June 2020. This information has been prepared using consistent accounting policies as presented in Note 1.

	2020 $	2019 $
Current assets	2,165,316	2,000,941
Non-current assets	9,012,974	7,525,010
Total assets	11,178,290	9,525,951
Current liabilities	771,246	116,559
Total liabilities	771,246	116,559
Net assets	10,407,044	9,409,392
Contributed equity	56,399,643	53,398,058
Reserves	581,039	471,863
Accumulated losses	(46,573,638)	(44,460,529)
Total equity	10,407,044	9,409,392
Loss for the period	(2,174,485)	(1,560,804)
Other comprehensive income for the period	-	-
Total comprehensive loss for the period	(2,174,485)	(1,560,804)

Refer to Note 17 outlining a (conditional) contractual commitment for the acquisition of a project, also considered a contingent liability at 30 June 2020. Other than the transaction described in Note 17, the Company has:

- no other contingent liabilities, nor has it entered into any guarantees in relation to the debts of its subsidiaries; and
- has not entered into any other contractual commitments for the acquisition of property, plant and equipment.

The Company and its Australian controlled entities have formed a tax consolidated group as at the date of this report.

NOTE 25: COMPANY DETAILS

The registered office and principal place of business is:
Level 19, 1 Eagle Street
Brisbane, Queensland, 4000 Australia

NOTE 26: DIVIDENDS & FRANKING CREDITS

There were no dividends paid or recommended during the financial year. There are no franking credits available to the shareholders of the Company.

Directors' Declaration

The directors of the Company declare that:

1. The attached financial statements and notes are in accordance with the Corporations Act 2001, the Corporations Regulations 2001, including:

    a. complying with the Australian Accounting Standards which, as stated in accounting policy note 1 to the financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS); and

    b. giving a true and fair view of the consolidated entity's financial position as at 30 June 2020 and of its performance for the financial year ended on that date.

2. The chief executive officer and chief financial officer have each declared that:

    a. the financial records of the Company for the financial year have been properly maintained in accordance with section 286 of the Corporations Act 2001;

    b. the financial statements and notes for the financial year comply with the Accounting Standards; and

    c. the financial statements and notes for the financial year give a true and fair view.

3. In the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the board of directors.

Gerhard Redelinghuys
Director

Dated 24 September 2020
Brisbane, Queensland

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INDEPENDENT AUDITOR'S REPORT

To the Members of Bowen Coking Coal Limited

Opinion

We have audited the financial report of Bowen Coking Coal Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2020, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion the accompanying financial report of the Group is in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the Group's financial position as at 30 June 2020 and of its financial performance for the year then ended; and

(ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the 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* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial report, which indicates the Group incurred a loss after tax of $2,057,812 and had net cash outflows from operating and investing activities of $1,632,870 and $1,470,881 respectively for the year ended 30 June 2020. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, 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.

RSM

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our audit addressed this matter
Carrying Value of Capitalised Exploration Expenditure **Refer to Note 8 in the financial statements**	
The Group has capitalised exploration expenditure with a carrying value of $9,117,268 as at 30 June 2020. We determined this to be a key audit matter due to the significant management judgement involved in assessing the carrying value in accordance with AASB 6 *Exploration for and Evaluation of Mineral Resources,* including: • Determination of whether expenditure can be associated with finding specific mineral resources, and the basis on which that expenditure is allocated to an area of interest; • Assessing whether any indicators of impairment are present; and • Determination of whether exploration activities have progressed to the stage at which the existence of an economically recoverable mineral reserve may be determined.	Our audit procedures in relation to the carrying value of capitalised exploration costs included: • Ensuring that the right to tenure of the areas of interest was current through confirmation with the relevant government departments; • Critically assessing and evaluating management's assessment that no indicators of impairment existed; • Agreeing a sample of the additions to capitalised exploration expenditure during the year to supporting documentation, and ensuring that the amounts were capitalised correctly; and • Through discussions with the Group's Directors, and review of the Group's ASX announcements and other relevant documentation, assessing management's determination that exploration activities have not yet progressed to the point where the existence or otherwise of an economically recoverable mineral resource may be determined.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2020 but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the 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 financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/auditorsresponsibilities/ar2.pdf.

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 24 to 29 of the directors' report for the year ended 30 June 2020.

In our opinion, the Remuneration Report of Bowen Coking Coal Limited, for the year ended 30 June 2020, complies with section 300A of the Corporations Act 2001.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

RSM

RSM AUSTRALIA PARTNERS

Albert Loots
Partner

Brisbane, Queensland
Dated: 24 September 2020