

ASX RELEASE
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Dartbrook on track for H2 2023 re-start - JV makes substantial progress on major critical path activities

- Dewatering of Hunter Tunnel is nearing the re-establishment of the ventilation circuit which will facilitate remediation activities and enables unrestricted access for restarting operations
- A review of the Mine Plan schedule has resulted in superior outcomes with the potential to enhance coal quality
- Multiple offers for debt funding have been received, and are currently being assessed, following completion of substantial due diligence by several parties
- JV participants working towards finalising Operating Agreements

Australian Pacific Coal Limited (ASX: AQC) (“AQC” or the “Company”) and its proposed Joint Venture partners have together made substantial progress on major critical path activities essential for the restart of the flagship Dartbrook mine, a potentially transformational project for the Company.

Australian Pacific Coal’s Interim CEO, Ms Ayten Saridas, said: “AQC and our Joint Venture partners have made good progress on all major critical path activities since the end of December, particularly the remediation operations at the mine site and efforts to secure funding to enable production restart in H2 2023. The strong interest in the data room confirms the attractive investment proposition of the Dartbrook Project.”

Dartbrook Restart

The Operations team has been working continuously to date towards recommissioning of the Dartbrook Mine and Coal Handling Processing Plant (CHPP). The dewatering of the main access Hunter Tunnel is nearing the re-establishment of the ventilation circuit which will facilitate remediation activities which will allow resupporting of the roof and ribs. The tunnel had approximately 57 megalitres of water of which approximately 45 megalitres had been removed as of mid-March.

Procurement activities of key mining equipment are well advanced and the mine remains on track to recommence production in H2 2023 subject to funding.

A recently completed review of the Mine Plan schedule has resulted in superior outcomes, with the potential to enhance coal quality.

Restart Funding

Negotiations to secure restart debt funding gained momentum recently, with several parties completing substantial due diligence. The Dartbrook Joint Venture has received, and is currently assessing, multiple financing offers which would provide for a significant portion of the restart capital required to enable production to recommence in 2023. As previously announced, the current estimate for restart capex is A\$100 – A\$120 million gross, including the work done to date.

AQC has committed to contribute 100% of funding for restart operations through to end March 2022, that will be reimbursed from the JV account upon successful completion and draw down of funding.

AQC and the Dartbrook Joint Venture participants remain focused on meeting all critical path milestones to enable the successful restart of the Dartbrook mine in H2 2023, subject to successfully concluding all necessary Joint Venture operating agreements, sufficient confidence of restart funding, ASX and customary approvals.

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This announcement has been authorised for release to the ASX by the Interim CEO of Australian Pacific Coal Limited.

About Australian Pacific Coal Limited (ASX: AQC) and the Dartbrook Project

Australian Pacific Coal Limited (ASX: AQC) is focused on developing, acquiring and value adding thermal and metallurgical coal projects. AQC's principal asset is the Dartbrook Coal Mine in the Hunter Valley, NSW.

The Dartbrook Coal Mine is located approximately 4 km west of Aberdeen and 10 km north-west of Muswellbrook. The Dartbrook site has access to world-class infrastructure, a skilled workforce, and the support industries utilised by major mining companies in the region to serve key customers in Asia.

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