

ASX RELEASE
28 October 2022

Dartbrook Update: Underground Restart

- Underground mining operations targeting restart in the second half of 2023
- Dartbrook thermal coal likely to be delivered into the Newcastle 6000 NAR market at a premium due to its high quality and energy content
- Dartbrook work on restart capital debt funding package making good progress

Australian Pacific Coal Limited ('AQC' or the 'Company') (ASX: AQC) is pleased to provide an update on key activities leading to the planned restart of underground operations at the Dartbrook Coal Mine (the 'Project'), located in the Hunter Valley, NSW.

Operations

As previously advised, the Company's plan to recommence underground mining operations at the Dartbrook Coal Mine have received MOD7 approvals from the NSW Government. Key personnel from the proposed mine operator, Tetra Resources Pty Ltd ("Tetra"), are currently on site and are finalising mobilisation plans, the restart program timeline and capital requirements to enable the successful commencement of underground mining operations. Following presentations from Tetra this week, the Company anticipates that underground mining operations could restart as projected in the second half of 2023, subject to securing the restart capital debt package and customary operating approvals.

Finance and Marketing

M Resources Pty Ltd ("M Resources") has advised AQC that it is continuing negotiations, on behalf of the Joint Venture, with a number of global credit providers for the restart capital debt funding package. Their view is the potential economic returns Dartbrook could generate at current coal prices coupled with the relatively quick and well delineated restart plan, provides financiers with a level of comfort that the Project has the capability to support the required restart capital necessary to recommence underground mining operations. M Resources also advises that it has received proposals and is progressing term sheets providing for an infrastructure solution for rail and port which de-risks and facilitates the Project's ability to deliver coal into the global thermal coal market. Following soft soundings of potential customers, M Resources expect that Dartbrook thermal coal will be delivered in the Newcastle 6000 NAR market attracting a premium due to its high quality and energy content.

Community

The Company remains encouraged by the overwhelming positive response the Project continues to receive from the Hunter Region, evident in the number of local businesses and workers seeking information and opportunity to be involved going forward.

Further information on the restart program timeline, restart capital and joint venture documentation as well as how to pursue partnerships, sponsorship or employment with the Dartbrook Project will be provided in due course.

AQC looks forward to updating the market, the community and our investors on a regular basis with additional information on the restart program and key milestones for development of the Dartbrook Coal Mine.

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

All Enquiries:
Company Secretary
E: cosec@aqcltd.com
P: +61 7 3221 0679

About AQC and the Dartbrook Project:

Australian Pacific Coal (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 4km west of Aberdeen and 10km 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.