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30 April 2009

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

QUARTERLY ACTIVITIES AND CASHFLOW REPORT 31 MARCH 2009

Please find attached the Quarterly Activities and Appendix 5B Quarterly cashflow reports for the quarter ended March 31, 2009.

Yours faithfully

Hamish Bohannan
Managing Director



QUARTERLY ACTIVITIES REPORT FOR THREE MONTHS ENDED 31 MARCH 2009

Highlights

- ❖ Coal production of 48,000 tons for the quarter
- ❖ Mill Creek now in full production
- ❖ Feds Creek and Tarkiln put on care and maintenance
- ❖ Revenues of A\$5m matched costs for EBITDA loss of A\$124,000
- ❖ Average operating cost for quarter reduced to US\$47 per ton
- ❖ Average price received for coal US\$54 per ton

Overview

The Board of Bathurst Resources Ltd ("Bathurst") is pleased to present its quarterly activities report for the quarter ended 31 March 2009.

Following the rapid collapse of coal prices at the end of December, the Company instigated a series of steps to halt its highest cost operations and focus on the lower cost, higher margin material, leaving the capability to restart the higher cost operations in the event of a price recovery. These steps, whilst reducing the overall tonnage of coal produced, have significantly reduced costs per ton, resulting in positive operating margins at current low spot prices.

Production activities at Tarkiln and Feds Creek were wound up in the first half of the quarter with the men and equipment largely relocated to Mill Creek. Mill Creek reached full production in April.

Coal prices received during the quarter fell each month through to March but prices have held steady in April and for May. Notwithstanding the overall decline in prices, April and May are seasonally the lowest price months in the year.

As well as changing the operating plan to suit market conditions, the Company restructured its equipment leases and rentals, revisited its principal contracts, reduced executive salaries and secured a coal loan facility, all of which have added to its improved position.

ASX Release

30 April 2009

BATHURST RESOURCES LTD

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Directors/Officers:

Richard Monti – Non-executive Chairman
Hamish Bohannan – Managing Director
Billy Shelton – Executive Director
Charles Griffith – Non-executive Director

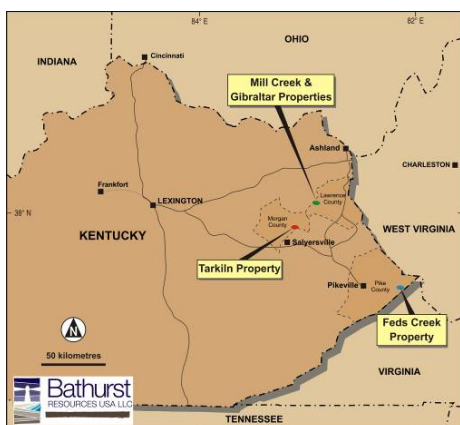
Joshua Ward – Company Secretary

Issued Capital:

57,683,334 Ordinary Shares
6,966,667 Listed Options
11,100,000 Unlisted Options

ASX Codes:

BTU
BTUO



USA Coal Asset Project Locations



Coal Auger at Mill Creek

Operating Summary

Consolidated Results (A\$)	
Qtr ended 31 Mar 09	AUD \$'000
Revenue	\$5,000
COS	-\$4,658
Gross profit/(loss)	\$342
Admin and other costs	-\$466
EBITDA	-\$124

Set out below are C&R Holding's unaudited US Operating results for the quarter ended 31 March 2009:

Tons Mined		
	Total Q3	Total Q2
Tarkiln		
Broas	4,808	11,040
UPO	8,959	17,854
LPO	9,927	21,640
Prater	9,569	18,287
Feds Creek		
Alma	2,465	7,059
Mill Creek		
UPO	414	0
LPO	1,259	0
Mudseam	6,861	0
Haddix	3,661	0
Total tons mined	47,579	75,880
Total tons sold	54,859	75,590

US Profit/Loss		
	US\$'000	US\$'000
Operating Expenses	-\$2,239	-\$5,805
Revenue	\$3,058	\$7,086
Operating profit	\$819	\$1,281
Other expenses	-\$459	-\$668
US EBITDA	\$360	\$613

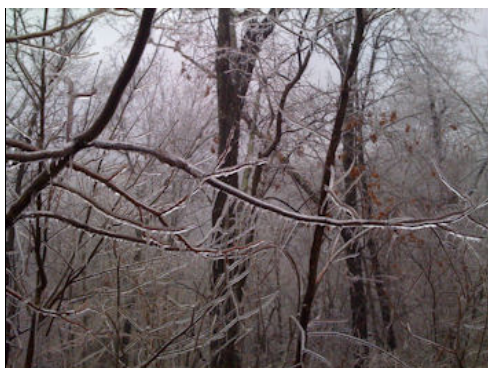
Unit Values		
	US\$/ton	US\$/ton
Cost per Ton	-\$47.06	-\$76.50
Avg Price per Ton	\$55.74	\$93.74

* All figures in US\$ and short tons

At the end of last quarter, the Company had an outstanding receivable from one coal merchant amounting to USD\$650,000. Some US\$170,000 has subsequently been recovered, through repossession and sale of some 5000 tons of LPO, and a payment plan submitted for the remainder. The Company has also initiated legal documentation to recover the monies owing.



Auger drilling at Mill Creek



Ice Storms in Kentucky

USA Coal Projects

Tarkiln

Production from Tarkiln ceased in February and the mine placed on care and maintenance. Two permit extensions have been applied for in anticipation of restarting these operations in the future.

Feds Creek

Demand for metallurgical coal fell quickly in December, so despite the effort put into redesigning haulage roads and eliminating coal re-handling, it was recognized that this coal could not be mined economically in the current market. Production was ceased early in January.

However as with Tarkiln, permit extensions have been submitted so that when coal prices do increase, production can be rapidly ramped to target production levels of 10,000 tons per month.

Mill Creek

Mill Creek was identified as being potentially our lowest cost operation, being closest to the wharves with lower strip ratios and less material requiring blasting.

Despite some of the worst winter weather in decades, the mine was commissioned in February, rapidly approaching target production levels of 15,000 tons per month (excluding coal produced by the auger). Severe ice storms closed road access for several days, took out electrical power and caused significant damage to trees throughout the state. Very wet weather since then has made establishing good haul roads challenging.

The mine is however meeting expectations with all four seams now in production. The first auger is on site and has already mined some coal. The auger however requires significant highwall exposed ahead of it to ensure continuous production and this will not be achieved until May. The auger should produce over 3000 tons of coal per month at less than US\$20 per ton.

Yellow Creek

The Company has made the decision not to start Yellow Creek until the market show clear signs of strengthening. Necessary agreements for production have been reached, permits are in place and license applications are pending. The good performance from Mill Creek allows for the deferral of any start up costs that would otherwise be incurred at Yellow Creek.



Auger drill holes at Mill Creek



Auger production at Mill Creek

Other Production Opportunities

Discussions continue on additional local resources both with a view to increase reserve base and also to provide alternative lower cost production sources.

The permit for Gibraltar Mine is expected imminently. Negotiations are ongoing to secure the leases between Mill Creek and Gibraltar allowing contiguous operations with continuity of production flow.

Agreements are also being drafted to secure further leases adjacent to the Yellow Creek Project.

Cost Management

In addition to the steps already taken to reduce costs and improve margins, which include

- Reduction of strip ratios, reducing waste movement and drilling and blasting costs,
- Focus on higher quality seams,
- Focus on thicker seams,
- Moving to sites with much shorter haulage distances, and
- Introduction of low cost auger mining

The Company is renegotiating equipment leases and rentals and reviewing principal contracts. This has already resulted in cost savings mainly through longer repayment terms. The Company has also acquired a drill rig and is doing its own production drilling with contract shot firing, saving over US\$3 per ton of coal produced.

New contracts for oils and lubricants have also been locked in securing current low prices. Executive salaries have been reduced by 30% effective February. A coal loan facility for US\$500,000 has been secured of which US\$250,000 was drawn down in February, with remainder still available.

These changes to our production and operating profile were expected to reduce our average cost per ton to less than US\$50, which has been achieved. Further reductions are expected with the introduction of the low cost auger coal production. Negotiations are also taking place to establish a working capital facility.

Marketing

Bathurst is continuing to sell coal into the spot market with prices fixed on a monthly basis. To date, all production has been fully sold.

Average prices received for the quarter include the 5000 tons of LPO recovered and sold for US\$35 per ton which had been mined in the previous quarter.

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Corporate

Recognizing the Company's focus on Appalachian Coal in the USA, Bathurst was pleased to appoint Charles "Chuck" Griffith to the Board of Directors in February. Chuck, based in Kentucky, brings considerable coal experience to the Board having been principal of several underground coal contracting companies in the Appalachians during his career. Following this appointment founding directors John Hannaford and Frank Ashe stepped down from the Board.

ASX Announcements

The Company made the following announcements during the quarter and to the date of this report:

Date	ASX Announcement
13/03/2009	Half Year Accounts
5/3/2009	Acquisition of Yellow Creek Project - Kentucky USA
4/3/2009	Trading Halt
27/02/2009	Resignation of Directors / Appendix 3Z x 2
23/02/2009	Initial Director's Interest Notice
23/02/2009	Update on January Performance
30/01/2009	Quarterly Activities and Cashflow Report

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

Bathurst Resources Ltd

ABN

125 679 469

Quarter ended ("current quarter")

31 March 2009

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (9 months) \$A'000
1.1 Receipts from product sales and related debtors	5,058	17,842
1.2 Payments for (a) exploration and evaluation (b) development (c) production (d) administration	- (4,798) (779)	(2) (16,337) (1,895)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	8	44
1.5 Interest and other costs of finance paid	(96)	(303)
1.6 Income taxes paid		
1.7 Other (provide details if material)		
Net Operating Cash Flows	(607)	(651)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a)prospects (b)equity investments (c) other fixed assets	(122)	(970)
1.9 Proceeds from sale of: (a)prospects (b)equity investments (c)other fixed assets		
1.10 Loans to other entities		
1.11 Loans repaid by other entities		
1.12 Other - Cash Acquired upon Acquisition - Bonds deposited - Payments for acquisition of subsidiary	- (158) -	525 (397) (2,243)
Net investing cash flows	(280)	(3,085)
1.13 Total operating and investing cash flows (carried forward)	(887)	(3,736)

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(887)	(3,736)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	-	1,206
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings	513	815
1.17	Repayment of borrowings	(68)	(523)
1.18	Dividends paid		
1.19	Other - Capital Raising Costs	-	(42)
	- Factoring fees on coal sales	(2)	(80)
Net financing cash flows		443	1,376
Net increase (decrease) in cash held		(444)	(2,360)
1.20	Cash at beginning of quarter/year to date	488	2,297
1.21	Exchange rate adjustments to item 1.20	8	115
1.22	Cash at end of quarter	52	52

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	165
1.24	Aggregate amount of loans to the parties included in item 1.10	Nil

1.25 Explanation necessary for an understanding of the transactions

The amount above includes payments to Directors, their associated companies and a company involved with John Hannaford and Richard Monti relating to the provision of consulting fees, company secretarial services, accounting and bookkeeping, and the provision of office accommodation on commercial terms.

Non-cash financing and investing activities

2.1

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2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

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Appendix 5B
Mining exploration entity quarterly report

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities		
- Unsecured loans from KES (a)	840	840
- Director loans (b)	452	452
- Coal loan facility (c)	728	364
(a) On completion of the acquisition of C&R Holding, the Company assumed liability for a loan of US\$1,160,000 which is repayable at US\$20,000 per week.		
(b) During the period the Company was advanced a further A\$150,000 from directors by way of a short term loan on commercial terms.		
(c) During the period the Company secured a US\$500,000 coal loan facility, repayable via delivery of coal in the remainder of the calendar year, of which US\$250,000 was drawn down at 31 March 2009.		
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	-
4.2 Development	-
4.3 Production	3,817
4.4 Administration	404
Total	4,221

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	52	488
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	52	488

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Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements acquired or increased			

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Preference +securities <i>(description)</i>			
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions			
7.3	+Ordinary securities	57,683,334	53,183,336	
7.4	Changes during quarter Increases (a) Options exercised Private placement Private placement Issued on acquisition (b) Decreases through returns of capital, buy-backs			
7.5	+Convertible debt securities <i>(description)</i>			
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted			
7.7	Options <i>(description and conversion factor)</i>	12,716,667 250,000 3,900,000	6,966,667 <i>Exercise price</i> 25 cents 35 cents 42 cents	<i>Exercise date</i> 31/12/10 31/10/11 Various
7.8	Issued during quarter			
7.9	Exercised during quarter			
7.10	Expired during quarter			
7.11	Debentures <i>(totals only)</i>			
7.12	Unsecured notes <i>(totals only)</i>			

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here:

Date: 30 April 2009

(Company secretary)

Print name: Joshua Ward

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Cash Flow Statements* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.