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Australia Materials

Reuters BTU.AX
Bloomberg BTU AU

Priced on 26 August 2011
ASX200 @ 4,200.0

12M hi/lo A\$1.30/.20

12M price target A\$1.50
±% potential +48%
Target set on 21 Jun 11

Shares in issue 666.1m
Free float (est.) 100.0%

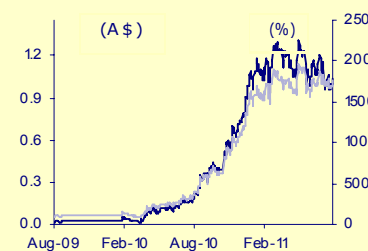
Market cap US\$729m

3M average daily volume
A\$5.9m (US\$6.3m)

Major shareholders
Mathews Capital 11.7%
Nefco Nominees 6.0%

Stock performance (%)

	1M	3M	12M
Absolute	(11.4)	(10.6)	380.8
Relative	(3.5)	(0.8)	398.7
Abs (US\$)	(14.9)	(11.5)	468.4



Source: Bloomberg

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Bathurst – off and racing

As anticipated, Bathurst Resources has been awarded resource consent for their first mine within the Buller Coal Project. Resource consent represents a key milestone for Bathurst, and substantially de-risks the company. There remains the chance of an appeal to the approval, however the appeal process is designed to minimise spurious objections, and appeals must be submitted within 15 days. Bathurst offers investors hard coking coal exposure, with a simple, fast path to market, with the potential for up to 4.0mtpa of coal production. We maintain our BUY rating and \$1.50 target price on Bathurst Resources ahead of CLSA's client site tour to the Buller Coal Project on 5th September.

Resource consent approval received

Bathurst has received resource consent for the Escarpment mine within the Buller Coal Project, including associated processing and transport infrastructure. The approval covers production of 1.5mtpa, plus washing, dewatering and rail loading infrastructure. The construction timeframe to first coal production is expected to be around 4-6 months, suggesting first coal production could occur in early CY12. We retain our first coal production date of June 2012 for conservatism, as there remains the potential for a delay if an appeal is lodged. Accelerating our first coal production date to February 2012 would add 6% to our \$1.50 target price.

Appeals process designed to discourage spurious appeals

An appeal to the New Zealand Environmental Court may be lodged within 15 days by a party who opposed the original submission. We note however the appeal process is designed to minimise spurious objections, with the potential for a cost reimbursement to be levied on an unsuccessful appeal.

Approval recognises contribution to local community

The resource consent decision recognised the potential environmental impact of mining on the Denniston Plateau, particularly given longer term expansion plans. Ultimately the approval was awarded as the environmental impact can be minimised, and the development is likely to provide a significant benefit to the local community.

Approval conditions as expected, no change to capex estimate

Traditional mining conditions have been imposed as part of resource consent, including mine site remediation, environmental monitoring and water discharge. We believe some conditions imposed were outside Bathurst's original capex estimate of \$69m, but we remain confident our additional \$10m capex contingency will absorb additional compliance and heritage costs.

Financials

Year to 30 Jun	10A	11CL	12CL	13CL	14CL
Revenue (A\$m)		1	31	207	378
Rev forecast change (%)	-	0.0	(6.1)	(8.5)	(6.3)
Ebitda (A\$m)	(3)	(21)	11	111	225
Net profit (A\$m)	(3)	(18)	7	76	158
NP forecast change (%)	-	nm	(18.4)	(15.3)	(10.4)
EPS (A¢)	(3.4)	(4.7)	0.9	9.8	20.4
CL/consensus (5) (EPS%)	-	168	84	85	69
EPS growth (% YoY)	nm	nm	nm	951.9	109.4
PE (x)	nm	nm	109.4	10.4	5.0
Dividend yield (%)	0.0	0.0	0.0	0.0	0.0
EV/Ebitda (x)	(32.7)	(28.6)	65.3	6.4	2.5

Source: CLSA Asia-Pacific Markets

Bathurst has received resource consent approval for 1.5mtpa ROM coal production from the Escarpment mine

Appeals to the Environmental Court remain possible

Our forecasts include 2.0mt production from the Buller Coal Project

A further 2.0mtpa is possible longer term, potentially increasing production to 4.0mtpa

Bathurst receives Resource Consent

Bathurst has been awarded resource consent for the Escarpment mine within the Buller Coal Project. Yield on the Escarpment project is expected to average around 75%, equating to saleable coal production of 1.13mtpa on the 1.5mt ROM coal production approval. Assuming no appeal on the resource consent approval, first coal production could be as early as February 2012, although we have retained our June 2012 commissioning date as there remains the potential of an appeal.

Appeal remains possible

An appeal to the New Zealand Environmental Court remains a possibility. A appeal may be lodged within 15 working days, by a party who made a submission during the original resource consent process. Decisions by the Environmental Court are final, although a challenge may be mounted to the High Court where there is a challenge to the law, not the decision.

We note in an appeal, costs may be awarded against the appellant, if the appeal is unsuccessful. The court has the ability to require the appellant to provide security against costs, if the court determines the appellant may not be in a position to meet costs. We believe this represents a significant impediment, which is likely to minimise spurious appeals. Appeals can also be rejected by the Environmental Court if there are insufficient grounds for appeal.

Construction work cannot commence if an appeal is lodged.

Potential appellants could need deep pockets

Of 98 submissions to the resource consent hearing, 41 parties were initially opposed. During the process four submitters withdrew their submissions, and three parties who were initially opposed changed their view to supportive.

Given the potential financial burden of an appeal to the Environmental Court, we believe local residents are unlikely to mount an appeal against the resource consent approval. We believe the highest risk of an appeal comes from the Buller Conservation Group, the NZ Historic Places Trust, the Royal Forest and Bird Protection Society of NZ Inc, or the West Coast Tai Poutini Conservation Board.

Forecasts include 2.0mtpa of production, but potential for 4.0mtpa

Our conservative production forecasts include the Buller Coal Project ramping up to 2.0mtpa of coal production in FY15, which will include production from the Escarpment mine, and the Deep Creek mine. Resource consent is still required for the Deep Creek mine, however Deep Creek will use the same dewatering and processing infrastructure as Escarpment, so the process for consent approval should be much simpler.

Significant upside to target assuming successful long term expansion

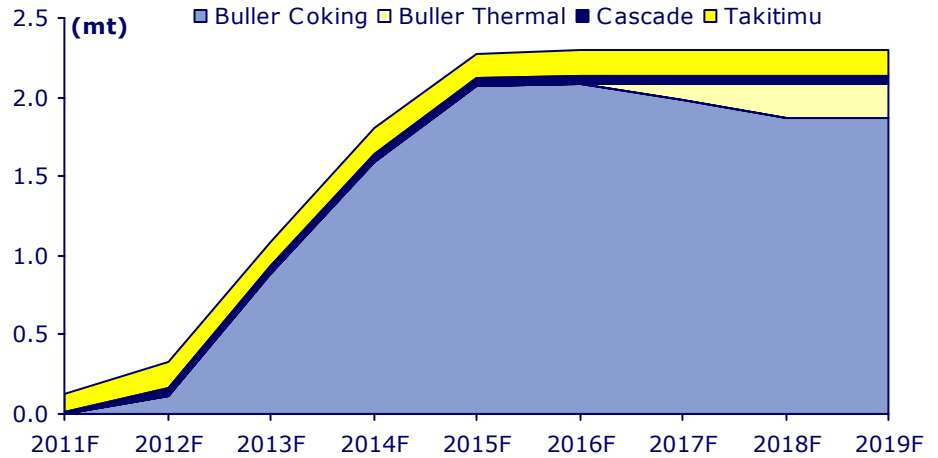
Our current production forecasts include only 2.0mtpa production from the Buller Coal Project. Adding another potential 2.0mt production from the Whareatea West assets, from FY16 would see our target price increase by 66% to \$2.50. We also note our forecasts currently to not include a premium to HCC benchmark pricing for Buller Coal. Bathurst estimate a 5-15% premium the benchmark could be possible, which could translate to a further 25% increase in our target price.

Our forecasts include a ramp up to 2.0mtpa from the Buller Coal Project in FY15

Our forecasts include first production from June 2012

Figure 1

Bathurst Resources forecast production



Source: CLSA Asia-Pacific Markets

Valuation details

We value Bathurst Resources using a one year forward sum-of-the-parts NPV valuation, using a 10.0% real discount rate. The Buller Coal Project accounts for almost 100% of our valuation. Our valuation includes the small Cascade and Takitimu projects based on our development scenarios for the two projects, contributing 210ktpa of coal production. Our sum-of-the-parts valuation accounts for corporate overheads and net debt.

Our valuation of Bathurst Resources is based on a conservative development profile, ramping up to 2.1mtpa of coal production in 2015. We have factored a 4 month delay in our forecasts to account for potential regulatory delays in the New Zealand environmental approval process, with an appeal to the recently announced resource consent representing the biggest risk to project timing. Beyond our base case assumptions, there is the potential for Bathurst to more than double production in the long term to 4.0mt. There is also the potential that Bathurst could earn a premium to the Hard Coking Coal benchmark price, which we have not factored into our forecasts.

Investment risks

The key risk to our short term forecast is the potential for an appeal to the recently announced resource consent approval. Although we continue to believe the project will be successful, an appeal could ultimately delay the commencement of construction at the Buller Coal Project. Our forecasts already factor in a 4 month delay to remain conservative.

There is upside risk to our forecasts in the longer term if Bathurst is able to further expand the Buller Coal Project to 4.0mtpa. We believe an expansion is highly likely, although additional resource consent approvals will be required.

Figure 2

Bathurst Resources summary financials

Bathurst Resources (BTU AU) - Income statement						Bathurst Resources (BTU AU) - Commodity price assumptions					
(A\$m, Jun y/e)	10A	11CL	12CL	13CL	14CL	(Jun y/e)	10A	11CL	12CL	13CL	14CL
Operating revenue	0.0	0.6	30.7	207.1	378.0	Hard Coking Coal (US\$ / t)	146.00	247.25	282.50	245.00	230.00
Cost of sales	0.0	(15.1)	(15.3)	(92.2)	(149.1)	PCI Coal (US\$ / t)	67.50	195.98	223.00	196.00	184.00
Gross profit	0.0	(14.6)	15.4	114.9	228.9	Thermal Coal (US\$ / t)	78.50	106.00	126.25	112.50	103.75
Exploration expense	0.0	0.0	0.0	0.0	0.0	AUD / USD exchange rate	0.88	0.99	1.08	1.05	0.98
Corporate expense	(3.2)	(6.3)	(4.0)	(4.1)	(4.2)						
Other income	0.0	0.0	0.0	0.0	0.0						
Ebitda	(3.2)	(20.8)	11.4	110.8	224.7						
Depreciation and amortisation	(0.0)	(0.5)	(1.1)	(1.1)	(1.1)						
Ebit	(3.2)	(21.4)	10.4	109.8	223.7						
Net Finance expense	0.1	1.9	(0.3)	(1.8)	2.5						
Tax expense	0.0	1.2	(3.0)	(32.4)	(67.8)						
Minority interest	0.0	0.0	0.0	0.0	0.0						
Net attributable profit (Normalised)	(3.1)	(18.3)	7.0	75.6	158.3						
Exceptional items	(6.2)	0.0	0.0	0.0	0.0						
Net attributable profit (Reported)	(9.3)	(18.3)	7.0	75.6	158.3						

Bathurst Resources (BTU AU) - Cashflow statement						Bathurst Resources (BTU AU) - Ratios					
(A\$m, Jun y/e)	10A	11CL	12CL	13CL	14CL	(Jun y/e)	10A	11CL	12CL	13CL	14CL
Net Profit	(9.3)	(18.3)	7.0	75.6	158.3	Undiluted shares outstanding - end period (109.6	666.1	699.4	699.4	699.4
Plus Depreciation and Amortisation	0.0	0.5	1.1	1.1	1.1	Normalised EPS (US¢/share)	(3.4)	(3.9)	0.9	9.8	20.4
Less Capitalised Tax, Int. and Expl.	(5.7)	(1.2)	(2.0)	(2.0)	(2.1)	EPS growth (%)	177.3%	16.9%	-123.5%	951.9%	109.4%
Less change in other working capital	4.1	11.3	(2.8)	(3.2)	(4.7)	PE (x)	n/a	n/a	109.4	10.4	5.0
Operating cash flow	(10.9)	(7.7)	3.2	71.5	152.6	EV / EBITDA (x)	n/a	n/a	65.6	6.5	2.5
Capex payments	(0.1)	(17.0)	(48.5)	(2.8)	(4.4)	Dividend (A¢/share)	0.0	0.0	0.0	0.0	0.0
(Acquisitions) / Disposals	(0.2)	(67.5)	(73.0)	(37.7)	0.0	Dividend payout ratio	0%	0%	0%	0%	0%
Other	0.0	(0.4)	0.0	0.0	0.0	Dividend Yield (%)	0.0%	0.0%	0.0%	0.0%	0.0%
Investing cash flow	(0.2)	(84.9)	(121.5)	(40.6)	(4.4)	Net finance expense (US\$m)	0.1	1.9	(0.3)	(1.8)	2.5
Free cash flow	(11.1)	(92.6)	(118.2)	30.9	148.1	Net finance expense coverage (x)	34.83	9.56	22.04	42.90	n/a
Net borrowings	19.8	163.5	0.0	0.0	0.0						
Dividends paid to shareholders	0.0	0.0	0.0	0.0	0.0						
Proceeds from equity issuance	(0.2)	0.0	60.0	(30.0)	(30.0)						
Financing cash flow	19.6	163.5	60.0	(30.0)	(30.0)						
Forex changes	(0.5)	(0.0)	0.0	0.0	0.0						
Net increase (decrease) in cash	8.0	71.0	(58.2)	0.9	118.1						

Bathurst Resources (BTU AU) - Balance sheet						Bathurst Resources (BTU AU) - Balance Sheet Ratios					
(A\$m, Jun y/e)	10A	11CL	12CL	13CL	14CL	(Jun y/e)	10A	11CL	12CL	13CL	14CL
Cash	8.3	79.3	21.0	21.9	140.0	ROA (%)	-17.4%	-16.4%	3.5%	23.9%	31.1%
Receivables	0.4	3.0	6.1	41.4	75.6	ROE (%)	-27.9%	-21.1%	4.3%	37.0%	49.3%
Inventories	0.0	0.0	9.2	62.1	113.4	ROIC (%)	-20.2%	-33.4%	4.6%	26.3%	39.0%
Other	0.2	0.0	6.1	16.6	30.2	Total debt (US\$m)	0.0	0.0	60.0	30.0	0.0
Total current assets	8.8	82.3	42.5	142.0	359.3	Net debt (US\$m)	(8.3)	(79.3)	39.0	8.1	(140.0)
Property, plant and equipment	0.0	84.0	204.4	244.0	247.3	Gearing = ND/(ND+E)	n/a	n/a	19.0%	3.2%	n/a
Exploration, evaluation & Development	0.0	1.8	3.8	5.8	7.8						
Other	5.8	0.0	0.0	0.0	0.0						
Total non current assets	5.8	85.8	208.2	249.7	255.1						
Total assets	14.6	168.1	250.7	391.8	614.4						
Payables	0.5	5.0	0.3	10.4	18.9						
Borrowings	0.0	0.0	12.0	6.0	0.0						
Derivatives											
Other	0.0	0.0	0.3	4.1	7.6						
Total current liabilities	0.5	5.0	12.6	20.5	26.5						
Borrowings	0.0	0.0	48.0	24.0	0.0						
Other non current liabilities	0.0	3.7	23.6	105.2	187.6						
Total non current liabilities	0.0	3.7	71.6	129.2	187.6						
Total liabilities	0.5	8.7	84.3	149.7	214.0						
Net assets	14.2	159.4	166.4	242.1	400.4						
Issued capital	33.0	196.5	196.5	196.5	196.5						
Retained earnings	(20.0)	(38.3)	(31.2)	44.4	202.7						
Reserves	1.2	1.2	1.2	1.2	1.2						
Minority interest	0.0	0.0	0.0	0.0	0.0						
Total equity	14.2	159.4	166.4	242.1	400.4						
Total attributable equity	14.2	159.4	166.4	242.1	400.4						

Bathurst Resources (BTU AU) - NPV at 10% discount rate		
	Equity share	A\$/share
Buller	951	1.38
Buller Resources	47	0.07
Cascade	28	0.04
Takitimu	15	0.02
Exploration	44	0.06
Corporate	(27)	(0.04)
Unpaid Capital	22	0.03
Cash	53	0.08
Debt	(100)	(0.15)
Total NPV	1,034	
Group NPV (A\$/share)		1.50
Target Price (A\$/share)		1.50

Bathurst Resources (BTU AU) - Coal Reserves			
	Probable	Total	Marketable Reserves
Total Reserves	3.2	12.5	10.2

Bathurst Resources (BTU AU) - Coal Resources			
	Indicated	Inferred	Total
Total Resources	34.7	12.6	76.0

Bathurst Resources (BTU AU) - Sensitivities					
(Jun y/e)	NPV	11CL EPS	12CL EPS	13CL EPS	14CL EPS
EPS sensitivity - for a 10% change in HCC	17.2%	0.0%	21.1%	17.6%	16.3%
EPS sensitivity - for a 10% change in Therm	0.6%	0.0%	0.0%	0.0%	0.0%
EPS sensitivity - for a 10% change in AUD/I	10.3%	1.0%	6.2%	10.5%	10.8%

Board of Directors		Equity Interest (m)			
Mr Craig Munro		0.5			
Mr Hamish Bohannon		9.7			
Mr Gerald Cooper		0.3			
Mr Rob Lord		0.5			
Mr Malcolm McPherson		0.0			
Mr Tim Manners		0.0			
Total Directors		10.9			

Source: CLSA Asia-Pacific Markets

Figure 3

Australian Resources coverage – earnings multiples

Diversified	Ticker	PE (x)		EV/Ebitda (x)	
		12CL	13CL	12CL	13CL
BHP Billiton	BHP AU	7.7	7.5	4.6	4.3
Rio Tinto*	RIO AU	6.8	7.1	4.2	4.0
Weighted Average		7.4	7.4	4.4	4.2
Iron Ore					
Fortescue Metals Group	FMG AU	8.5	6.1	5.9	4.1
Atlas Iron	AGO AU	17.3	12.6	9.2	6.3
Mount Gibson Iron	MGX AU	4.0	4.2	1.5	1.3
Murchison Metals	MMX AU	nm	nm	nm	nm
Sundance Resources	SDL AU	137.7	50.9	nm	nm
Gindalbie Metals	GBG AU	118.1	12.6	89.5	7.4
Weighted Average		19.4	9.3	8.2	4.1
Copper					
PanAust*	PNA AU	5.4	6.3	2.8	3.4
OZ Minerals*	OZL AU	10.7	12.0	4.1	3.8
Weighted Average		8.8	9.9	3.7	3.7
Gold					
Newcrest Mining	NCM AU	19.2	17.3	10.5	9.5
Kingsgate Consolidated	KCN AU	8.2	5.4	5.6	3.5
Perseus Mining	PRU AU	12.7	7.6	5.9	3.3
Medusa Mining	MML AU	8.4	7.2	7.6	5.9
St Barbara	SBM AU	5.5	4.4	2.6	1.2
Alacer Gold Corporation*	AQG AU	8.7	8.5	4.1	3.9
OceanaGold Corporation*	OGC AU	3.3	3.9	1.4	1.2
Resolute	RSG AU	4.6	3.4	1.7	0.9
Weighted Average		16.7	14.9	9.1	8.1
Coal					
Coal & Allied Industries*	CNA AU	14.3	16.3	8.8	10.0
Whitehaven Coal	WHC AU	15.3	11.2	8.2	5.8
Macarthur Coal	MCC AU	16.7	15.5	9.5	9.0
New Hope Corporation	NHC AU	18.1	19.5	9.1	9.7
Aston Resources	AZT AU	nm	nm	nm	nm
Bathurst Resources	BTU AU	89.3	8.8	54.4	5.4
Cockatoo Coal	COK AU	17.5	11.7	13.3	10.6
Weighted Average		16.2	14.3	9.4	8.3
Uranium					
Energy Resources of Australia*	ERA AU	13.5	9.9	4.9	4.0
Paladin Energy	PDN AU	164.6	32.9	23.6	14.3
Extract Resources	EXT AU	nm	243.9	nm	nm
Weighted Average		62.6	126.0	9.5	5.9
Others					
Lynas Corporation	LYC AU	936.6	10.4	nm	6.6
Aquarius Platinum	AQP AU	6.6	4.6	3.7	2.2
Alumina	AWC AU	15.7	6.9	nm	n.m

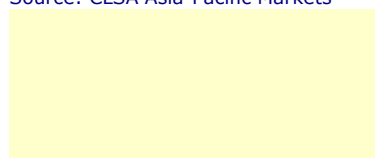
Source: CLSA Asia-Pacific Markets

Figure 4

Australian Resources coverage - Recommendations

	Market Cap (US\$m)	Price (A\$/share)	Target (A\$/share)	Upside (%)	1 mth perf. (%)	3 mth perf. (%)	Recommendation
Diversified							
BHP Billiton	197,781	38.64	55.00	42%	(11.2)	(12.0)	BUY
Rio Tinto*	115,846	69.15	88.00	27%	(16.7)	(13.8)	OUTPERFORM
Iron Ore							
Fortescue Metals Group	18,835	5.77	6.70	16%	(13.0)	(8.8)	OUTPERFORM
Atlas Iron	3,252	3.75	3.90	4%	(10.7)	5.3	UNDERPERFORM
Mount Gibson Iron	1,731	1.53	1.40	(8%)	(22.6)	(16.7)	SELL
Murchison Metals	282	0.62	0.38	(38%)	(16.9)	(38.2)	SELL
Sundance Resources	1,388	0.46	0.58	26%	(12.4)	27.8	OUTPERFORM
Gindalbie Metals	804	0.68	0.22	(68%)	(19.6)	(25.4)	SELL
Copper							
PanAust*	2,154	3.46	4.50	30%	(19.0)	(10.6)	OUTPERFORM
OZ Minerals*	3,892	11.46	13.30	16%	(19.5)	(15.4)	UNDERPERFORM
Gold							
Newcrest Mining	31,675	39.49	50.00	27%	(1.7)	2.0	BUY
Kingsgate Consolidated	1,307	9.21	8.90	(3%)	(1.9)	15.6	UNDERPERFORM
Perseus Mining	1,540	3.45	4.54	32%	7.8	30.2	BUY
Medusa Mining	1,478	7.49	9.10	21%	(2.7)	(7.8)	OUTPERFORM
St Barbara	667	1.96	2.30	18%	(1.3)	4.5	OUTPERFORM
Alacer Gold Corporation*	3,043	10.46	12.60	20%	23.8	13.3	BUY
OceanaGold Corporation*	606	2.20	2.40	9%	(23.1)	(10.9)	OUTPERFORM
Resolute	738	1.51	1.70	13%	8.3	43.3	OUTPERFORM
Coal							
Coal & Allied Industries*	11,078	122.02	122.00	(0%)	19.4	10.9	OUTPERFORM
Whitehaven Coal	3,282	6.33	6.60	4%	(3.8)	8.2	OUTPERFORM
Macarthur Coal	5,005	15.80	15.66	(1%)	2.0	37.4	OUTPERFORM
New Hope Corporation	4,457	5.12	5.00	(2%)	(5.2)	(1.7)	UNDERPERFORM
Aston Resources	2,445	11.40	10.20	(11%)	2.2	18.4	UNDERPERFORM
Bathurst Resources	729	1.02	1.50	48%	(11.4)	(10.6)	BUY
Cockatoo Coal	453	0.43	0.50	18%	(6.6)	(4.5)	BUY
Uranium							
Energy Resources of Australia*	796	3.98	2.40	(40%)	(12.5)	(14.4)	SELL
Paladin Energy	1,680	2.06	2.60	26%	(23.1)	(36.6)	UNDERPERFORM
Extract Resources	2,112	8.02	9.40	17%	0.6	5.5	BUY
Others							
Lynas Corporation	3,064	1.71	1.45	(15%)	(20.0)	(25.9)	SELL
Aquarius Platinum	1,844	3.74	6.30	68%	(19.0)	(27.1)	BUY
Alumina	4,388	1.72	2.40	40%	(24.1)	(24.1)	BUY

Source: CLSA Asia-Pacific Markets



Summary financials

Year to 30 June	2010A	2011CL	2012CL	2013CL	2014CL
Summary P&L forecast (A\$m)					
Revenue	0	1	31	207	378
Op Ebitda	(3)	(21)	11	111	225
Op Ebit	(3)	(21)	10	110	224
Interest income	0	2	3	1	4
Interest expense	0	0	(3)	(3)	(1)
Other items	0	0	0	0	0
Profit before tax	(3)	(19)	10	108	226
Taxation	0	1	(3)	(32)	(68)
Minorities/Pref divs	0	0	0	0	0
Net profit	(3)	(18)	7	76	158
Summary cashflow forecast (A\$m)					
Operating profit	(3)	(21)	10	110	224
Operating adjustments	(6)	3	(3)	(34)	(65)
Depreciation/amortisation	0	1	1	1	1
Working capital changes	4	11	(3)	(3)	(5)
Net interest/taxes/other	(6)	(1)	(2)	(2)	(2)
Net operating cashflow	(11)	(8)	3	71	153
Capital expenditure	0	(17)	(48)	(3)	(4)
Free cashflow	(11)	(25)	(45)	69	148
Acq/inv/disposals	0	(68)	(73)	(38)	0
Int, invt & associate div	0	0	0	0	0
Net investing cashflow	0	(85)	(121)	(41)	(4)
Increase in loans	20	164	0	0	0
Dividends	0	0	0	0	0
Net equity raised/other	0	0	60	(30)	(30)
Net financing cashflow	20	164	60	(30)	(30)
Incr/(decr) in net cash	9	71	(58)	1	118
Exch rate movements	0	0	0	0	0
Opening cash	0	8	79	21	22
Closing cash	8	79	21	22	140
Summary balance sheet forecast (A\$m)					
Cash & equivalents	8	79	21	22	140
Debtors	0	3	6	41	76
Inventories	0	0	9	62	113
Other current assets	0	0	6	17	30
Fixed assets	0	84	204	244	247
Intangible assets	0	0	0	0	0
Other term assets	6	0	0	0	0
Total assets	15	168	251	392	614
Short-term debt	0	0	12	6	0
Creditors	0	5	0	10	19
Other current liabs	0	0	0	4	8
Long-term debt/CBs	0	0	48	24	0
Provisions/other LT liabs	0	4	24	105	188
Minorities/other equity	0	0	0	0	0
Shareholder funds	14	159	166	242	400
Total liabs & equity	15	168	251	392	614
Ratio analysis					
Revenue growth (% YoY)	nm	nm	5340.7	575.1	82.5
Ebitda growth (% YoY)	nm	nm	nm	870.7	102.8
Ebitda margin (%)	0.0	(3696.0)	37.2	53.5	59.4
Net profit margin (%)	0.0	(3244.1)	22.9	36.5	41.9
Dividend payout (%)	0.0	0.0	0.0	0.0	0.0
Effective tax rate (%)	0.0	6.0	30.0	30.0	30.0
Ebitda/net int exp (x)	0.0	0.0	35.8	62.9	0.0
Net debt/equity (%)	(58.4)	(49.7)	23.4	3.4	(35.0)
ROE (%)	(27.9)	(21.1)	4.3	37.0	49.3
ROIC (%)	(74.3)	(45.7)	4.7	26.7	39.6
EVA@/IC (%)	(84.8)	(56.1)	(5.4)	16.7	29.6

Source: CLSA Asia-Pacific Markets

Recommendation history - Bathurst Resources Ltd BTU AU

Date	Rec level	Closing price	Target
21 June 2011	BUY	.98	1.50

Source: CLSA Asia-Pacific Markets

Key to CLSA investment rankings: **BUY** = Expected to outperform the local market by >10%; **O-PF** = Expected to outperform the local market by 0-10%; **U-PF** = Expected to underperform the local market by 0-10%; **SELL** = Expected to underperform the local market by >10%. Performance is defined as 12-month total return (including dividends).

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Note: In the interests of timeliness, this document has not been edited.

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