15 October 2025

Blair Athol JORC Code Update Confirms Extended Life of Mine to 2033

Updated JORC Code assessment reinforces Blair Athol's position as a long-life, low-cost cornerstone asset driving TerraCom's stable cash flow and growth potential.

Key Highlights

- **Life of Mine extended to 2033**, based on the updated 2025 JORC Code Resource and Reserve assessment.
- **Marketable Coal Reserves of 14.0 Mt** as at 30 June 2025, supporting **~ 8 years of mine life** at 1.6 to 1.8 Mtpa sales.
- **Four consecutive years** of mine life maintenance or extension despite annual depletion.
- **Blair Athol remains TerraCom's cornerstone asset**, underpinning cash flow stability and growth capacity.

TerraCom Limited (ASX: TER) (**TerraCom** or **Company**) today announces an updated JORC Code Resource and Reserve statement for its flagship Blair Athol Mine in Queensland.

The 2025 JORC Code assessment reaffirms Blair Athol as a long life, low cost and resilient operation capable of sustained value creation for shareholders through all market conditions. The update highlights the quality of the deposit, the discipline of the operating team, and the mine's proven ability to deliver reliable production and cashflow.

Despite annual depletion, Blair Athol has maintained or extended its Life of Mine for four consecutive years and is now projected to 2033, based on annual sales of approximately 1.6 to 1.8 million tonnes. This outcome underscores the enduring quality of the resource base and the operational excellence that continues to drive strong results for shareholders.

Blair Athol's robust geology, disciplined cost position and reliable performance provide TerraCom with resilience through the market cycle, positioning the business to capture upside as market conditions improve.

The Company engaged independent experts, JB Mining Services Pty Ltd (JB Mining) and The Minserve Group Pty Ltd (Minserve), to complete a revised JORC Code assessment of the Company's Blair Athol operation in Clermont, Queensland under ML 1804. The Coal Resources and Reserves have been reported in accordance with the standards outlined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code).

This independent validation reinforces the quality of Blair Athol's Reserves and provides confidence that TerraCom's flagship operation remains technically robust, economically sound and positioned for ongoing performance.

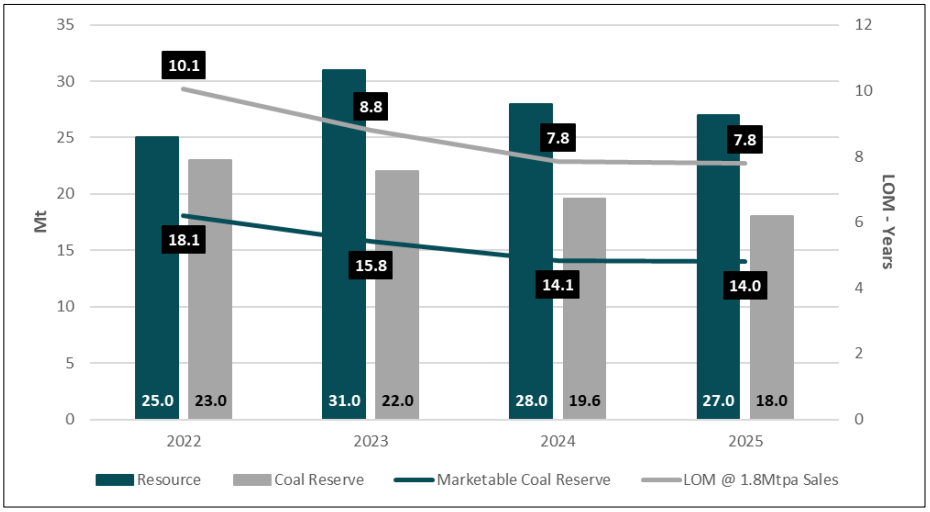
Comments from the Managing Director

> *"Blair Athol continues to demonstrate its strength as a long life, low cost and reliable operation, and remains a cornerstone asset for TerraCom. The 2025 JORC Code update reaffirms the quality and optionality of the resource, our disciplined approach to mine planning and the capability of our team. Over the past four years, Blair Athol has consistently maintained or extended its Life of Mine despite annual depletion, underscoring the asset's resilience in a softer price environment, and the effectiveness of our focus on operational excellence, safety and cost control.*
>
> *This sustained performance reinforces the strength of our asset base and the discipline of our operating culture, ensuring TerraCom continues to deliver reliable returns to shareholders."*
>
> — **Danny McCarthy, Managing Director**

Blair Athol – JORC Code

Resource and Reserve Summary (Rounded)

Year ended 30 June	Coal Resources (Mt)	Coal Reserves (Mt)	Marketable Coal Reserves (Mt)	LOM Years (@ 1.8Mtpa)
2022	25.0	23.0	18.1	10.1
2023	31.0	22.0	15.8	8.8
2024	28.0	19.6	14.1	7.8
2025	27.0	18.0	14.0	7.8



Blair Athol Resources, Reserves and Life of Mine (2022-2025)

Operational Strength and Mine Life Performance

The Blair Athol team delivered another strong operational year in FY2025 despite weather and supply chain logistical challenges, supported by disciplined planning, cost control and safety performance. The 2025 JORC update confirms estimates of Coal Resources of 27.0 Mt, Coal Reserves of 18.0 Mt and Marketable Coal Reserves of 14.0 Mt, maintaining a Life of Mine of 7.8 years.

Since FY2022, Blair Athol's Life of Mine projections have ranged between 7.8 and 10.1 years at approximately 1.6 to 1.8 Mtpa sales. This consistency reflects the quality of the geological model and the Company's ability to replace depletion through effective mine planning and resource conversion.

Cornerstone Asset Delivering Reliability

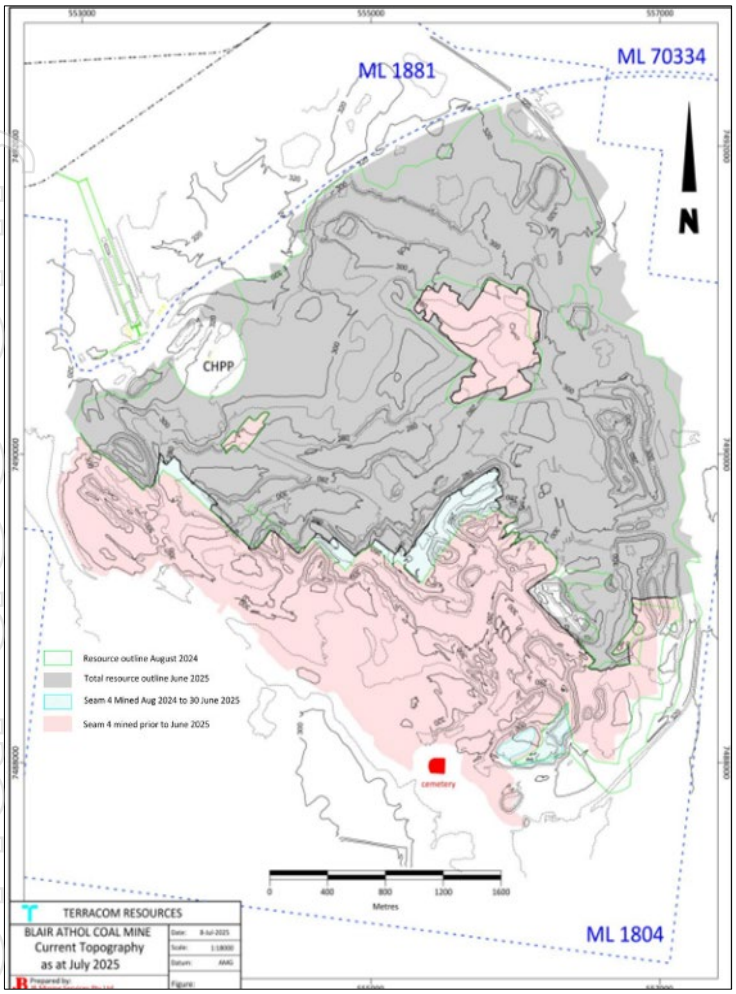
Blair Athol remains TerraCom's flagship Queensland asset, delivering consistent production, stable cash flow, and reliable value for shareholders. Its low complexity geology and disciplined execution continue to underpin TerraCom's operational resilience and financial strength.

The ability to maintain forward outlook and provide approximately eight years of mine life, while managing annual depletion, demonstrates the enduring quality of the Blair Athol operation and the effectiveness of TerraCom's management strategy.

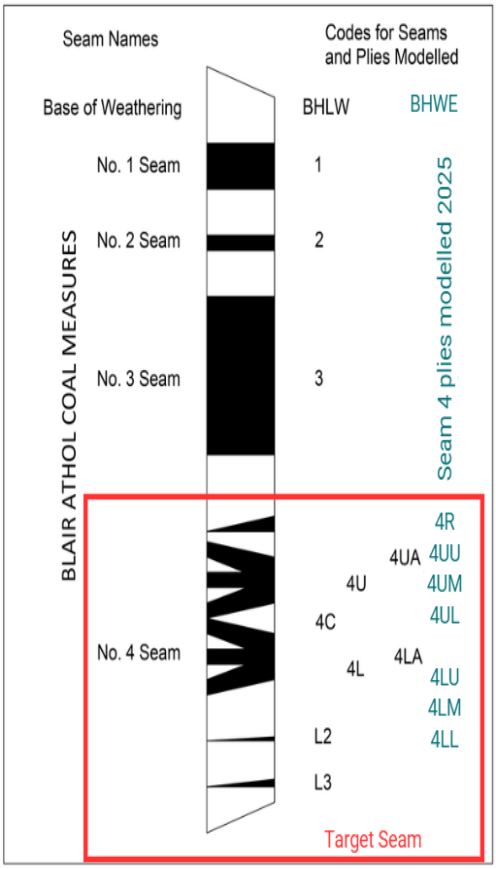
Blair Athol Mine Pictures in 2025

New EX3600-7 – First Bucket of Dirt

Loading Trains for Export



Topography
Current surface post mining June 2025



Stratigraphy of Blair Athol
Target Seam 4

TOTAL COAL RESOURCES

Coal Resources have been reported in accordance with the JORC Code. The estimates are based on work compiled by Greg Jones, a member of the Australasian Institute of Mining and Metallurgy (AusIMM), a member of the Australia Institute of Geoscientists, and an employee of JB Mining Services Pty Ltd.

Coal Resources

Total Coal Resources for the Blair Athol Mine are outlined below.

Coal Resources (Mt)	Seam			TOTAL (Rounded)
	4R	4U	4L	
Inferred	0	0	1.0	1.0
Indicated	0.9	1.5	2.2	4.6
Measured	1.69	16.85	2.58	21.12
Total Coal Resources (Rounded)				**27.0**

The following information is available to support the Blair Athol Coal Resources outlined above:

- Appendix B – Section 3 from the Checklist of Assessment and Reporting Criteria of the JORC Code as applicable for Blair Athol Mine.

TOTAL COAL RESERVES

Coal Reserves have been reported in accordance with the JORC Code. The estimates are based on work compiled by Hayden Jones, a member of the Australasian Institute of Mining and Metallurgy (AusIMM), an employee of Hayden Jones Mining Pty Ltd, and a member of The Minserve Group Pty Ltd.

Coal Reserves

Total open cut Coal Reserves for the Blair Athol Mine are outlined below.

Coal Reserves (Mt)	Seam			TOTAL (Rounded)
	4R	4U	4L	
Proved	0.8	13.1	1.9	15.9
Probable	0.4	0.2	1.5	2.1
Total Coal Reserves				**18.0**

Marketable Coal Reserves

The coal produced by the Blair Athol Mine is a thermal product. Estimates have been made for the most likely split of the ROM coal to bypass or to process in the Coal Preparation Plant (**CPP**) for blending to produce an export quality thermal coal at 12.5% ash (**air-dried basis**).

Marketable Coal Reserves are a subset of Coal Reserves and are detailed below.

Marketable Coal Reserves (Mt)	Seam			TOTAL (Rounded)
	4R	4U	4L	
Proved	0.5	11.1	1.1	12.7
Probable	0.3	0.1	0.8	1.3
Total Marketable Coal Reserves				**14.0**

The following information is available to support the Blair Athol Coal Reserves outlined above:

- Appendix A – Section 4 from Table 1 of the JORC Code as applicable for Blair Athol Mine.

This announcement has been approved by the Board for release.

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About TerraCom Limited

TerraCom Limited (ASX: TER) is an Australian based mining resources company with a global footprint, comprising a large portfolio of operating assets in Australia and South Africa within the coal sectors. We are a renowned low-cost producer focused on delivering exceptional outcomes from our high yielding diversified asset portfolio for its investors. To learn more about TerraCom visit ***terracomresources.com***.

Competent Person's Statement – Resources

The information in this announcement that relates to Coal Resources is based on information compiled by **Greg Jones**, a qualified geologist with over 30 years' experience in coal geology and over 15 years' experience in resource evaluation, and who is a Member of The Australasian Institute of Mining and Metallurgy (AusIMM) and a Member of the Australia Institute of Geoscientists (AIG). Mr Greg Jones is employed by JB Mining Services Pty Ltd.

Mr Greg Jones has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the JORC Code and consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Competent Person's Statement – Reserves

The information in this announcement relating to Coal Reserves is based on work compiled by **Hayden Jones**, a qualified Mining Engineer and member of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Hayden Jones is employed by Hayden Jones Mining Pty Ltd and is a member of The Minserve Group Pty Ltd.

Mr Hayden Jones has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person under the JORC Code and consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

Forward Looking Statement

This document contains summary information about, TerraCom, its subsidiaries, and its activities which are current as at the date of this document. The information in this document is general in nature and does not purport to be complete nor does it contain all the information which a prospective investor may require in evaluating a possible investment in TerraCom or that would be required in a prospectus or product disclosure statement prepared in accordance with the Corporations Act 2001 (Cth). Information in this document should therefore be read in conjunction with other announcements made by TerraCom to the ASX.

No representation or warranty, express or implied, is made as to the fairness, accuracy or completeness of the information contained in this document (or any associated presentation, information or matters). To the maximum extent permitted by law, TerraCom and its related bodies corporate and affiliates, and their respective directors, officers, employees, agents and advisers, disclaim any liability (including, without limitation, any liability arising from fault, negligence or negligent misstatement) for any direct or indirect loss or damage arising from any use or reliance on this document or its contents, including any error or omission from, or otherwise in connection with, it.

Certain statements in or in connection with this document contain or comprise forward looking statements. Such statements may include, but are not limited to, statements with regard to capital cost, capacity, future production and grades, sales projections and financial performance and may be (but are not necessarily) identified by the use of phrases such as "anticipate", "believe", "expect", "project", "forecast", "estimate", "likely", "intend", "should", "could", "may", "target", "plan", "consider", "foresee", "aim", "will". By their nature, forward looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future and may be outside TerraCom's control. Accordingly, results, events or outcomes could differ materially from the results, events or outcomes expressed in or implied by the forward- looking statements as a result of, among other factors, changes in economic and market conditions, success of business and operating initiatives, changes in the regulatory environment and other government actions, fluctuations in product prices and exchange rates and business and operational risk management. Subject to any continuing obligations under applicable law or relevant stock exchange listing rules, TerraCom undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after the date of this document or to reflect the occurrence of unanticipated events.

Nothing in this document constitutes investment, legal or other advice. You must not act on the basis of any matter contained in this document but must make your own independent investigation and assessment of TerraCom and obtain any professional advice you require before making any investment decision based on your investment objectives and financial circumstances. An investment in TerraCom shares is subject to known and unknown risks, some of which are beyond the control of TerraCom. Investors should have careful regard to the risk factors outlined in this document.

This document does not constitute an offer, invitation, solicitation, advice or recommendation with respect to the issue, purchase or sale of any security in any jurisdiction.

APPENDIX A – JORC Code: Table 1 Section 4 – Estimation and Reporting of Ore Reserves

(criteria in this section apply to all succeeding sections)

Criteria	JORC Code Explanation	Commentary
Mineral Resource estimate for conversion to Ore Reserves	• Description of the Mineral Resource estimate used as a basis for the conversion to an Ore Reserve. • Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves.	• The Measured and Indicated Resources for Blair Athol were calculated by JB Mining Services Pty Ltd in 2025 in accordance with the JORC Code. • The in-situ Resource model was cut into mine strips and blocks and these raw Reserves were used to generate a mine schedule database. The mine schedule database reflects actual mining conditions at Blair Athol including working sections or seam aggregations, mining method, moisture adjustments and associated loss and dilution impacts. The mine schedule database has economic assumptions applied to it and is used as the basis for Coal Reserves reporting. • The total of the Measured, Indicated and Inferred Coal Resources was 26.7 Mt for the year ended 30 June 2025 inclusive of those Measured and Indicated Coal Resources modified to produce the Coal Reserves. In other words, the Coal Reserves are a subset of that aggregate tonnage.
Site visits	• Comment on any site visits undertaken by the Competent Person and the outcome of those visits. • If no site visits have been undertaken indicate why this is the case.	• The Competent Person previously worked at Blair Athol for 3 years and has conducted various studies at Blair Athol on Seam 4 mining on a number of occasions prior to TerraCom commencing mining and is aware of site conditions and issues.
Study status	• The type and level of study undertaken to enable Mineral Resources to be converted to Ore Reserves. • The Code requires that a study to at least Pre-Feasibility Study level has been undertaken to convert Mineral Resources to Ore Reserves. Such studies will have been carried out and will have determined a mine plan that is technically achievable and economically viable, and that material Modifying Factors have been considered.	• Blair Athol is an operating mine. This Reserve assessment has been based on the 2025 life of mine schedules and budget assessments. Depletions were based on surveyed mined out areas to 30 June 2025.
Cut-off parameters	The basis of the cut-off grade(s) or quality parameters applied.	• The deposit is based on known coal seams and the whole of the available Resource was analysed as available for mining. The selection of strips to mine, and the basal seam was via the use of

		an operating margin ranking and cashflow process ($/t). Positive margin seams were assessed on a mining block basis and positive margin strips included with due consideration of down dip strips margins. ● A minimum mining thickness of 0.3m has been used, with 0.3m minimum separable parting to calculate coal working sections.
Mining factors or assumptions	● The method and assumptions used as reported in the Pre-Feasibility or Feasibility Study to convert the Mineral Resource to an Ore Reserve (i.e. either by application of appropriate factors by optimisation or by preliminary or detailed design). ● The choice, nature and appropriateness of the selected mining method(s) and other mining parameters including associated design issues such as pre-strip, access, etc. ● The assumptions made regarding geotechnical parameters (e.g. pit slopes, stope sizes, etc.), grade control and preproduction drilling. ● The major assumptions made and Mineral Resource model used for pit and stope optimisation (if appropriate). ● The mining dilution factors used. ● The mining recovery factors used. ● Any minimum mining widths used. ● The manner in which Inferred Mineral Resources are utilised in mining studies and the sensitivity of the outcome to their inclusion. ● The infrastructure requirements of the selected mining methods.	● Mining operations are predominantly open cut dragline stripping operations supplemented by shallow bulk dozer push, supported by truck and excavator fleets. ● The 4U seams are generally uncovered by the Bucyrus 1370 dragline, capable of moving up to 15mbcm per year however in some areas are designated to cast / doze / excavator or terrace mining. ● The 4L seam is uncovered by the excavator fleet as the interburden is too thin to be efficiently dug by the dragline. ● Due the history of upper seam (Seam 3) mining, most strips require the stripping of old spoil before drill and blasting of the insitu burden overlying the target coal seams. ● All pit walls have batter designs based on the existing operation and allow for increases in pit depth. ● In situ block volumes were run in and imported into a scheduling model and insitu, rom and product tonnes were calculated using standard preston-sanders adjustments. ● All mining blocks are subjected to tests for working section or seam aggregation logic to determine the overall ROM coal tonnages and wash / bypass strategy. ● A minimum coal thickness of 30cms and maximum included waste thickness of 30cm were set for coal mining with any isolated coal seam less than this considered as waste. ● Coal loss and dilution factors are also applied depending on the assumed processing stream (wash or bypass). ● Moisture adjustments have been made in the conversion of insitu to product tonnes. Total ROM and product moisture has been set at 15%. ● Life of Mine Plans contain Inferred Resources. Inferred Resources included are not referred to as “Reserves”.

		• All modifying factors are based upon current site practices and have been developed from reconciliations with what is being achieved at the operating Blair Athol mine.
Metallurgical factors or assumptions	• The metallurgical process proposed and the appropriateness of that process to the style of mineralisation. • Whether the metallurgical process is well-tested technology or novel in nature. • The nature, amount and representativeness of metallurgical test work undertaken, the nature of the metallurgical domaining applied and the corresponding metallurgical recovery factors applied. • Any assumptions or allowances made for deleterious elements. • The existence of any bulk sample or pilot scale test work and the degree to which such samples are considered representative of the orebody as a whole. • For minerals that are defined by a specification, has the Ore Reserve estimation been based on the appropriate mineralogy to meet the specifications?	• Blair Athol Mine utilises a Coal Handling and Preparation Plant (CHPP) and bypass coal crusher. • The processes used are standard for the coal industry and so are well tested technologies. • Coal Reserve estimation is based on existing product specifications and CHPP yields. • The coal reserve is a low rank, medium-high volatile subbituminous to bituminous thermal coal. • Regression formulae have been estimated by Eastern Processing. • The 4U wash samples indicated a product ash of 12.3% (ad) and 4Land 4R a product ash of 11.5% (ad). • It has been assumed that coal to be washed is comprised of 4U Scalping passes, 4R and 4L seam. • The main pass of the 4U seam under 15.5% ash (ad) bypasses the wash circuit. • Yields have been established using ROM Ash regression formulae provided. • Current practices at Blair Athol mine were applied in the assumptions relating to product coal. Coal is bypassed or washed and the yields applied are in line with current site practice.
Environmental	The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported.	• Environmental approvals are in place for current operations. • It is anticipated that all ongoing and future environmental approvals will be approved.
Infrastructure	The existence of appropriate infrastructure: availability of land for plant development, power, water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided, or accessed.	• Blair Athol is an operating site with existing infrastructure in place to support the operation at current production levels. • The current LOM requires sustaining capital only to maintain the existing infrastructure.

Costs	• The derivation of, or assumptions made, regarding projected capital costs in the study. • The methodology used to estimate operating costs. • Allowances made for the content of deleterious elements. • The derivation of assumptions made of metal or commodity price(s), for the principal minerals and co- products. • The source of exchange rates used in the study. • Derivation of transportation charges. • The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc. • The allowances made for royalties payable, both Government and private.	• Based on 2025 life of mine schedule and detailed budget process. • Costs based on 1.6Mt product per annum. • State Government royalties based on current QLD royalty rates. • Sustaining capital and maintenance for existing equipment (non-hire) will be required. The budget costs include sustaining capital and it has been assumed that the budget reflects an average year in this sense. These costs will vary on a year to year basis.
Revenue factors	• The derivation of, or assumptions made regarding revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns, etc. • The derivation of assumptions made of metal or commodity price(s), for the principal metals, minerals and co-products.	• The Coal Reserves are based upon long-term estimates from Wood Mackenzie, May 2025 report "Global Thermal Coal Strategic Outlook 2025 to 2050 for the Benchmark Australian Steaming Coal (Spot Price, average) of US$116/t up to 2035. • Blair Athol coal has been assumed to be priced at a 13% discount to the NEWC index, using ash and energy adjustments, equating to US$101/t. The exchange rate assumed is US$0.65:AU$1 resulting in AU$155/t average price per tonne sold. • For comparison, KPMGs coal price forecast July 2025 predicts a long term average of US$102 and the Department of Resources "Resources and Energy Quarterly June 2025" predicts a thermal benchmark of US$108/t. • Blair Athol coal is established in the market place with known benchmarks to industry standards and it is assumed that this will not change as the Reserves calculations are based on similar production rates and total saleable product tonnes and quality.
Market assessment	• The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future. • A customer and competitor analysis along with the identification of likely market windows for the product. • Price and volume forecasts and the basis for these forecasts. • For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract.	• Blair Athol Coal is established in the market place and it is assumed that this will not change as the Reserves calculations are based on similar production rates and total saleable product.

Economic	• The inputs to the economic analysis to produce the net present value (NPV) in the study, the source and confidence of these economic inputs including estimated inflation, discount rate, etc. • NPV ranges and sensitivity to variations in the significant assumptions and inputs.	• Operating Costs have been estimated from operational estimates and planning initiatives developed by TerraCom in the 2025 Life of Mine Plan. • These costs have been compared to actual costs 2022-2024 provided by TerraCom. • The Project has sufficient surface accessible coal measures to provide 2.0 – 2.3 ROM Mt/year for a mine life of 10 years. • The Project, with all related infrastructure requirements included, is technically and economically feasible. • Sensitivities conducted indicate that the Project economics are robust with similar mining limits estimated for a 10% reduction in Coal Price or 10% increase in total costs.
Social	The status of agreements with key stakeholders and matters leading to social licence to operate.	• No known issues impact the Coal Reserves.
Other	• To the extent relevant, the impact of the following on the project and/or on the estimation and classification of the Ore Reserves. • Any identified material naturally occurring risks. • The status of material legal agreements and marketing arrangements. • The status of governmental agreements and approvals critical to the viability of the project, such as mineral tenement status, and government and statutory approvals. There must be reasonable grounds to expect that all necessary Government approvals will be received within the timeframes anticipated in the Pre-Feasibility or Feasibility study. Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which extraction of the Reserve is contingent.	• The site is in operation as at September 2025 and has all relevant agreements and permits for operation.
Classification	• The basis for the classification of the Ore Reserves into varying confidence categories. • Whether the result appropriately reflects the Competent Person's view of the deposit. • The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any).	• Reserves have been assessed as Proved only in areas where Measured Resources have been established and supported by robust mine planning design, economic evaluation and site accessibility. Measured resources in areas with less certainty have been assessed as Probable Reserves, due to lower confidence of pit design. • No Inferred Resources have been included in the final economic evaluation.

		● The Ore Reserves consist of 91% Proved Reserves and 9% Probable Reserves. Non classified support economics, however, are not essential to viability. ● The Competent Person is satisfied that the stated Ore Reserve classification reflects the outcome of technical and economic studies. ● The Reserves have been correctly classified in accordance with the code.
Audits or reviews	The results of any audits or reviews of Ore Reserve estimates.	● TerraCom has reviewed the 2025 Coal Reserves report. ● No external audit has been conducted.
Discussion of relative accuracy/ confidence	● Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the Reserve within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which could affect the relative accuracy and confidence of the estimate. ● The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used. ● Accuracy and confidence discussions should extend to specific discussions of any applied Modifying Factors that may have a material impact on Ore Reserve viability, or for which there are remaining areas of uncertainty at the current study stage. ● It is recognised that this may not be possible or appropriate in all circumstances. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.	● Mining operations recommenced in August 2017 and had proven successful since then. The deposit has multiple seam contacts in historical opencut areas, no indication of intrusions or heat affected coal and infrastructure in place. ● The dragline is the major piece of coal uncovery equipment, delivering waste movement at low cost. The dragline performance is critical to the mine plan and economics of the deposit. ● The Reserve assessment is believed to be a reasonable level of accuracy, given both the thickness of the coal seam involved, the mine geology, and the shallow setting of the deposit.

APPENDIX B – JORC Code: Table 1 Section 3 – Estimation and Reporting of Mineral Resources

Section 3	Estimation and Reporting of Mineral Resources
Database integrity	
Lithological logs, wireline geophysical logs, assay results and coal intersection depths were reconciled before modelling and resource estimation. Coal quality data was checked against NATA laboratory reports where available by Xenith in 2016 and 2017 (Turner, 2017).	
Site Visit	
No site visit by the author for a number of years.	
Geological interpretation	
The geological interpretation is based in the integration of all drillhole and assay data and compared with previous interpretations. Reconciliation with the opencut mining operations has been undertaken. The current resource estimate is based on a Vulcan 3-D model. The results compare favourably with earlier coal resource estimates.	
Dimensions	
The extent of the Blair Athol project reported is approximately 5km in diameter Potential opencut resources are reported from below the base of weathering (averaging 22m) and below the extent of opencut mining, undertaken by Rio Tinto from the 1980s to 2012, to a maximum depth of 90m.	
Estimation and modelling techniques	
The geological model has been developed using standard coal seam modelling techniques using the current Vulcan 3-D geological modelling system - Version 22.0. Resources have been estimated by the competent person using standard Vulcan estimation tools. The resource estimates have been compared with previous resource estimates. All areas of previously mined coal seams as determined by registered surveyor have been excluded from the resource estimates. There are no known deleterious elements of economic significance affecting the coal resources. Correlation between a number of coal properties has been undertaken (such as raw ash versus relative density) and reported.	
Moisture	
In situ moisture has been estimated at 15%. Coal density used for resource estimation has been adjusted accordingly using the Preston & Sanders methodology. Air dried moisture averages about 6% for fresh coal seams in the Blair Athol project area.	
Cut-off parameters	
Cut-off parameters referred to below include minimum 0.3m fresh coal thickness, maximum depth of 90m and 40% raw ash for potentially opencut coal. No weathered coal is included. All coal from a 50m wide zone near the northern limit of ML1804 and an area more than 50m from the cemetery on the southern boundary has been excluded	
Mining factors or assumptions	
The proposed open cut mining area at Blair Athol uses the following limiting criteria: ● The minimum thickness of fresh coal is 0.3m for each of the nine coal plies modelled. ● Only coal less than 40% raw ash is included in the resources. This is the limit used by the Blair Athol CHPP. ● Coal resource areas are limited to within 50m of the northern ML1804 boundary. ● Coal resource areas are limited to more than 50m distance from the area identified as a cemetery on the southern boundary of Blair Athol.	

● Seam 4U is the main target seam, and resource outlines for the upper Seam 4R and lower Seam 4L are limited to the Seam 4U outline with the exception of shallow Seam 4 resources in the SW area of current mining operations.
Metallurgical factors or assumptions
It is assumed that all coal can be mined and beneficiated to a saleable product using the existing coal preparation facilities at Blair Athol
Environmental factors or assumptions
No environmental factors or assumptions have been considered.
Bulk density
In situ density estimated using the Preston & Sanders formula and an estimated in situ moisture of 15%. Refer to previous section on **Moisture**.
Classification
The classification of resources into Indicated and Inferred categories is based on the 2014 Coal Guidelines using raw ash as a minimum Coal Quality Point of Observation.
Audits or reviews
Data review, modelling methods and resource estimation procedures have been peer reviewed by Barry Saunders (QGESS). The coal resource estimate has been compared to the previous estimate for coal resources within the Blair Athol area.
Discussion of relative accuracy/confidence
The geology of the Blair Athol deposit and the distribution of Points of Observation support the classification of coal resources. The structure over the resource area is relatively consistent and simple, and there is no indication of igneous intrusions affecting Seam 4. Minor faults with small throws exist throughout the opencut deposit.