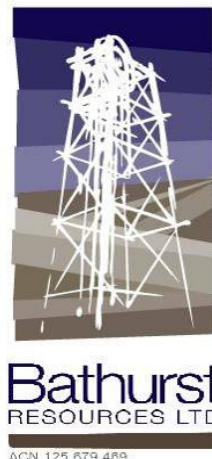


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10 June 2010

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

BATHURST RESOURCES ANNOUNCES A\$16 MILLION PLACEMENT & SIGNS BULLER PROJECT PURCHASE AGREEMENT

Bathurst Resources Limited (“Bathurst” or “Company”) is pleased to announce:

- the placement of 125 million new shares at \$0.13 per share to raise \$16.25 million; and
- that it has formally signed the Sale and Purchase Agreement (“Agreement”) for the Buller Coal Project from L&M Holdings Limited (“L&M”).

The placement was oversubscribed. Shares were keenly sought by both professional and sophisticated investors in Australia, Asia and Europe. Helmsec Global Capital Limited acted as Lead Manager for the Placement. The shares will be issued in accordance with shareholder approval of 23 April 2010.

Following completion of the Placement, Bathurst is pleased to be able to advise that Regent Pacific Group Limited (“Regent Pacific”), a Hong Kong Stock Exchange listed company, will become a 19.7% shareholder in Bathurst. Regent Pacific is a diversified mining group focused on the Asian Pacific region. Amongst its investments in Australia are its approximate 16% shareholding in BC Iron Limited and 13% shareholding in Venturix Resources Limited.

Bathurst proposes that the capital raised from the Placement will be used for paying a US\$5,000,000 deposit on the Buller Coal Project, funding the Definitive Feasibility Study and further drilling on the Project, and working capital. The Company is now fully funded and does not anticipate raising further capital until it seeks to complete the purchase of the Buller project by way of payment of a further US\$35 million.

The completion of the purchase of the Buller Project and the funding of its estimated US\$60 million capital expenditure is anticipated to occur in 3-4Q 2010. This is consistent with Bathurst’s goal of being in production in 4Q 2011. The key determinants of when the raising will be are:

- confirmation of the operating and capital cost assumptions utilised in the DFS;
- mining and environmental approvals; and
- offtake arrangements being advanced with end users and/or trading houses.

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Bathurst has been buoyed by the largely unsolicited expressions of interest from end users and traders in entering into offtake agreements over the last month. All have recognised the very high quality of coal that lies within the Buller Project. One of our primary tasks over the next 2-3 months will be to advance satisfactory sales arrangements with one or more of these parties.

The terms of the Agreement that was signed are consistent with those agreed with L&M in a Letter of Intent which was announced on 24 February 2010 and the announcement to the market of 24 May 2010. A summary of the Agreement is set out below as an annexure.

Bathurst's Managing Director Hamish Bohannan said:

"Despite difficult financial markets, the equity raising was a success. Bathurst is now well positioned to capitalise on the purchase of the option over the Buller Project."

"The quality of the institutional investors who will join our share register as part of the placement is testament to the quality of the Buller Coal Project in New Zealand. Their support will allow the purchase of the option over the Buller Project to bear fruit for all shareholders' benefit."

"The longer term relationship with Regent Pacific is one which we believe has the potential to stabilise our share register and enhance the prospects of any future capital raising to fund the development of the Buller Project."

"Bathurst would also acknowledge the work undertaken by L&M in developing the Buller Project to its current status. We look forward to working with L&M to creating value for our current shareholders and then welcoming L&M as Bathurst shareholders themselves once the Buller Project has produced its first million tonnes of coal."

"With the funds now raised under the Placement, Bathurst looks forward to implementing the development of the Buller Project in a timely and efficient manner."

Bathurst has also re-confirmed its intention to list on the New Zealand Stock Exchange by the end of 2010.

Bathurst's shares will remain in voluntary suspension pending settlement of the placement, to ensure that the placement is consistent with the terms of the shareholder approval obtained on 23 April 2010. The Company anticipates that settlement of the placement shares will take place on Wednesday 16 June 2010.

For further information contact

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BATHURST RESOURCES OVERVIEW



Introduction

Bathurst Resources Limited is an ASX listed company focused on becoming a producer of high quality coking and thermal coal.

Bathurst has signed an agreement with L&M Coal Holdings to joint venture and ultimately acquire the Buller Project, a hard coking coal asset in the Buller Coalfield in NZ through the acquisition of 100% of L&M Coal Limited.

Highlights

- Joint Venture to develop the high grade metallurgical coal resources in NZ,
- 100% acquisition of high grade metallurgical coal project in NZ,
- Current exploration potential of 50-90 million tonnes,
- Open cut development opportunity with production in 18-24 months, and
- Development in an area of established operations with infrastructure.

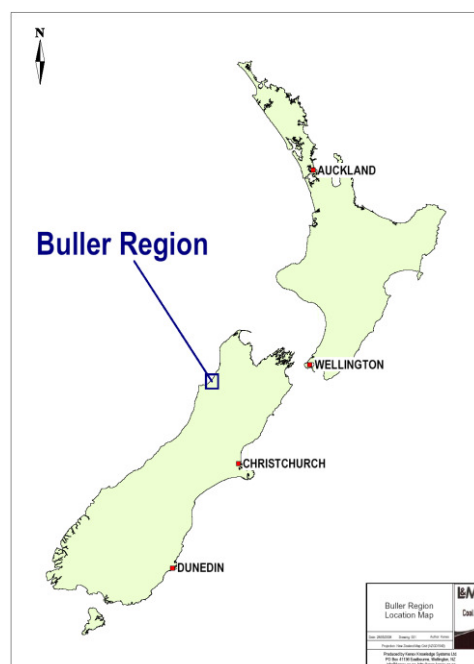
Background

The Buller Coalfield on the West Coast of the South Island of New Zealand is one of the country's most significant fields. The region produces high quality, low ash, coking coals. There has been 140 years of mining in the region. Current production is mainly coking with the majority of coal being exported.

Railway lines adjacent to the Buller coalfields service the entire West Coast coal mining industry and connect to both river and deep water ports.

The Buller Project area comprises two permits that cover over 10,000 hectares of the Buller Coalfield. The permits largely surround Solid Energy's Stockton opencut mining operation.

Stockton produces approximately 2 million tonnes of coal per annum. Most of the coal mined at Stockton is exported for use in steel mills in India, China, Japan, South Africa and Brazil. The Buller Project would expect to produce the same high quality coal from the same seams mined by Solid Energy at Stockton.



Statement of Exploration Potential

The estimate of exploration potential was calculated by CRL Energy using the results from historical and recent drilling undertaken by L&M Coal. The potential quantity and grade is conceptual in nature and there has been insufficient exploration to define a mineral resource and it is uncertain if further exploration will result in determination of a mineral resource.

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Summary of terms of the Sale and Purchase Agreement

Under the terms of the Sale and Purchase Agreement ("Agreement"), Bathurst has agreed to acquire all of the issued shares in L&M Coal Limited ("LMCL") from L&M. LMCL holds the Buller Coal Project.

In summary the Agreement provides:

- Bathurst will pay an initial deposit of US\$5m (which is only refundable in limited circumstances) and will pay a further US\$35m upon settlement under the agreement;
- Bathurst is required to make two performance payments to L&M of US\$40m each on the first 25,000 tonnes of coal being shipped from the Buller Coal Project and then on the first one million tonnes of coal being shipped from the Project;
- L&M is entitled to be issued with 5% of the issued capital of Bathurst (on a fully diluted basis) at the same time as the second performance payment is due. In the event that Bathurst does not or cannot make this share issue, then the royalty payable to L&M (discussed below) is increased from 1.75% up to a maximum of 3.75%;
- the conditions to the Agreement include approval under the New Zealand Overseas Investment Act, approval under section 41 of the New Zealand Crown Minerals Act, Bathurst obtaining any shareholder approvals required in relation to the Agreement, completion of the definitive feasibility study to the reasonable satisfaction of Bathurst, L&M and LMCL obtaining all consents and approvals required in relation to the Agreement. These conditions are to be satisfied by 30 September 2010. In addition, by 31 October 2010, Bathurst must have arranged sufficient finance to pay the balance of the purchase price of US\$35m;
- pending settlement, L&M has agreed to restrictions on the manner in which LMCL conducts its business and to notify Bathurst of certain events which are standard for an agreement of this nature; and
- L&M has provided various warranties to Bathurst which Bathurst considers to be usual for agreements of this nature.

Bathurst has also agreed to enter into a royalty deed with L&M ("Royalty Deed") whereby Bathurst has agreed to pay a long term royalty to L&M equal to 1.75% of the Gross Sales Revenue (as described below). Until the time that Bathurst makes payment of the first performance payment of US\$40m the royalty will be payable at the rate of 10% of Gross Sales Revenue, reducing to 5% of the Gross Sales Revenue until Bathurst makes the payment of the second performance payment of US\$40m and thereafter at the long term rate of 1.75% of Gross Sales Revenue.

As above, the level of the final royalty may be increased up to 3.75% on a proportional basis in the event that Bathurst does not or cannot issue some or all of the 5% of shares to L&M as set out above. Gross Sales Revenue is defined to be the revenue derived from the sale of coal from the Buller Coal Project without any deductions on any account.

Bathurst has agreed to secure the performance payments and the royalty to L&M by way of a guarantee and security. The terms of the security will only be maintained for so long as the performance payments are outstanding and thereafter is discharged.

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