stanmorecoal

6 April 2016

ASX ANNOUNCEMENT

Significant JORC Reserve Increase for Isaac Plains Complex

HIGHLIGHTS

- Total JORC Reserve[1] tripled from 5.0Mt to 15.3Mt
- Open-cut mine life expanded from 3 years to over 10 years[2] with the maiden Isaac Plains East JORC Reserves
- Strip ratio at Isaac Plains East is significantly lower than current open-cut operations at Isaac Plains
- Indicative coal quality demonstrates improved coal rank and yield for coking product at Isaac Plains East relative to Isaac Plains
- The combination of the Isaac Plains mine and infrastructure with the neighbouring Isaac Plains East mine extension has created a low cost mining complex with significant life

Stanmore Coal Limited (**Stanmore** or the **Company**) (**ASX:SMR**) is pleased to announce a significant maiden JORC Reserve for the Isaac Plains East Project (**Isaac Plains East**) (together with Isaac Plains Coal Mine, the **Isaac Plains Complex**). As a result, total JORC Reserves for the Isaac Plains Complex have increased by more than 3 times since the assets were acquired in late 2015.

[1] Refer Competent Person Statement and JORC Reserves note, p8
[2] As at steady-state production of 1.5 million run of mine (ROM) tonnes

The JORC Reserve upgrade follows the work carried out on the total JORC Resources for the Isaac Plains Complex, also announced today. A summary of the JORC Reserves by area is displayed in Table 1 and Table 2 below.

Table 1: JORC Status by category[3]

ROM Reserve Category[4]	Previous JORC			Update JORC (April 2016)			Increase
	IP	IPE	Total	IP	IPE	Total	
Proved (Mt)	3.7	-	**3.7**	3.7	-	**3.7**	
Probable (Mt)	1.3	-	**1.3**	1.3	10.3	**11.6**	
Total ROM Reserves (Mt)	**5.0**	**-**	**5.0**	**5.0**	**10.3**	**15.3**	**206%**

Table 2: Marketable JORC Reserve for Isaac Plains Complex

Marketable Reserve Category[5]	Isaac Plains			Isaac Plains East			**IP Complex**
	Coking coal	Thermal coal	Total	Coking coal	Thermal coal	Total	**Total**
Proved (Mt)	1.9	0.8	**2.7**	-	-	**-**	**2.7**
Probable (Mt)	0.6	0.3	**0.9**	8.0	0.3	**8.3**	**9.2**
Total Marketable Reserves (Mt)	**2.5**	**1.1**	**3.6**	**8.0**	**0.3**	**8.3**	**11.9**
Product moisture basis (%)	**11%**	**8%**		**11%**	**8%**		

Open Cut mine life extension for Isaac Plains Complex

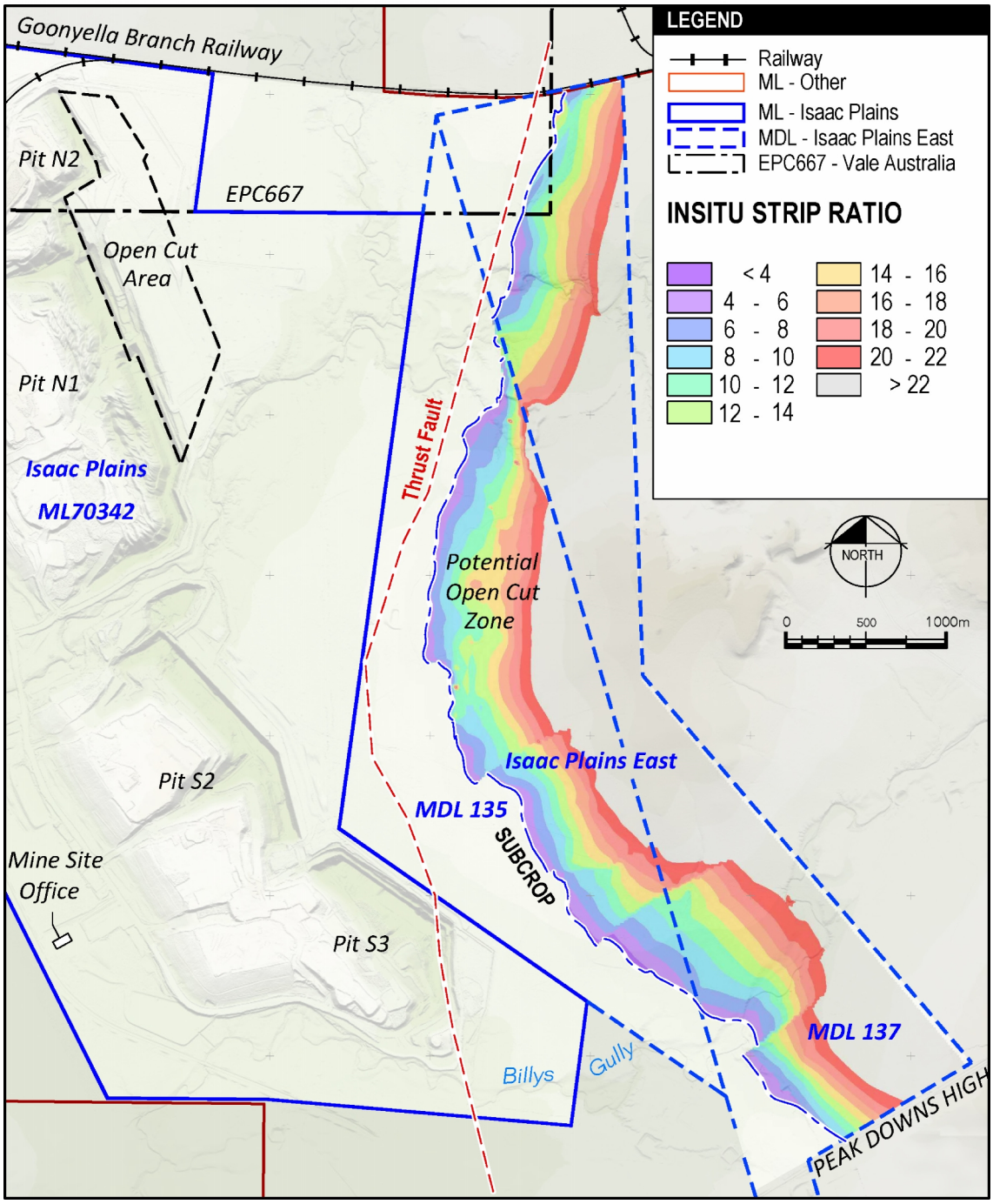
The updated JORC Reserve for the Isaac Plains Complex increases the total open cut mining life from 3 years to 10 years based on a steady state production rate of 1.5Mtpa run of mine (**ROM**) coal (at least 1.1Mtpa of product coal). The mining conditions at Isaac Plains East are similar to those experienced at Isaac Plains and therefore amenable to a dragline operation. In utilising the existing Company-owned dragline currently deployed at Isaac Plains, the overall mining cost is minimised given the significant cost advantage over pure truck & shovel waste operations.

Attractive mining strip ratio

JORC Reserves modelling at Isaac Plains East indicates a 7 year average prime strip ratio (bcm/ROM tonnes) of 11:1, with the first 2 years at 8:1 and first 4 years at sub 10:1. This compares favourably to the three year average strip ratio of approximately 13:1 for the current 3 year mining operation within Isaac Plains.

[3] IP stands for Isaac Plains; IPE stands for Isaac Plains East, ROM stands for Run of Mine
[4] Tonnages and qualities are expressed on a ROM basis, incorporating the effects of mining losses and dilution, and on a 7.0% ROM moisture basis
[5] Total processing yield of 81%, with primary product semi soft coking coal (97%) and secondary thermal (3%)

Map 1: In-situ strip ratio for Isaac Plains East



Significant Synergies with Existing Isaac Plains Mine

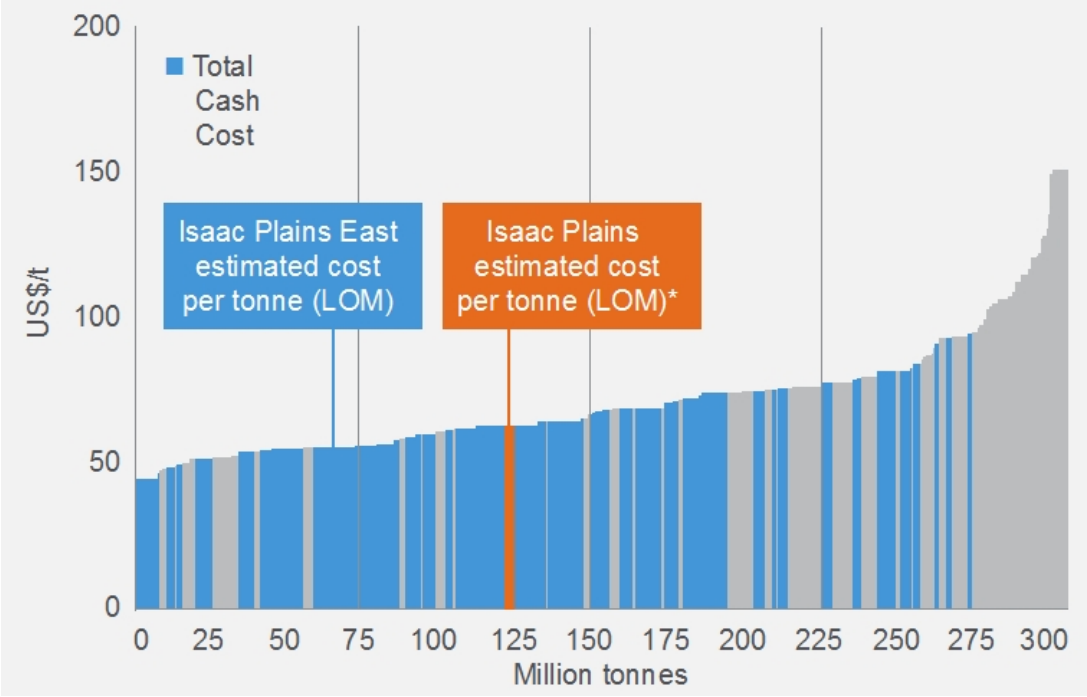
The Isaac Plains East extension will utilise the dragline currently operating at the Isaac Plains mine as well as the fixed infrastructure including the Coal Processing and Prep Plant, train load out, rail loop, offices and workshops. The replacement cost of this infrastructure is estimated at A$350m.

Due to the proximity of the two deposits, minimal additional infrastructure will be required to develop Isaac Plains East. A three kilometre haul road will be built to connect to the existing Isaac Plains road system.

A low cost mine extension

Based on current contracted overburden removal and mining costs, the improved strip ratio at Isaac Plains East is estimated to result in an average free on board total cost reduction of around A$15-20 per product tonne in the first 4 years when compared to the existing Isaac Plains open cut. The cost curve information presented in Diagram 1and 2 below indicates that this level of cost reduction results in a shift from the second quartile to the first quartile for the Isaac Plains Complex.

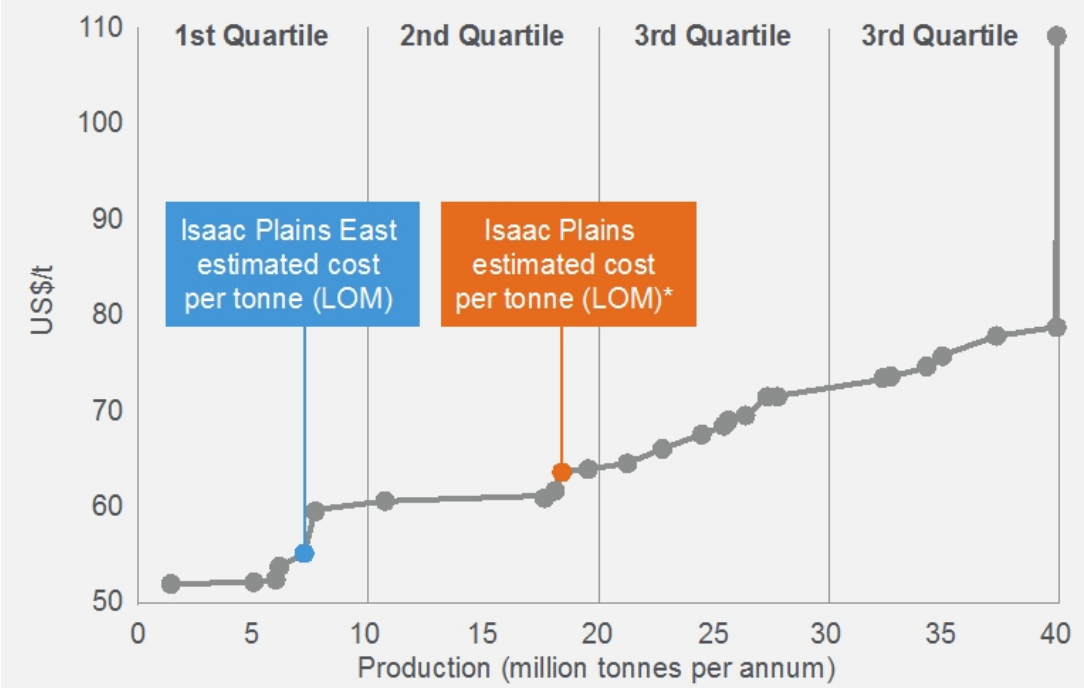
Diagram 1: Global seaborne coking coal cost curve[6] (2016)



Source: Wood Mackenzie and Stanmore Coal analysis
Note: LOM stands for Life of Mine

[6] Cost curve is note margin-adjusted for product mix. Assumed AUD USD of 0.75

Diagram 2: Cost curve information for selected Australian peers producing semi soft coking coal (2016)



Source: Wood Mackenzie and Stanmore Coal analysis
Note: LOM stands for Life of Mine

Proposed Mining Method

It is planned to mine the coal using predominately the same open-cut method used at Isaac Plains. This method is based on nominal 55m wide strips. Topsoil is removed and stockpiled for later spoil rehabilitation. The overburden is drilled and blasted in one or two passes depending upon total depth. Overburden is then removed using a combination of cast blasting, dozing, dragline and truck / shovel methods followed by coal extraction.

In order to minimise waste removal costs, the emphasis will be on maximising the proportion of waste allocated to the dragline system (dragline, dozing and cast blasting). Waste exceeding the dragline horizon will be removed by excavator and trucked to the appropriate waste dump.

Coal will be loaded onto side tippers at top of ramp stockpiles for haulage to the Isaac Plains ROM hopper (or stockpile) where it will be crushed and conveyed to the coal preparation plant for processing. Product coal will be stockpiled separately by product type then loaded onto trains at the coal loadout and railed to Dalrymple Bay Coal Terminal.

Progressive rehabilitation of the spoil dumps would be undertaken when they reach planned height and final landform profile.

Isaac Plains East – pathway for approvals

The process for obtaining the required Mining Lease is underway with a top tier environmental consultant engaged by the Company to manage the various field activities and coordinate the

ongoing baseline studies. The approval pathway requires the Company to submit a major amendment to the environmental authority for Isaac Plains once all requisite data is collated. The Company anticipates lodging the amendment documentation and application for Mining Lease in the December quarter of 2016, with the target for grant of the Mining Lease within the second half of 2017.

Coal quality

Coal washability and product laboratory analysis was carried out on the cored-holes drilled recently within the Isaac Plains East area. The indicative coal quality results and processing yield analysis are displayed in Table 2 below along with the current Isaac Plains specifications.

Table 2: Coal product specifications for Isaac Plains and Isaac Plains East (indicative)

Parameter[7]	Isaac Plains		Isaac Plains East (Indicative)
	Coking	Thermal	Coking
Product split (%)	**80%**	**20%**	**+90%**
Inherent Moisture (%)	2.5	3.1	2.3
Ash (%)	9.4	14.0	9.5
Volatile matter (%)	25.4	24.2	24.4
Fixed Carbon (%)	62.3	58.7	63.7
Total Sulphur (%)	0.36	0.37	0.40
Phosphorous (%)	0.100	0.161	0.070
CSN	4		4
HGI		65	
Rank (Vitrinite Reflectance % mmr)	0.98		1.04
Calorific Value (kcal/kg)	7,434	6,600	7,380

The initial analysis was focused on maximising overall yield and the coking fraction. The increase in rank at Isaac Plains East illustrates the potential to further enhance coking properties by mining the seam in two passes and optimising the washing yield.

[7] Air dried basis unless otherwise stated. CSN means crucible swelling number. HGI means Hardgrove Grindability Index

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Nick Jorss, Managing Director of Stanmore, said "This is a major upgrade to the scale of Isaac Plains as it increases open-cut mine life from three years to more than ten years.

Combining two neighbouring Bowen Basin assets, stripping out significant costs and undertaking a comprehensive exploration program has created a low cost coking coal complex at Isaac Plains with significant mine life. Upon grant of the mining lease at Isaac Plains East we will be a first quartile producer located in the world's premier export quality coking coal basin.

We are currently evaluating the potential to increase production further via underground mining within the Isaac Plains Complex. We have identified substantial JORC Measured and Indicated Resources which may be economic to extract by bord and pillar or highwall mining methods. These opportunities would require very little in the way of capital expenditure as they utilise access from the existing highwall and surplus capacity within our wash plant and rail loadout infrastructure.

This important milestone for the Company reaffirms our commitment to building a larger mining enterprise based around the strategic infrastructure position at Isaac Plains as we supply some of the world's top steel mills with our high quality coking coal.

Our confidence in the outlook for coking coal is underpinned by the fact it remains a relatively scarce resource. The world's best deposits are depleted by over a billion tonnes every year as coking coal is extracted to create the steel required for housing, transport, infrastructure, consumables and household goods. We are also encouraged by the recent June quarter settlement for Japanese benchmark coking coal prices at a US$ 3-4 increase over the previous quarter.

Yours faithfully

Andrew Roach
Company Secretary

FOR FURTHER INFORMATION, PLEASE CONTACT:

Mr Nick Jorss
Managing Director
07 3238 1000

Mr Andrew Roach
Chief Financial Officer & Company Secretary
07 3238 1000

COMPETENT PERSON STATEMENT

The information in this report relating to coal reserves for Isaac Plains and Isaac Plains East is based on information compiled by Mr Ken Hill who is a full-time employee of Xenith Consulting Pty Ltd. Mr Hill is the Managing Director of Xenith Consulting Pty Ltd, is a qualified civil engineer, a member of the Australian Institute of Mining and Metallurgy (AusIMM) and has the relevant experience (30+ years) in relation to the mineralisation being reported to qualify as a Competent Person as defined in the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code 2012 Edition)". Mr Hill consents to the inclusion in the report of the matters based on the information, in the form and context in which it appears.

JORC RESERVES NOTE – ISAAC PLAINS

The Isaac Plains Marketable Coal Reserve of 3.7 Mt is derived from a run of mine (ROM) Coal Reserve of 5.0 Mt that is JORC compliant based with a predicted yield of 73%. The 3.7 Mt Marketable Reserve is included in the 48.2 Mt JORC Resource (15.2 Mt Measured + 23.0 Mt Indicated + 10.0 Mt Inferred Resource).

JORC RESERVES NOTE – ISAAC PLAINS EAST

The Isaac Plains East Marketable Coal Reserve of 8.3 Mt is derived from a run of mine (ROM) Coal Reserve of 10.3 Mt that is JORC compliant based with a predicted yield of 81%. The 8.3 Mt Marketable Reserve is included in the 28.7 Mt JORC Resource for Isaac Plains East (18.7 Mt Indicated + 10.0 Mt Inferred Resource).

ABOUT STANMORE COAL LIMITED (ASX CODE: SMR)

Stanmore Coal operates the Isaac Plains coking coal mine in Queensland's prime Bowen Basin region. Stanmore Coal owns 100% of the Isaac Plains mine and the adjoining Isaac Plains East expansion project. The company is focused on the creation of shareholder value via the efficient operation of Isaac Plains, timely development of Isaac Plains East and identification of further development opportunities within the region. In addition Stanmore Coal holds a number of high quality development assets in both coking and thermal coal located in the Queensland's Bowen and Surat Basins.

Stanmore Coal Limited ACN 131 920 968

p: +61 (7) 3238 1000
f: +61 (7) 3238 1098

e: info@stanmorecoal.com.au w: www.stanmorecoal.com.au

Level 8, 100 Edward Street, Brisbane QLD 4000
GPO Box 2602, Brisbane QLD 4001

APPENDIX A – TABLE 1 FOR ISAAC PLAINS EAST JORC COAL RESERVE

This Appendix details section 4 of the JORC Code 2012 Edition Table 1. Section 5 Estimation and Report of Diamonds and Other Gemstones' has been excluded as they are not applicable to this deposit and estimation.

Section 4 Estimation and Reporting of Ore reserves

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	CP Comments
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 JORC Coal Resource estimate for Isaac Plains East Project (dated March 2016) was prepared by Xenith Consulting and signed off as Troy Turner MAusimm as Competent Person, has been used as the basis for the conversion to Coal Reserves estimate for Isaac Plains East Project. The Resource estimate is: Measured: 0 Mt Indicated: 18.7 Mt Inferred: 10 Mt The Coal Resource estimate is inclusive of the Coal Reserves estimate.
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.*	A site visit was undertaken by the Competent Person (Mr Ken Hill) to the project area and Isaac Plains operation on 22 March 2016. Mr Ken Hill has also visited the Isaac Plains operation on several occasions during the last 5 years. These visits confirmed the mining methods were suitable for the planned operation and can be competently

Criteria	JORC Code explanation	CP Comments
		managed.
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.*	Isaac Plains East project is planned to be mined in a similar manner to the Isaac Plains mine which is an active open-cut coalmine. Operations at Isaac Plains recommenced this year following a care and maintenance period after active production ceased in late 2014. Prior to that time Isaac Plains had been in operation for over 8 years. The mine planning undertaken for the Isaac Plains East Project has been undertaken to a Pre-Feasibility Study level. The mining parameters and modifying factors are consistent with the adjacent Isaac Plains operation.
Cut-off parameters	• *The basis of the cut-off grade(s) or quality parameters applied.*	The strip design for Isaac Plains East Project has been developed to cover all of the coal production expected to be economic. These strips were then scheduled over a seven year period and the output from the schedule was imported to a financial analysis tool to determine costs and revenue. The annual cash flow from this analysis was used to determine the cut-off for the reserves. The overall project economics was modelled to ensure sufficient cash margin was predicted to provide a return for the capital expenditure required.
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*	Mining methodology considered for this estimate is: • Use of a combination of cast, doze, dragline or truck & excavator to move waste into the adjacent strip or dump. The strip width selected is nominally 55m.

Criteria	JORC Code explanation	CP Comments
	method(s) and other mining parameters including associated design issues such as pre-strip, access, etc. • *The assumptions made regarding geotechnical parameters (eg pit slopes, stope sizes, etc), grade control and pre-production 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.*	• Drilling and Blasting (D&B) of the insitu waste. • A maximum horizon of 50m of waste is allocated to the dragline. • Remaining waste is removed by dozer or truck and excavator. • Coal mining using excavators and rear dump trucks haul the coal to the Isaac Plains Coal Preparation Plant (CPP) for washing. • Parting > 0.3m thick is stripped separately. The stripping methodology is a continuation of the methodology currently engaged at Isaac Plains Operation. Batter allowances that have been taken into account are: • Highwall (hard): 65^{o} • Boxcut Lowwall / Endwall (hard): 45^{o} • Spoil Lowwall & Angle of Repose: 37^{o} Loss & Dilution factors used are: • Roof Loss: 0.075m • Floor Loss: 0.025m • Edge Loss: 0.25m • Percentage Loss for faults: 3% • Roof Dilution: 0.05m • Floor Dilution: 0.05m • Edge Dilution: 0.25m • Dilution density: 2.2 t/bcm • Dilution ash: 85%

Criteria	JORC Code explanation	CP Comments
		The existing infrastructure at Isaac Plains operation is suitable for the methodology described (Dragline, CHPP, rail load-out). Isaac Plains East Project is planned to be satellite pits for the Isaac Plains operation. A minor tonnage of Inferred Resource is within the defined economic open cut limit; however it is not anticipated to be recovered until the final stages of the mining schedule. As such, the reported reserves estimate is not reliant on the inferred resource within the economic limit.
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?*	The existing Isaac Plains CPP is suitable to process the target seams. Two products are planned, a primary product semi-soft coking coal and a secondary product thermal coal. The CPP yield predictions for Isaac Plains East are based on the recent exploration program results for theoretical laboratory yield with plant efficiency factors applied to predict actual plant performance. Forecast product split between the two coal types averages for the economic pit as: • Semi-soft Coking (SSCC), 97% and • Thermal, 3%
Environmental	• *The status of studies of potential environmental impacts of the mining*	Isaac Plains East will mine the same coal sequence as within the

Criteria	JORC Code explanation	CP Comments
	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.	adjacent Isaac Plains mine, with similar waste rock characterisation and surface impacts anticipated. Run of mine coal will be transported to and processed at the existing Isaac Plains facility on ML70342 under Environmental Authority 257402. Therefore there is no additional handling or processing impact within Isaac Plains East extension. Furthermore, no Category A or B environmentally sensitive areas exist within the proposed areas of disturbance.
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.*	The existing infrastructure at Isaac Plains operation is suitable for the methodology planned. The additional infrastructure required is primarily the coal haulage roads, access roads and an extension to the existing HV power-line to facilitate dragline operations. The capital expenditure for these items in included in the project economic evaluation.
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.*	The approach taken is described below. Most cost have been developed and built up from a first principles basis. The unit costs used are: • Rehabilitation: $25,000 / ha • Waste Removal: $23.99 / ROM t • ROM Coal Mining: $7.87 / ROM t • CPP & Loadout Costs: $5.74 / ROM t • Indirect & Other Op Costs: $6.50 / Prod t Rail and port costs are based on current costs. • Rail: $7.20 / Prod t

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>CP Comments</th></tr>
<tr><td></td><td></td><td>
Port / Demurrage: $5.90 / Prod t
Royalty charges are applied as follows:

up to and including $100 per tonne: 7.0%
over $100 up to including $150 per tonne: 12.5%
above $150 per tonne: 15.0%
Research Levy: $0.2675 /prod t

</td></tr>
<tr><td>Revenue factors</td><td>

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.

</td><td>
Forecast coal pricing for the two product coal types from Isaac Plains East project has been based on current broker consensus and input from MResources Pty Ltd. The applied coal prices have a % factor of benchmark applied to represent the mine product parameters. The table below shows the benchmark coal prices in US$ used.
<table>
<tr><th>Product</th><th>2018</th><th>2020</th><th>2022</th><th>2024</th><th>% of Benchmark</th></tr>
<tr><td>SSCC</td><td>74</td><td>75</td><td>79</td><td>83</td><td>100</td></tr>
<tr><td>Thermal</td><td>58</td><td>61</td><td>63</td><td>65</td><td>105</td></tr>
<tr><td>Exchange Rate</td><td>0.73</td><td>0.77</td><td>0.76</td><td>0.75</td><td></td></tr>
</table>
</td></tr>
<tr><td>Market assessment</td><td>

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

</td><td>Product coal from Isaac Plains East Project (two product types) are very similar to the Isaac Plains coal product specifications which have been successfully marketed into export markets for the past 8 years. The annual tonnages proposed in this evaluation are somewhat lower than the actual tonnages sold in the past and thus it is not expected to</td></tr>
</table>

Criteria	JORC Code explanation	CP Comments
	acceptance requirements prior to a supply contract.	have any difficulty in successfully marketing the tonnages produced.
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.*	The deposit was assessed using a financial analysis package and the resultant annual cash flows. Inputs used are: • Inflation: 2.5% p.a. • Discount Rate: 8% real
Social	• *The status of agreements with key stakeholders and matters leading to social licence to operate.*	Isaac Plains Coal Management company have been operating Isaac Plains for over 8 years. The company has proven to be a good corporate citizen. Stanmore does not expect any major social issues.
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.*	There are no issues known that impact the estimation and classification of the reserves. The outstanding issues include compensation and access agreements. Based on information today Stanmore have no reason to believe that a 2018 commencement date for mining is not achievable.
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).*	There are no Measured resources within the Isaac Plains East Project area. All of the Indicated resources within the economic limit of the open cut pit have been classified as Probable reserves. The reserve estimation and classification reflects the competent

Criteria	JORC Code explanation	CP Comments
		person's view of the deposit.
Audits or reviews	• *The results of any audits or reviews of Ore Reserve estimates.*	No audits or reviews of the reserve have 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.*	No statistical or geostatistical procedures have been used in the estimation of Coal Reserves themselves. The most significant areas of uncertainty in the Isaac Plains East open-cut reserve estimate relates to the coal pricing and foreign exchange rate. However these present forecasts are based on highly regarded industry experts in this field. Small differences may be present in the totals due to the tonnage information being rounded so as to reflect the usual uncertainty associated with the estimate.