

## Annual Coal Resources & Coal Reserve Summary

### HIGHLIGHTS

- Stanmore Coal has added significant Coal Resources over the last 12 months that will sustain a long-life mining operation using existing infrastructure at the Isaac Plains Complex
- Stanmore Coal has commenced reporting a summary of Coal Resources and Coal Reserves annually as part of its business planning and reporting cycle
- Total Coal Resources across all tenements held totalled 1.7 billion tonnes
- Total Coal Reserves formally declared and published are 144.4 million tonnes
- Total Marketable Coal Reserves are 115.1 million tonnes

Stanmore Coal Limited (**Stanmore**) (**ASX: SMR**) has adopted a robust business planning cycle that incorporates strategy development, Life of Mine (LOM) planning processes, annual business risk assessments, and annual budget planning and forecasting. This cycle will now include an annual report to the market that summarises the latest Mineral Resource and Ore Reserve position as reported under the relevant Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ('the JORC Code') at the time each report was published. As further work is undertaken on the relevant projects under Stanmore's control, the Coal Resources, Coal Reserves and Marketable Coal Reserves will be updated to meet the standard of the latest version of the JORC Code applicable.

Stanmore Coal has successfully added significant Coal Resources to the portfolio over the last 12 months that will support the Isaac Plains Complex to sustain a long-life mining operation using the existing coal preparation plant and train loading facility at Isaac Plains. The additional resources are a combination of acquisition of Wotonga South Coking Coal Resource area from Peabody (now called the Isaac Downs Project), and the project identification (and future development) of economic coal resources at the Isaac South Project within EPC755 south of Isaac Downs. The following table demonstrates the positive change in the Coal Resource status for the Isaac Plains "Hub".

**Table 1: JORC Resource Status at the Isaac Plains Complex by category**

Resource Category	Coal Resources (as at end Dec 2017)	Updated Coal Resources (as at end June 2018)				IP Complex Change
	Total IPC	IPC	ID	IS	Total	
Measured (Mt)	35.1	35.1	18.7	11.9	65.7	87%
Indicated (Mt)	30.1	30.1	3.6	14.5	48.2	60%
Total M&I Resources (Mt)	65.2	65.2	22.3	26.4	113.9	73%
Inferred (Mt)	17	17	1	25	43	152%
Total Resources (Mt)	82.2	82.2	23	52	157	91%

IP – Isaac Plains Opencut; IPE – Isaac Plains Opencut; IPU – Isaac Plains Underground; ID – Isaac Downs (Wotonga South); IS – Isaac South Project (within EPC755).

Further definition of the Coal Reserves and Marketable Coal Reserves at the Isaac Plains Complex shows the following changes since the last update. Depletion due to mining operations at Isaac Plains Opencut accounts for 2.145 Mt of the change, with significant underground Coal Reserves added over the last 12 months.

**Table 2: Coal Reserve Status at the Isaac Plains Complex by category**

Resource Category	Previous Coal Reserves (as at end March 2017)	Updated Coal Reserves (as at end June 2018)			Change
	IPC Opencut	IPC Opencut	IPU	Total	
Proved (Mt)	13.2	12.1	-	<b>12.1</b>	-10%
Probable (Mt)	3.2	2.8	12.9	<b>15.7</b>	+391%
Total Recoverable Reserve (Mt)	<b>16.4</b>	<b>14.9</b>	<b>12.9</b>	<b>27.8</b>	<b>+70%</b>
Semi-soft coking (Mt)	12.1	10.9	8.2	19.1	
Thermal coal (Mt)	0.8	0.6	1.2	1.8	
Total Marketable Reserve (Mt)	<b>12.9</b>	<b>11.5</b>	<b>9.4</b>	<b>20.9</b>	<b>+62%</b>

IPC – Isaac Plains Complex; IPU – Isaac Plains Underground Project

The Isaac Plains Underground Coal Reserve was originally reported in April 2018 based on the Pre-Feasibility study results. An updated Coal Reserve will be an outcome of the Bankable Feasibility Study currently underway. It is anticipated that the two new opencut projects, Isaac Downs (Wotonga South) and Isaac South, will be sufficiently advanced to establish a Coal Reserve to JORC standards in 2019.

The following key tables communicate the current status of Coal Resource definition for all of Stanmore's projects and the result of the mine planning work undertaken to define Coal Reserves and Marketable Coal Reserves within Stanmore Coal's portfolio of operating mines and projects. Coal Reserves for the Range Project are summarised in these tables as reported in 2011. The Marketable Coal Reserves for The Range are reported as under the 2004 JORC Code, and are described/qualified as such in the summary table.

Table 3: Coal Resources for al Stanmore Coal's tenements

## Stanmore Coal Resources as at June 2018

Project Name	Tenement	Coal Type*	Measured Resources	Indicated Resources	Inferred Resources	Total Resources	Competent Person	Report Date
Issac Plains	ML 70342, ML 700018, ML 700019	C,T	22.2	21.3	9	52	A	May-18
Isaac Plains East	ML 700016, ML700017, ML700018, ML700019	C	12.9	8.8	8	30	A	May-18
Isaac Downs (Wotonga)	MDL 137, EPC 728	C, PCI	18.7	3.6	1	23	B	Mar-18
Isaac South	EPC 755	C, T	11.9	14.5	25	52	C	May-18
<b>Isaac Plains Complex</b>	<b>Sub Total</b>		<b>65.7</b>	<b>48.2</b>	<b>43</b>	<b>157</b>		
Clifford	EPC 1274, EPC 1276	T	0	200.0	430	630	D	Aug-16
The Range	EPC 1112, EPC 2030	T	18.1	187.0	81	286	A	Oct-12
<b>Surat Basin Complex</b>	<b>Sub Total</b>		<b>18.1</b>	<b>387</b>	<b>511</b>	<b>916</b>		
Mackenzie	EPC 2081	C, T	0	25.7	117	143	A	Nov-11
Belview	EPC 1114, EPC 1186, EPC 1798	C, PCI	0	50.0	280	330	A	Mar-15
Tennyson	EPC 1168, EPC 1580	T	0	0.0	161	161	A	Dec-12
Lilyvale	EPC 1687, EPC 2157	C	0	0	33	33	A	Feb-14
<b>Total Coal Resources</b>			<b>83.8</b>	<b>510.9</b>	<b>1145</b>	<b>1740</b>		

**\*Coal Types Potential Legend**

CK - Coking Coal, semi-soft or greater potential  
 PCI - Pulverised Coal Injection  
 TH - Export Thermal grade

**Competent Person**

A - Troy Turner - Xenith Consulting  
 B - Kane Maxwell - Peabody Australia  
 C - Mal Blaik - JB Mining  
 D - Oystein Naess - Xenith Consulting

Note 1: All Coal Resources are reported under The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ('the JORC Code') applicable at the time each report was published. Reports dated 2012, and earlier, used the JORC 2004 version, reports dated after 2012 are reported against the requirements of the 2012 JORC Code.

Note 2: Rounding to the nearest significant figure is applied to Total Resource Tonnes in the Inferred Category. This is deemed conservative and reflective of the Inferred Resource category confidence level and accounts for the minor differences in the overall total reported resources.

Note 3: All Coal Resources are reported on a 100% basis; Stanmore Coal's economic interest in Clifford is 60%, Mackenzie is 95%, and Lilyvale is 85%, all other tenure is 100% owned by Stanmore Coal.

Table 4: Coal Reserves and Marketable Coal Reserves for all project areas

## Stanmore Coal Reserves as at June 2018

Project Name	Tenement	Coal Reserves			Marketable Coal Reserve			Competent Person	Report Date
		Proved	Probable	Total	Proved	Probable	Total		
Issac Plains Opencut	ML 70342,	1.8	0.9	2.7	1.3	0.7	2.0	E	Aug-18
Issac Plains East Opencut	ML 700016, ML700017, ML700018, ML700019	10.3	1.9	12.2	8.0	1.5	9.5	E	Aug-18
Isaac Plains Underground	ML 70342, ML 700018, ML 700019		12.9	12.9		9.4	9.4	F	Apr-18
<b>Isaac Plains Complex</b>		<b>12.1</b>	<b>15.7</b>	<b>27.8</b>	<b>9.3</b>	<b>11.6</b>	<b>20.9</b>		
The Range	EPC 1112, EPC 2030		116.6	116.6		94.2	94.2	G	Jul-11
<b>Total Coal Reserves</b>		<b>12.1</b>	<b>132.3</b>	<b>144.4</b>	<b>9.3</b>	<b>105.8</b>	<b>115.1</b>		

### Coal Type Ratio - Coking:Thermal (% of Marketable Coal Reserve)

Isaac Plains OC	76%:24%
Isaac Plains East OC	98%:2%
Isaac Plains Underground	88%:12%
The Range	100% Thermal

### Competent Person

E - Gary Benson - Measured Group
F - Mark McKew - Geostudy
G - Richard Hoskings - Minserve

Note 1: All Coal Resources are reported under The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ('the JORC Code') applicable at the time each report was published. Reports dated 2012, and earlier, used the JORC 2004 version, reports dated after 2012 reported against the requirements of the 2012 JORC Code.

Note 2: Totals may not be exact due to significant figure rounding.

Note 3: The Reserves quoted for The Range project were established in 2011 under the relevant JORC Code at the time and used a coal price forecast of A\$120/tonne for benchmark NEWC thermal coal equivalent. These Reserves were supported by a Feasibility Study that assumed the completion of the Surat Basin rail to connect the mine to the Port of Gladstone.

Note 4: All Coal Reserves are reported on a 100% basis, and Stanmore Coal's economic interest in the tenure above is 100%.

Figure 1 attached illustrates all the tenement areas held in Queensland and Figure 2 illustrates the tenures that form part of the Isaac Plains Complex.

Yours faithfully

**Ian Poole**

Chief Financial Officer & Company Secretary

## FOR FURTHER INFORMATION, PLEASE CONTACT:

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Managing Director  
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## 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 complex which includes the original Isaac Plains Mine, the adjoining Isaac Plains East (now a new open cut mine that commenced operations in July 2018), and the Isaac Plains Underground Mine (currently being assessed in a Bankable Feasibility phase). 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 (such as the Isaac Plains Underground Mine and the Wotonga Coking Coal Resource) within the region. In addition, Stanmore Coal holds a number of high quality development assets (both coking and thermal coal resources) located in the Queensland's Bowen and Surat Basins.

## COMPETENT PERSON STATEMENT

The information in this announcement is published and based on information compiled by the relevant Competent Person as described and defined under the JORC Code. Each Competent Person is a member of the Australian Institute of Mining and Metallurgy and have consented to the publication of the relevant Resource or Reserve as indicated on the attached tables. Each Competent Person has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking, to qualify as Competent Person as defined in the JORC Code. Each Competent Person consents to the inclusion in this announcement/report of the matters described, in the form and context in which it appears.

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**6** ASX code: SMR





The map displays the regional coal tenements in the Isaac Plains, Isaac Downs, and Isaac South areas. It shows various mining leases, MDLs (Mining Development Licenses), and EPCs (Exploration Permits). Key locations include Moranbah, Airport, and Goonyella Branch. The map is color-coded to show different tenement types and includes a legend, scale bar, and north arrow.

**Legend:**

- Drainage
- Roads - Major, Minor
- Railway
- Powerlines
- Pipeline
- Mining Lease
- MDL
- Stannore Isaac Plains ML
- Stannore MDL
- Stannore EPC
- Maximum Resource Limit (V1 seam)

**Map Labels:**

- ML 70378 "GROSVENDOR" COAL (GROSVENDOR) PTY LTD
- ML 70340 "ANNANDALE" VALE
- ML 70391B "MILLENBURG" PEABODY
- ML 4745 "POITREL" BVC
- ML 70389 "EAGLE COWNS" AQUILA COAL PTY LTD & SOUTH 32
- ML 70375 PEAK COWNS BMA
- ML 70019
- ML 70017
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