

CONFIRMATION OF FY18 DIVIDEND PAYMENT

Stanmore Coal (ASX: SMR) confirmed payment of the FY18 Final Dividend and the issuing of 1,026,540 ordinary shares as a result of participation in the Company's Dividend Reinvestment Plan (DRP) on Friday 23 November 2018.

HIGHLIGHTS

- FY18 final dividend of \$0.02 was paid on 23 November 2018
- DRP price \$0.8798 (includes 5% discount)
- DRP Participation (18%) resulted in the issue of 1,026,540 ordinary shares
- Future Dividend payments
 - Underpinned by performance in earnings and cashflow
 - FY19 Underlying EBITDA guidance of A\$130m - A\$150m¹ up from A\$45.6m in FY18 supports FY19 dividends

FY18 Dividend paid

The Company paid its FY18 final unfranked 2cps dividend on 23 November 2018. The Company was pleased with the 18% participation in the Company Dividend Reinvestment Plan² which provided a convenient way for shareholders to invest their dividends in new fully paid shares in Stanmore Coal, without paying brokerage and other associated costs.

There were 1,026,540 ordinary shares issued as a result of the participation in the DRP. The DRP price including the 5% discount was \$0.8798.

Future Dividends

The Company, with its focus on generating strong cash flows and maintaining balance sheet strength, aims to deliver returns to shareholders through improving returns on invested capital. Stanmore has positioned the business with a view to generating value through share price appreciation and the payment of dividends over time commensurate with performance in earnings, cash flow, and the cyclicity of the industry.

The underlying FY19 EBITDA guidance of A\$130m³ to A\$150m supports the Board's consideration of FY19 dividends. The guidance is underpinned by production guidance of 2.0mpta, underlying FOB

¹ ASX announcement 19 November 2018

² Approved at the 2018 AGM on 26 October 2018

³ Revenue assumption SSCC US\$126/t @USD: AUD 0.73

costs of A\$86/t sold (excluding State Royalties of A\$14/t), and the recently announced extension to the Golding Mining Services Agreement and additional DBCT port capacity which matches the mine infrastructure.

Yours faithfully

Ian Poole
Company Secretary

FOR FURTHER INFORMATION, PLEASE CONTACT:

Dan Clifford
Managing Director
07 3238 1000

Ian Poole
Chief Financial Officer & Company Secretary
07 3238 1000

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 Study). The company is focused on the creation of shareholder value via the efficient operation of Isaac Plains and Isaac Plains East, identification of further development opportunities (such as the Isaac Plains Underground Mine and the Isaac Downs Project) 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.

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