



NOT FOR RELEASE OR DISTRIBUTION IN THE UNITED STATES

## ASX ANNOUNCEMENT

10 March 2022

### LETTER TO INELIGIBLE RETAIL SHAREHOLDERS

Attached is a sample of the letter that will be provided to shareholders of Stanmore Resources Limited ACN 131 920 968 (ASX:SMR) ("Stanmore") who are ineligible to participate in the retail component of the underwritten pro rata accelerated entitlement offer of new shares in Stanmore, which was announced by Stanmore on 3 March 2022.

#### **Further information**

If you have any questions in relation to the entitlement offer, please call the Stanmore Offer Information Line on 1300 553 490 (within Australia) or +61 1300 553 490 (from outside Australia) between 8:30am and 5:30pm (Sydney time) Monday to Friday.

#### **Approval**

This announcement is authorised for release by the Board of Stanmore.

#### **About Stanmore (ASX: SMR)**

Stanmore owns and operates the Isaac Plains Complex in Queensland's prime Bowen Basin region which includes the Isaac Plains Mine and processing facilities, the adjoining Isaac Plains East and Isaac Downs mining areas and the Isaac Plains Underground Project. The Company is focused on the creation of shareholder value via the efficient operation of the Isaac Plains Complex and the identification of further development opportunities within the region. Stanmore is a 50% shareholder in the Millennium and Mavis Downs Mine and holds a number of additional high-quality prospective coal tenements located in Queensland's Bowen and Surat basins.

#### **Not for Release or Distribution in the United States**

This release has been prepared for publication in Australia and may not be released or distributed in the United States. This release does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States or in any other jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer. None of the Entitlements or the New Shares have been, or will be, registered under the U.S. Securities Act of 1933 ("U.S. Securities Act") or the securities laws of any state or other jurisdiction of the United States and may not be offered or sold, directly or indirectly, in the United States or to any person acting for the account or benefit of any person in the United States (to the extent such person is acting for the account or benefit a person in the United States), except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act and applicable securities laws in any state or other jurisdiction of the United States.



10 March 2022

Dear Shareholder,

## **Stanmore Resources Limited pro-rata accelerated renounceable entitlement offer – Notification to Ineligible Shareholders**

On 3 March 2022, Stanmore Resources Limited ACN 131 920 968 (**Stanmore**) announced an underwritten 7 for 3 pro-rata accelerated renounceable entitlement offer (with retail rights trading) (**Entitlement Offer**) of new fully paid ordinary shares in Stanmore (**New Shares**) at an offer price of A\$1.10 per New Share (**Offer Price**) to raise approximately A\$694.1m (approximately US\$506m).

The Entitlement Offer is being made by Stanmore without a disclosure document in accordance with section 708AA of the *Corporations Act 2001* (Cth) (as modified by *ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84* and *ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73*) (**Corporations Act**).

The proceeds of the Entitlement Offer will be used to fund part of the acquisition by Stanmore, via a wholly-owned subsidiary Stanmore SMC Holdings Pty Ltd ACN 653 931 223, of an 80% interest in BHP Mitsui Coal Pty Ltd ACN 009 713 875 (**BMC**) from BHP Minerals Pty Ltd ACN 008 694 782 (**BHP**). Stanmore will obtain an interest in BMC by acquiring all of the issued capital in Dampier Coal (Queensland) Pty Ltd ACN 008 428 180, currently held by BHP. Further detail is contained in Stanmore's Investor Presentation lodged with the Australian Securities Exchange (**ASX**) on 3 March 2022.

Petra Capital Pty Ltd is acting as lead arranger, lead manager, bookrunner and underwriter for the Entitlement Offer (**Lead Manager** or **Underwriter**).

You are receiving this notice as according to our records, you did not satisfy the eligibility to participate in the Entitlement Offer. You are not required to do anything in response to this letter but there may be financial implications for you that you should be aware of as a result of the Entitlement Offer.

### **Entitlement Offer**

The Entitlement Offer consists of an accelerated institutional entitlement offer (**Institutional Entitlement Offer**) and an offer to Eligible Retail Shareholders (as defined below) to participate on the same terms (**Retail Entitlement Offer**). The Institutional Entitlement Offer was completed on 4 March 2022. The Retail Entitlement Offer, which is expected to raise approximately A\$38 million, is being made to Eligible Retail Shareholders on the basis of 7 New Shares for every 3 existing Stanmore shares held as at 7.00pm (Sydney time) on 7 March 2022 (**Record Date**).

Stanmore has today lodged a retail offer booklet with ASX, which sets out further details in respect of the Retail Entitlement Offer (**Offer Booklet**) and will be sent to Eligible Retail Shareholders.

## Eligibility criteria

Shareholders who are eligible to participate in the Retail Entitlement Offer (**Eligible Retail Shareholders**) are those Shareholders who at 7.00pm (Sydney time) on the Record Date:

- have a registered address listed on Stanmore's share register in Australia, New Zealand or Singapore;
- were not invited to participate (other than a nominee, in respect of underlying holdings) under the Institutional Entitlement Offer and are not being treated as an Ineligible Institutional Shareholder under the Institutional Entitlement Offer;
- are not in the United States and are not or acting for the account of or benefit of a person in the United States (to the extent such person holds shares for the account or benefit of such person in the United States); and
- are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer, without any requirement for a prospectus, disclosure document or other lodgement, filing, registration or qualification.

Eligibility for the purposes of the Entitlement Offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of Stanmore and the Underwriter. Each of Stanmore and the Underwriter and their affiliates and related bodies corporate and each of their respective directors, officers, partners, employees, advisers, representatives and agents disclaim any liability (including for fault or negligence) in respect of any determination as to eligibility and the exercise or otherwise of that discretion, to the maximum extent permitted by law.

Stanmore has determined, pursuant to ASX Listing Rule 7.7.1(a) and section 9A(3) of the Corporations Act, that it would be unreasonable to make offers under the Retail Entitlement Offer to Stanmore shareholders in countries other than Australia, New Zealand and Singapore due to legal and regulatory requirements in certain countries and the potential cost to Stanmore of complying with those requirements, compared with the relatively small number of shareholders in those countries, the number of existing shares they hold and the relatively low value of New Shares to which those shareholders would otherwise be entitled to subscribe for.

According to our records, you do not satisfy the eligibility criteria for an Eligible Retail Shareholder. Accordingly, in compliance with the Corporation Act and ASX Listing Rules, Stanmore wishes to advise you that it will not be extending the Retail Entitlement Offer to you and you will not be able to subscribe for New Shares or additional New Shares under the Retail Entitlement Offer, or to trade or exercise your entitlement. You will not be sent the Retail Offer Booklet.

## Treatment of ineligible retail shareholders' entitlements

As the Entitlement Offer is renounceable, Stanmore has appointed the Lead Manager to act as the nominee for the Ineligible Shareholders pursuant to ASX Listing Rule 7.7.1(c) to arrange the sale of the entitlements of Ineligible Shareholders. The net proceeds (if any) of the sale of these entitlements (after deducting brokerage commission and other expenses) will then be remitted to you as soon as practicable, in the same proportions as your holdings of the shares as at the Record Date bears to the total of the shares held by all ineligible shareholders as at that time.

The Lead Manager will have absolute and sole discretion to determine the price for which the relevant entitlements may be sold, as well as the timing and manner of such sale. The Lead Manager will use its

best endeavours to sell the entitlements at a price that will result in a premium over the expenses of their sale. However, if the Lead Manager forms the reasonable opinion that there is not a viable market for the entitlements or a premium cannot be obtained, then the entitlements will be allowed to lapse and form part of the New Shares offered to Eligible Retail Shareholders under the retail shortfall facility, and to the Underwriter. In such circumstances, no money will be payable to Ineligible Shareholders.

Neither Stanmore nor the Lead Manager will be subject to any liability to Ineligible Shareholders for failure to sell the entitlements of the Ineligible Shareholders or to sell them at a particular price.

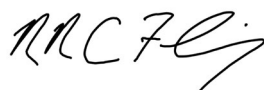
## Retail Entitlements Trading

The assignment, transfer and exercise of entitlements trading on ASX will be restricted to persons meeting certain eligibility criteria. In particular, persons in the United States and persons acting for the account or benefit of persons in the United States (to the extent such persons hold shares for the account or benefit of such person in the United States) will not be eligible to purchase or trade entitlements or to take up or exercise entitlements they acquire. If you purchase entitlements during the trading period, but you do not meet the eligibility criteria, you will not be able to take up or exercise those entitlements and, as a result, you may receive no value for them.

## No action required

You do not need to respond to this letter. If you have any questions in relation to the Entitlement Offer, please contact the Stanmore Offer Information Line on 1300 553 490 (within Australia) or +61 1300 553 490 (from outside Australia) between 8:30am and 5:30pm (Sydney time) Monday to Friday. For other questions, you should consult your broker, solicitor, accountant, financial adviser, or other professional adviser.

Yours sincerely



**Rees Fleming**  
Company Secretary

## Disclaimer

### IMPORTANT NOTICES

This notice is issued by Stanmore. This notice is not a prospectus or offering document under Australian law or under any other law. This notice is for information purposes only and is not a financial product or investment advice or a recommendation to acquire Stanmore shares (nor does it or will it form any part of any contract to acquire Stanmore shares) or accounting, legal or tax advice. The information in this notice is in summary form. It should be read in conjunction with Stanmore's other periodic and continuous disclosure announcements lodged with ASX. This notice has been prepared without taking into account the objectives, financial or tax situation or needs of individuals. Before acting on the information, prospective investors should consider the appropriateness of the information having regard to their own objectives and

financial situation and needs, and seek legal, financial and taxation advice appropriate for their jurisdiction. Stanmore is not licensed to provide financial product advice in respect of an investment in securities.

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