

27 July 2021

JUNE 2021 QUARTERLY REPORT

Highlights

- No recordable injuries during the quarter
- Coal mining commenced at bulk sample pit at Isaac Downs
- Significant progress made on approvals for the Isaac Downs Project with the Environmental Authority approved by the Department of Environment and Science (QLD), and Commonwealth approval granted under the EPBC¹ Act for the Isaac Downs Project
- Mining leases for the Isaac Downs Project have also been granted by Department of Resources
- Additional finance facility provided by parent entity Golden Energy and Resources Limited of US\$30 million

PRODUCTION AND SALES

Thousands of tonnes	Quarter Ended				
	June 2021	Mar 2021	Change %*	June 2020	Change %*
ROM coal produced	595	514	16%	638	(7%)
ROM strip ratio (reportable)	9.2	10.8	15%	11.1	17%
Saleable coal produced	379	428	(11%)	496	(24%)
Total coal sales	293	523	(44%)	452	(35%)
Product coal stockpiles	188	99	90%	276	(32%)
ROM coal stockpile	125	29	331%	69	81%

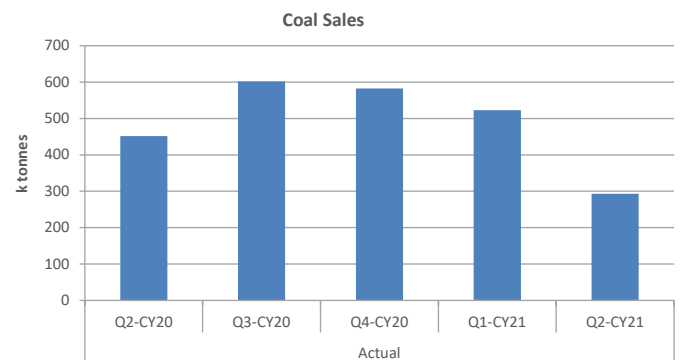
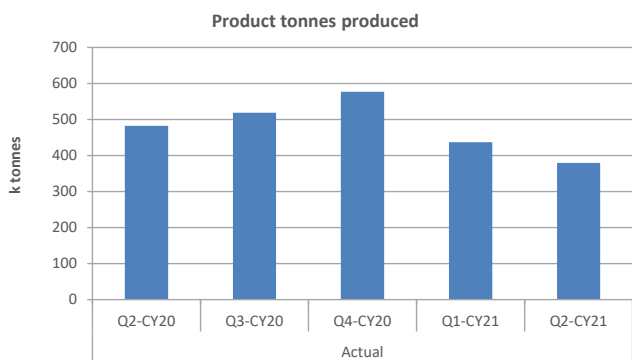
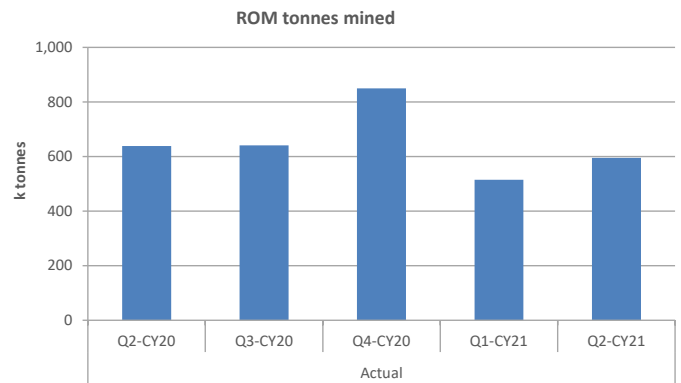
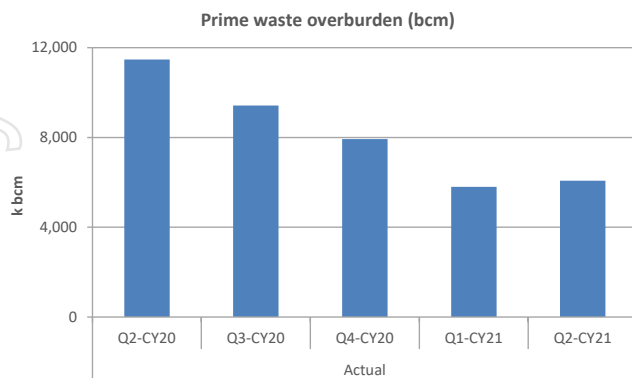
* Note: Change is favourable/unfavourable

SAFETY PERFORMANCE

During the June 2021 quarter there were no recordable injuries. The 12-month rolling TRIFR at the end of the June 2021 quarter was 5.4 (3.4 at June 2020).

¹ EPBC – Environmental Protection and Biodiversity Act

ISAAC PLAINS COMPLEX OPERATIONS



Stanmore as outlined previously continued to operate in the quarter with reset and reduced fleet capacity focusing on higher productivity and lower cost mining equipment and on minimising strip ratios and cost.

Coal mining commenced at the exploration bulk sample pit at Isaac Downs for the purposes of providing trial cargoes to key customers.

The Company expects an increase in coal mining production and sales in the second half of the calendar year to at least our system capacity levels of 2.4 Mtpa by ramping up volumes envisaging benefiting from better market conditions and prices as output from Isaac Downs ramps up with the mining leases now granted.

Product coal volume for the current quarter at 379kt was higher than total sales for the quarter of 293kt shipped due to timing of shipments with slippages into July 2021.

ISAAC DOWNS

During the quarter, the Company continued to invest in the establishment of infrastructure (according to conditions established under the Mineral Resources Act and Environmental Protection Act for MDL137) at Isaac Downs to undertake a bulk sample for testing of proposed product coal cargoes with key international customers. A new access road was constructed including a new intersection at the Peak Downs Highway, as well as the required infrastructure for environmental controls. Coal mining commenced at the bulk sample pit during the quarter.

Significant progress was made on approvals for the Isaac Downs Project with the Environmental Authority approved by the Department of Environment and Science (QLD), and EPBC approval granted by the Department of Agriculture, Water and Environment (Commonwealth).

The Department of Resources (Qld) has granted the mining lease approvals, and the Board of Directors of Stanmore Resources have approved capital expenditure to commence construction.

DEVELOPMENT PROJECTS

During the quarter, no significant activities were undertaken on Stanmore's other development projects.

CORPORATE

During the quarter the Company announced an increase of US\$30 million to the secured loan facility from Golden Energy and Resources Limited taking the total facility to US\$70 million. The funds under the facility will be used to progress the development of Isaac Downs to allow a seamless transition from Isaac Plains East to Isaac Downs.

Since the quarter end the Company announced the completion of the transaction to purchase the Millennium and Mavis Downs Mine from Peabody Energy Australia in a 50 / 50 joint venture with M Resources.

During the quarter, Stanmore and Blue Energy announced a non-binding Memorandum of Understanding for the future supply of hydrogen from a pilot project planned by Blue adjacent to the Isaac Plains mine.

This Quarterly Report is authorised for release to the market by the Board of Stanmore Resources Limited.

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About Stanmore Resources Limited (ASX: SMR)

Stanmore Resources Limited 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 (operational), Isaac Downs Project (under development) 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 Resources also holds a number of additional high-quality prospective coal tenements located in Queensland's Bowen and Surat basins.

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