

December 2024 Quarterly Activities Report

Record 2024 Production Year

“Stanmore concluded a strong 2024 with the saleable production from our three core operating assets exceeding the consolidated Guidance range, offsetting lower production from the decision to close Millennium earlier in the year. Led by record production from South Walker Creek and Poitrel, this remarkable result was consolidated in the fourth quarter notwithstanding significant wet weather headwinds throughout December and the planned 14-day CHPP shut-down at South Walker Creek for the tie-in of the expansion module. Overall, we ended the quarter with healthy levels of product and ROM stockpiles across the portfolio, which should also help de-risk and support 1Q 2025 sales performance.

Prime hard coking coal prices largely traded sideways through the quarter, with the ongoing thematic of high Chinese steel exports continuing to suppress seaborne demand. Queensland export volumes were stable in the December quarter despite the unfavourable weather conditions, which together with weakness in domestic China net-back pricing, contributed to a short period of pricing pressure late in December. This was mostly offset by returning demand from India at that time, primarily for prime mid vol coking coals, which will remain a key factor to market outlook in early 2025.”

Marcelo Matos, Chief Executive Officer & Executive Director

Highlights

- Full year saleable production of 13.8 million tonnes for 2024, exceeding the upper end of the Guidance range for the business, with all-time performance records more than offsetting Millennium’s closure and the wet weather headwinds that book-ended the year
- December quarter Run of Mine (ROM) coal mined of 4.1Mt, saleable production of 3.3Mt and total coal sales of 3.4Mt, consolidating full year sales tonnes records for Poitrel and South Walker Creek, and full year ROM production records at all three core operating assets, including the Isaac Plains Complex
- Stanmore’s existing Revolving Credit Facility was upsized to US\$150 million, with US\$50 million of Australian and global bank liquidity added to the previously announced facilities on equivalent terms and pricing
- Stanmore ended 2024 with consolidated cash of US\$289 million¹ and liquidity of over US\$500 million¹ providing strong financial support for the business to work through all phases of the commodity cycle going forward
- Agreement with Idemitsu Kosan Co.,Ltd and Terviva, Inc for a trial Pongamia plantation adjacent to South Walker Creek; as a feedstock for renewable fuels, Pongamia represents a step forward on our decarbonisation journey with first planting to occur in the first quarter of 2025

¹ Preliminary unaudited figures as at 31 December 2024

Consolidated Production & Sales Performance

		Quarter-Ended		Full Year	
		Dec-24	Sept-24	Dec-24	Dec-23
ROM Coal Mined	Mt	4.1	5.8	19.4	18.4
ROM Strip Ratio	Prime	11.5	8.5	8.9	7.6
Saleable Coal Produced	Mt	3.3	3.8	13.8	13.2
Sales of Produced Coal	Mt	3.4	3.9	14.1	12.8
Sales of Purchased Coal	Mt	0.0	0.0	0.1	0.3
Total Coal Sales	Mt	3.4	3.9	14.2	13.1

Safety

Stanmore's operations had no serious accidents for the quarter. The twelve-month rolling Serious Accident Frequency Rate (SAFR) reduced from 0.46 in the prior quarter to 0.30 as at 31 December 2024, lower than the latest reported industry average¹.

We remain committed to prioritising thorough investigations of incidents and injuries, proactively identifying potential hazards, and consistently evaluating and improving our site's procedures and risk management processes. As part of our proactive risk management strategy, we are working across our sites to improve safety by updating key hazard management plans and embedding our Leading Safety program. This involves checking and refining safety measures to ensure they are up-to-date, properly reviewed, and effectively used in the field.

Operational Highlights

South Walker Creek

		Quarter-Ended		Full Year	
		Dec-24	Sept-24	Dec-24	Dec-23
ROM Coal Mined	Mt	1.6	2.1	8.0	8.0
ROM Strip Ratio	Prime	14.1	11.6	9.8	8.3
Saleable Coal Produced	Mt	1.4	1.6	6.3	6.3
Total Coal Sales	Mt	1.4	1.7	6.4	6.1

South Walker Creek saleable production reduced modestly compared to the prior quarter, with expected impacts from the planned 14-day CHPP shutdown partially offset by otherwise strong productivities from the CHPP and healthy opening inventories. Dragline performance was a standout, with 8.1Mbcm of overburden moved in the quarter. Strip ratios were higher quarter on quarter as planned ROM coal mining volumes in December were below plan due to the site receiving 180mm of rain in the month and healthy available ROM coal stocks.

Coal sales of 1.4Mt were consistent with saleable production and ended the year 300Kt up on 2023 sales. The tie-in of the new CHPP module was completed in December in accordance with plan. Production rates will ramp up over 1Q 2025, with consistent nameplate rates of 1,200tph forecast from March 2025 (previously 1,050tph).

¹ 0.67, as at September 2024 by Resources Safety and Health Queensland for Surface Mines

Poitrel

		Quarter-Ended		Full Year	
		Dec-24	Sept-24	Dec-24	Dec-23
ROM Coal Mined	Mt	1.6	2.6	7.2	6.9
ROM Strip Ratio	Prime	8.9	6.2	8.1	6.7
Saleable Coal Produced	Mt	1.2	1.3	4.6	4.0
Total Coal Sales	Mt	1.3	1.3	4.9	4.0

Poitrel followed up an all-time ROM record in September, with another strong performance of 1.6Mt of ROM coal mined in the December quarter - bringing the total to 7.2Mt for the full year. Saleable coal production of 1.2Mt contributed to 4.6Mt for the full year, thereby achieving a record saleable production for the mine and flowing through to a record total coal sales of 4.9Mt. The uplift in sales volumes has been underpinned by optimised processing schedules and additional CHPP capacity following the Mavis Downs underground mine closure, which allowed for increased available wash time.

Isaac Plains Complex

		Quarter-Ended		Full Year	
		Dec-24	Sept-24	Dec-24	Dec-23
ROM Coal Mined	Mt	0.8	1.2	3.9	3.6
ROM Strip Ratio	Prime	11.7	8.1	9.2	7.9
Saleable Coal Produced	Mt	0.7	0.8	2.8	2.9
Total Coal Sales	Mt	0.7	0.8	2.7	3.1

Isaac Plains Complex had a challenging quarter with heavy weather conditions impacting operations in December. Despite also being set-back by wet weather in January, an overall increase in coal mined was recorded over the prior year, including record ROM production. This was supported by a continued focus on improving utilisation of the primary crushing unit ahead of the wash plant circuits, which has yielded positive results and improved plant productivity.

Strip ratios increased through the quarter as a result of mining sequencing in Pit 5 and a focus on overburden removal in the upper level of the pit as weather recovery operations focussed on lower coaling areas. ROM mining recommenced following successful completion of recovery initiatives.

A consistent focus from teams on mine plan direction, mitigation strategies for the wet season period and recovery efforts has provided a solid basis for achieving underpinning drivers for performance over the year and looking forward into 2025.

Development and Exploration Projects**South Walker Creek**

The MRA2C project has reached a significant milestone with all major earthworks and rehabilitation works complete enabling works to commence on the removal of plugs opening the new diversion. Finishing works are programmed to be completed in early 1Q 2025 and the project is expected to be completed more than US\$30 million under anticipated spend.

All Statutory approval criteria have been met to enable the commencement of clearing operations for the development of the new pits in January 2025.

The South Walker Creek expansion project was completed in the December quarter, with practical completion and handover occurring earlier than planned. Together with the previously expanded mining fleet, the upgraded CHPP will support an increase in overall mine capacity to 9.4Mtpa of ROM. Ramp up of the expanded CHPP has been successful to date, and while the plant continues to commission during 1Q 2025 in accordance with plan, throughput

rates above the name plate capacity of 1,200 tonnes per hour have been achieved in multiple instances without any negative impact on combustible recoveries.

Exploration

Work on the Lancewood Pre-Feasibility study concluded through the quarter with the study paused after the completion of this phase of work. This involved completion of the 3D seismic program and installation of an underground monitoring bore network, the latter of which will provide ongoing data to inform groundwater modelling for associated future permitting and approval requirements.

The 2024 exploration program at South Walker Creek was also successfully concluded during the quarter.

Activities at the Isaac Downs Extension Project (formerly Isaac South) ramped up during the period with a focus on time-critical and seasonally dependent environmental activities, such as flora and fauna surveys, soil mapping and groundwater monitoring. A drill rig was also on site in early December undertaking groundwater bore development activities on previously installed bores. The focus is to expediently pursue the environmental approvals and submit an EIS in early 2026.

A total of A\$5 million was expended on exploration activities during the quarter.

Logistics and planning in relation to the 2025 exploration program were significantly advanced throughout the quarter. Exploration rigs and crews are planned to mobilise to Isaac Downs Extension and Poitrel in January, subject to wet season weather.

Corporate & Guidance

Corporate

Stanmore concluded the year with a closing cash position of US\$289¹ million. When taking into account the outstanding term loan balance of US\$315 million¹, net debt² as at 31 December 2024 was US\$26 million¹. Key non-operational cash flows during the quarter included US\$24 million¹ of capital expenditure, primarily to support the tail-end of the major growth and improvement projects such as MRA2C and the South Walker Creek expansion project, and US\$35 million in scheduled half-yearly amortisation of the term loan.

Following the conclusion of the refinance exercise in September 2024, we are pleased to report a US\$50 million upsize to the Revolving Credit Facility was completed during the quarter. This positions total group liquidity at US\$509 million³, providing a robust balance sheet position following the satisfaction of numerous one-off liabilities and the execution of a sizeable capital program in 2024.

During the quarter, Stanmore, together with Idemitsu Kosan Co.,Ltd and Terviva, Inc, commenced a trial Pongamia plantation of 14,000 trees adjacent to our South Walker Creek mine. Pongamia is used as a feedstock for renewable fuels, which will be necessary in the future and is another milestone as we further evolve Stanmore's decarbonisation journey.

¹ Preliminary unaudited figures as at 31 December 2024

² Unaudited net cash (debt) is calculated as the outstanding principal balance of any balance sheet debt facilities and finance leases, excluding lease liabilities accounted for under IFRS-16, less consolidated unrestricted cash on hand.

³ Unaudited total liquidity includes available cash and US\$220 million of available debt capacity, comprised of the undrawn US\$150 million bank revolving credit facility and the US\$70 million GEAR working capital facility

Guidance

As previously highlighted, overall production results for 2024 were above the Guidance range, driven by numerous records across all operations.

Final positions including an update on cost per tonne and capital expenditure compared to Guidance will be provided as part of Stanmore’s annual report, due for release in late February 2025.

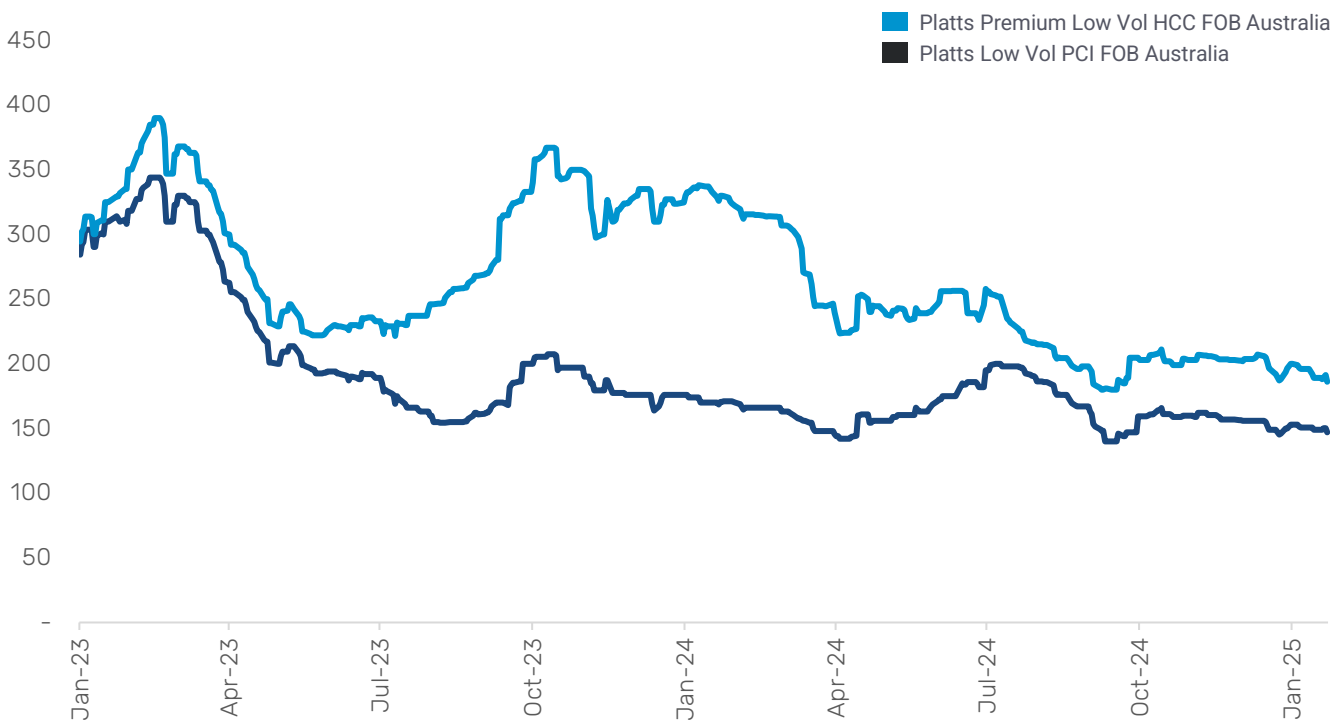
		2024 Actual	2024 Guidance
Saleable Production	Mt	13.8	12.8 – 13.6
South Walker Creek	Mt	6.3	5.9 – 6.1
Poitrel	Mt	4.6	4.1 – 4.4
Isaac Plains Complex	Mt	2.8	2.6 – 2.9
Millennium Complex		0.2	0.2

Metallurgical Coal Markets

The prime hard coking coal price opened the quarter at US\$205 and closed at US\$197, with the key underlying theme being weak Ex-China steel market conditions driven by continued high Chinese exports. Late in the quarter a deterioration in Chinese domestic metallurgical coal market conditions, and therefore a widening spread to China net-back pricing led to a decrease in seaborne pricing. However, this was closely followed by an announcement of metallurgical coke import quotas by the Indian government, providing relief to prices late in December and remaining a key driver of pricing dynamics in early 2025.

On the supply side, wet weather and storm events in Queensland have impacted production and exports in some regions, however overall exports have remained relatively steady. The net impact of supply side challenges from weather in Queensland as well as other global events relative to steel market conditions will drive the near-term outlook. There are emerging signs metallurgical coal pricing is impacting producers higher in the cost curve.

US\$ Price / Metric Tonne



Notes: S&P Global Commodity Insights Platts Premium Low Vol HCC FOB Australia and Low Vol PCI FOB Australia indices: 3 January 2023 to 24 January 2025

Summarised Production Statistics¹

		Quarter-Ended		Full Year	
		Dec-24	Sept-24	Dec-24	Dec-23
ROM Coal Mined	Mt	4.075	5.845	19.357	18.431
South Walker Creek	Mt	1.628	2.079	8.016	7.966
Poitrel	Mt	1.646	2.589	7.158	6.858
Isaac Plains Complex	Mt	0.802	1.176	3.941	3.607
Millennium ²	Mt	-	-	0.242	-
Strip Ratio	Prime	11.5	8.5	8.9	7.6
South Walker Creek	Prime	14.1	11.6	9.8	8.3
Poitrel	Prime	8.9	6.2	8.1	6.7
Isaac Plains Complex	Prime	11.7	8.1	9.2	7.9
Saleable Production	Mt	3.269	3.800	13.828	13.187
South Walker Creek	Mt	1.433	1.629	6.257	6.261
Poitrel	Mt	1.181	1.318	4.583	4.011
Isaac Plains Complex	Mt	0.655	0.823	2.765	2.915
Millennium ¹	Mt	-	0.030	0.224	-
Total Coal Sales		3.410	3.839	14.238	13.083
South Walker Creek	Mt	1.427	1.741	6.413	6.065
Poitrel	Mt	1.318	1.268	4.862	3.966
Isaac Plains Complex	Mt	0.664	0.787	2.714	3.052
Millennium ¹	Mt	-	0.043	0.249	-
<i>Sales – Coking Coals</i>	%	30%	31%	30%	29%
<i>Sales – PCI</i>	%	67%	64%	64%	65%
<i>Sales – Thermal Coals</i>	%	3%	5%	6%	6%
Product Coal Stockpile		0.413	0.535	0.413	0.725
South Walker Creek	Mt	0.132	0.138	0.132	0.363
Poitrel	Mt	0.087	0.200	0.087	0.314
Isaac Plains Complex	Mt	0.193	0.197	0.193	0.047
ROM Coal Stockpile		1.080	1.601	1.080	1.198
South Walker Creek	Mt	0.194	0.351	0.194	0.217
Poitrel	Mt	0.856	1.076	0.856	0.925
Isaac Plains Complex	Mt	0.030	0.173	0.030	0.056

¹ Rounding may impact totals when computed in this table

² Note that Millennium's results were not consolidated into the 2023 results as Stanmore only gained control of the asset on December 22, 2023. Millennium underground mining operations ceased June 30, 2024

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This announcement has been approved for release by the Board of Directors of Stanmore Resources Limited.

Further Information

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Our Brisbane corporate office is located on Turrbul and Jagera Country, on the banks of Meanjin, while our mining leases sit within Barada Barna, Jangga and Widi country.

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About Stanmore Resources Limited (ASX: SMR)

Stanmore Resources Limited controls and operates the South Walker Creek, Poitrel and Isaac Plains Complex metallurgical coal mines as well as the undeveloped Eagle Downs, Lancewood, Isaac Plains underground and Isaac Downs Extension projects, in Queensland's prime Bowen Basin region. Stanmore Resources holds several additional high-quality prospective coal tenements located in Queensland's Bowen and Surat basins. The Company is focused on the creation of shareholder value via the efficient operation of its mining assets and the identification of further development opportunities within the region.