

# COMPLETION OF WOTONGA SOUTH COKING COAL ACQUISITION

Stanmore Coal (ASX: SMR) is pleased to announce that it has completed the acquisition of MDL137<sup>1</sup> and EPC728<sup>2</sup> (Wotonga South) from Millennium Coal Pty Ltd (Peabody Australia).

Stanmore Coal will rename the development project as the “Isaac Downs Project” and will develop the coal resource area as a satellite pit for the Isaac Plains Complex (IPC) where the ROM coal will be processed and loaded on trains for transport to port and the metallurgical coal market.

Subject to approvals, Isaac Downs Project will provide Stanmore with the right to develop an open cut mining operation significantly extending the life of the Isaac Plains Complex. Full details of the acquisition were provided by Stanmore Coal in the ASX announcement dated 12 June 2018.

- The Isaac Downs Project has a Coal Resource of 22.8 million tonnes<sup>3</sup> within MDL137 (compliant with JORC 2012) 10 kilometres south of the existing coal handling and process plant (CHPP) at Isaac Plains.
- The deposit will support a mine life of 8-10 years and has the capability to produce semi-hard coking coal, a mid-vol PCI product, as well as a range of semi-soft/weak coking coals.
- The acquisition is being funded from cashflows of the company.

Stanmore has recent project approval experience with the successful permitting of the Isaac Plains East Project and will commence the approval process required for the Isaac Downs Project.

Subject to further studies, an opencut mine plan with 15 – 20 million ROM tonnes and strip ratio (bcm: ROM tonne) of circa 8:1 can be developed. This is a significant improvement on the life of mine and strip ratio of the Isaac Plains East deposit which commenced operations in July 2018. The addition of significant coal resources, lower strip ratio, and superior coal qualities makes Isaac Downs (Wotonga South deposit) a significant addition to the value and mine-life of the Isaac Plains Complex.

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<sup>1</sup> MDL – Mineral Development Lease

<sup>2</sup> EPC – Exploration Permit for Coal

<sup>3</sup> ASX announcement 12 June 2018 “Acquisition of Wotonga South Coking Coal Deposit”

Dan Clifford, Managing Director of Stanmore Coal stated “This asset matches our investment criteria for low cost, low capital, metallurgical coal feed to the existing infrastructure at Isaac Plains Complex. With the proven ability to acquire, develop, and operate, Stanmore Coal will build a production profile into our strategy to ensure the best outcome for earnings at a complex/company level to suit the 3.5 million tonne ROM capacity of the infrastructure.”

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Yours faithfully

**Ian Poole**  
Company Secretary

**FOR FURTHER INFORMATION, PLEASE CONTACT:**

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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 Project (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 Project and identification of further development opportunities (such as the Isaac Plains Underground Mine and the Isaac Downs 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.

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Figure 1: Isaac Plains with the two Stanmore Coal projects located to the south - Isaac Downs and Isaac South

