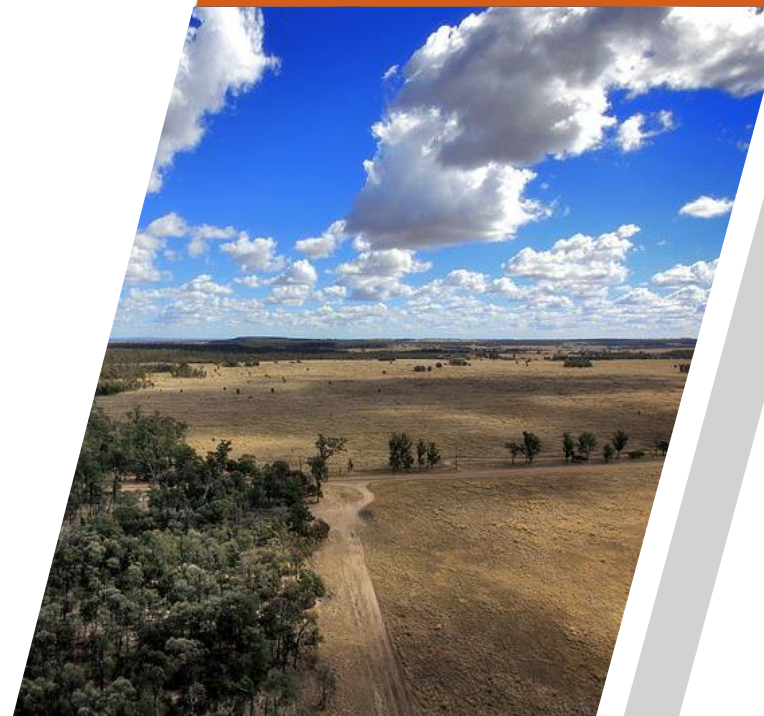


stanmorecoal

25 OCTOBER 2017
ANNUAL GENERAL
MEETING



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STANMORE COAL OVERVIEW

THE RIGHT PATH TO VALUE



INDEPENDENT COAL COMPANY

Positioned in right commodity in the right time of the cycle.



ISAAC PLAINS OPERATIONAL WITH DEMONSTRATED PERFORMANCE

Validation that the resource, equipment and plan is right



ISAAC PLAINS COMPLEX REPRESENTS THE COMPANY'S PLATFORM ASSET

Q1/Q2 cost structures targeted with the right CHPP feed volumes from capital 'light' open cut and underground expansions

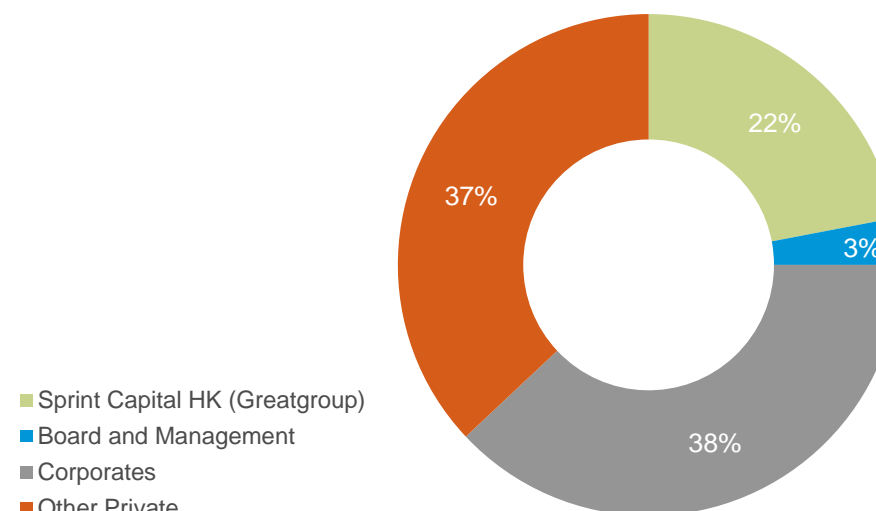


MULTIPLE ACQUISITION TARGETS AND INTERNAL PROJECTS ON WHICH STANMORE CAN CAPITALISE

Replicate the 'hub' approach focusing on reliability and creating value where others can't or won't.

ASX code SMR	Share price A\$0.55 ¹
Shares 251,800,978	Market cap \$138.5m ¹

SHARE OWNERSHIP



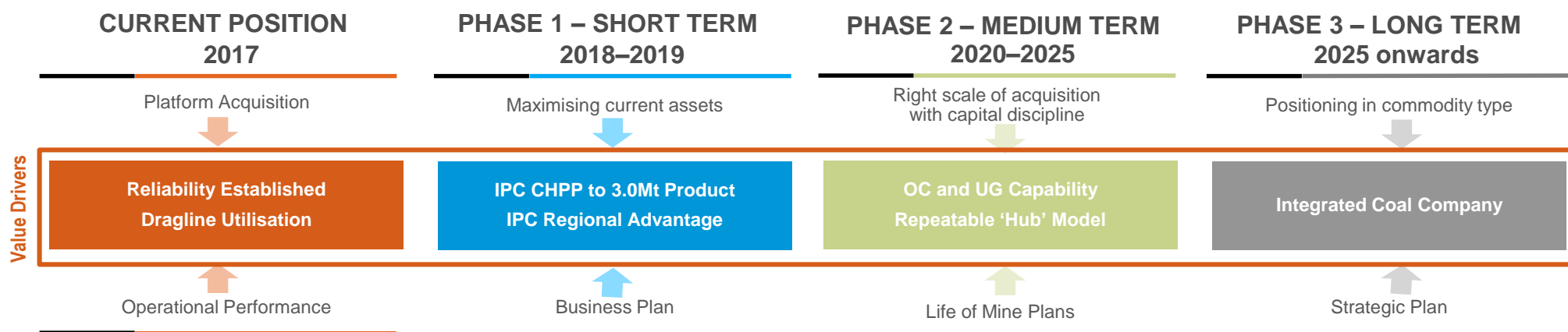
STRATEGY FOR THE YEAR IN REVIEW

A CLEAR STRATEGY FOCUSING ON VALUE GENERATION

OUR STRATEGY OBJECTIVES FOR FY17 AND FORWARD WERE:

Time horizon	Internal		External	
Short	Establish reliability and repeatability from Isaac Plains	ON TRACK	Assess potential assets in proximity to Isaac Plains complex	ON TRACK
Medium	Develop Isaac Plains East and complete assessment of Isaac Plains underground. Rationalise current portfolio	UNDERWAY	Pursue realistically attainable assets with premium coal quality	UNDERWAY
Long	Develop portfolio assets	NOT STARTED	Assess product mix strategy	NOT STARTED

THIS STRATEGY HAS MATURED AS THE BUSINESS HAS TO:



OUTCOMES FOR THE YEAR IN REVIEW

A SOLID PLATFORM ESTABLISHED FOR THE COMPANY TO DELIVER THE STRATEGY

COMPLETING OUR FIRST FULL YEAR OF COAL PRODUCTION AS A COMPANY



- ❑ By year end, cash generative, 'capital light' and fully funded
- ❑ A forward strategy that focuses on value
- ❑ Established operating platform for future growth

VALIDATING OUR INVESTMENT PLAN

with business goals achieved through improved efficiencies, control and operational performance



- ❑ Reliability and repeatability in production and costs established
- ❑ Isaac Plains successfully utilised to provide a platform in which to develop Isaac Plains East
- ❑ Proved to be in the right commodity at the right time

COMMENDABLE TEAMWORK

by Stanmore personnel, our contract partners and stakeholders to achieve our production and cost guidance targets for the year



- ❑ Revised mining schedule planned and implemented to put certainty production outcomes
- ❑ Isaac Plains East approvals progressing
- ❑ Vertical line of sight, functional expertise and balanced planning established

RAISING AND INVESTING \$15M

Into pre-strip and other operational activities to increase efficiencies



- ❑ Fully deployed by June 17
- ❑ Clear flow through to productivity improvements with QoQ improvement in physicals
- ❑ Recent flow through to Share price recognised

SUCCESSFULLY MINIMISING THE IMPACT OF TROPICAL CYCLONE DEBBIE ON PRODUCTION



- ❑ Operational within a week following the cyclone
- ❑ Stress tested flood levies and management systems
- ❑ Negotiated early recovery in sales and terms to minimise the impact of the rail outage

OPERATIONS RECORDING AN UNDERLYING PROFIT FOR THE YEAR including a record Q4



- ❑ Production of 1.204mt with similar volume projected for FY18
- ❑ FOB Costs in line at AUD\$110 / t and reducing during FY18
- ❑ Underlying EBITDA of \$23.6m after strong second half and guidance of \$23-26m for the 1st half of FY18

STANMORE'S PERFORMANCE PILLARS

UNDERLYING TACTICAL PLANNING SUPPORTING STEPS TO STRATEGIC OUTCOMES
IMPLEMENTED THROUGHOUT AND REPRESENTS THE AGENDA FOR OUR BUSINESS

Results / Shareholder Returns

HSEC

PEOPLE

ASSETS

GROWTH

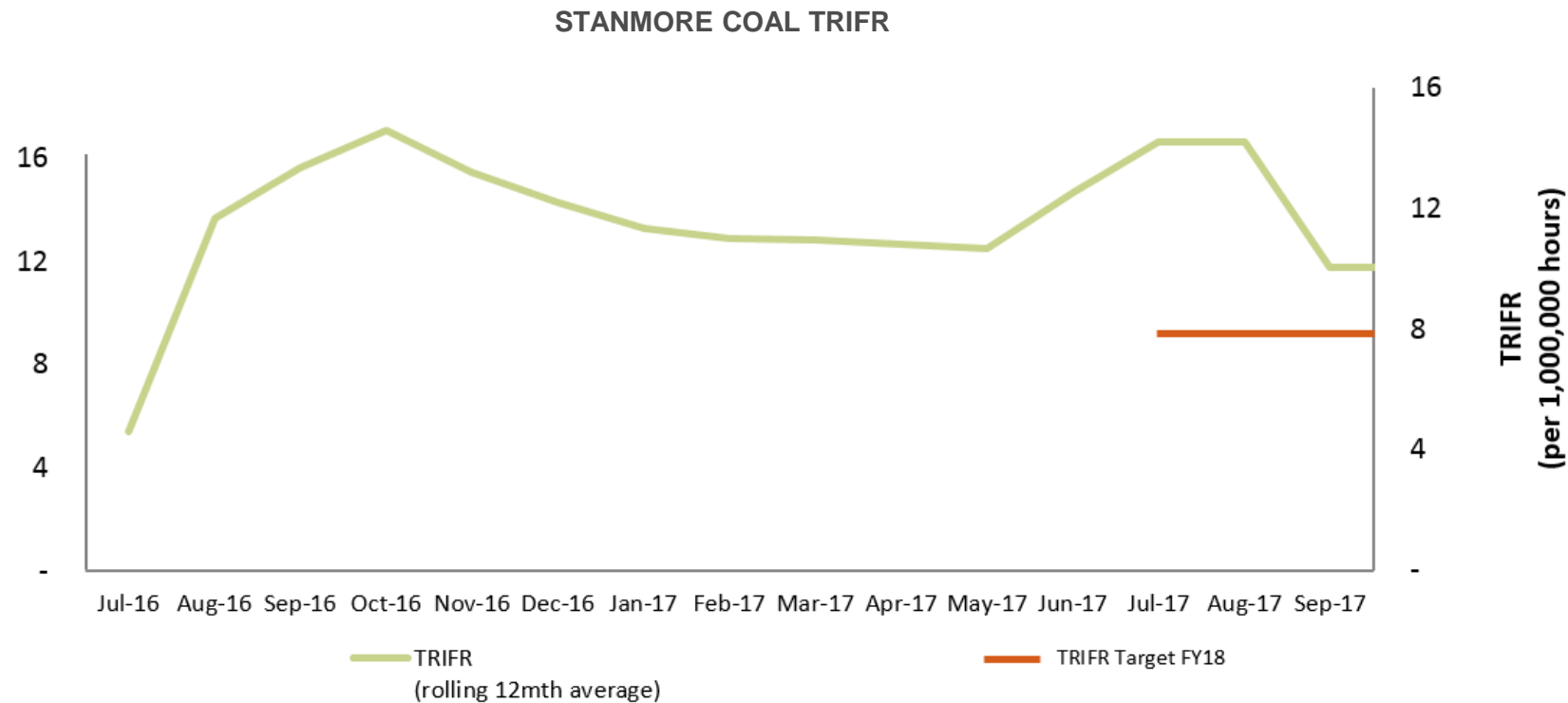
FINANCIAL

Vision / Systems / Values

- | | | | | |
|---|---|---|--|--|
| <ul style="list-style-type: none">• Fatal Risk management• Personal safety• Environmental compliance• Rehabilitation | <ul style="list-style-type: none">• Team and culture• Operational readiness• Productivity per person• Governance support | <ul style="list-style-type: none">• Step targets for 3.5mt ROM feed to CHPP• Equipment productivity and planning• Asset management• Enterprise risk management | <ul style="list-style-type: none">• Hub identification• Organic growth• Investor relations | <ul style="list-style-type: none">• Detailed performance driven budgets• Enterprise Value• Planned financial structure• Shareholder returns |
|---|---|---|--|--|

HEALTH AND SAFETY

HEALTH AND SAFETY IS AN UNDERLYING CORE VALUE IN THE BUSINESS



For the financial year

- Deterioration from the commencement of the year was disappointing
- The FY17 result for TRIFR was 12.46 (QLD industry average = 14.4)
- Implementation of High Risk Incident Reporting and direct Executive intervention
- Performance improvement plan developed by both Golding and Stanmore

ENVIRONMENT & COMMUNITY

WE TAKE OUR COMMITMENT TO THE ENVIRONMENT SERIOUSLY
AND BELIEVE WE SHOULD EARN THE RIGHT TO OPERATE WITHIN THE
LOCAL COMMUNITIES IN WHICH WE ARE LOCATED

- Stanmore fast-tracked rehabilitation in the first year of ownership, undertaking 82ha of rehabilitation in FY2017
- FY2018 rehabilitation of >80Ha has progressed well in the year-to-date.
- The rehabilitated spoil forms a barrier which acts as a noise, light and dust buffer between the open cut mining operations and the residents to the west of the project
- Stanmore monitors impacts on air quality and noise and operates to keep within strict operating parameters. We ensure we manage mine affected water effectively by maximising opportunities for consumption on site and by providing for control through storage and pumping installations.
- Stanmore supports local community groups with both direct grants and supply of supporting resources and personnel



ADDITIONS TO THE LEADERSHIP TEAM

PROVIDING DIRECT AND 'FELT' LEADERSHIP TO THE ORGANISATION



IAN POOLE
CHIEF FINANCIAL OFFICER

- Almost 30 years' experience in financial and commercial roles in the resources industry in Australia and the United States
- Previously CFO of ASX-listed minerals processing and infrastructure company, Sedgman Limited
- Formally with Rio Tinto Coal Australia Pty Ltd and Pasminco Resources.



BERNIE O'NEILL
GENERAL MANAGER
OPERATIONS

- More than 30 years' experience in the coal sector in New South Wales and Queensland.
- Previously General Manager of Newlands/Collinsville Coal for Glencore Coal Australia, responsible for open-cut and underground operations across the Newlands and Collinsville complex in the northern Bowen Basin.
- As Group Manager, Business Development for Glencore Coal Australia Mr O'Neill was responsible for feasibility studies and financial evaluation of new projects and brownfield expansions.



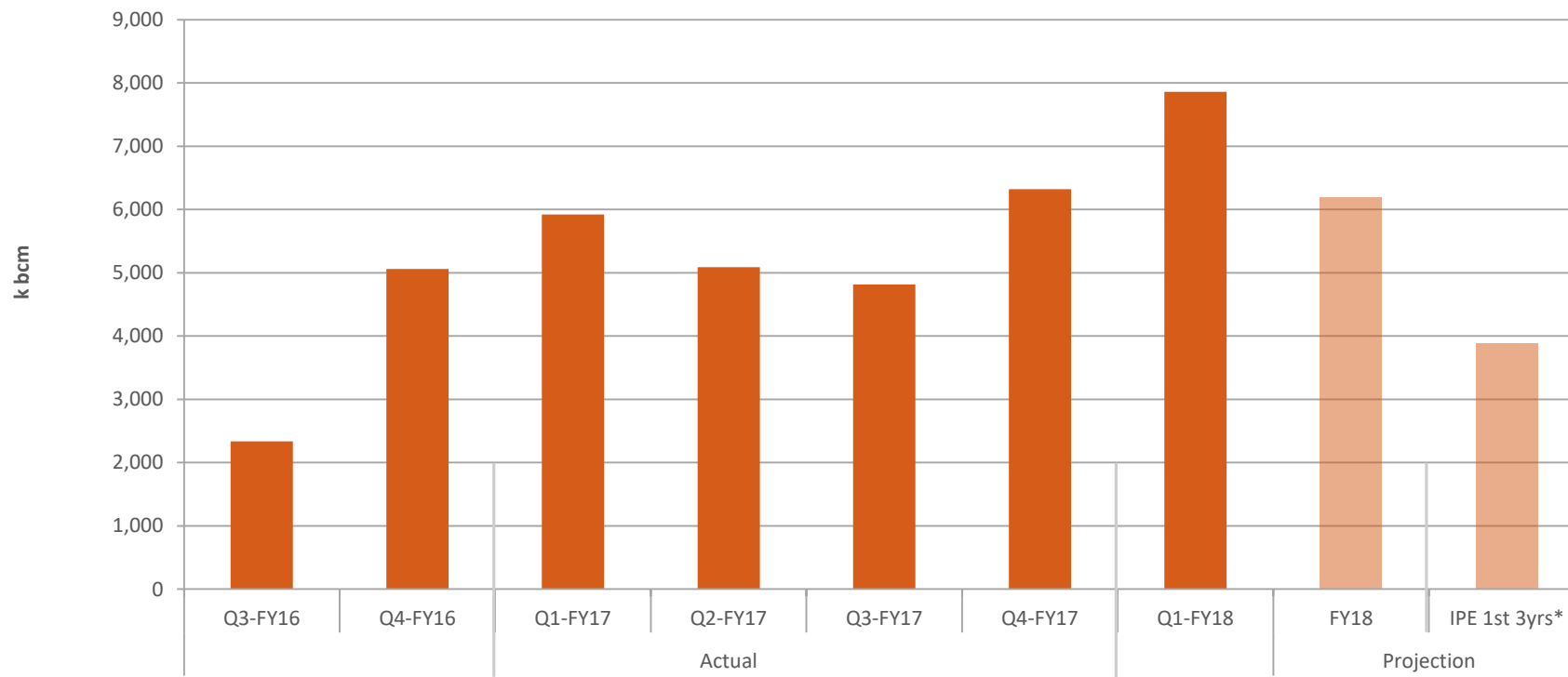
JON ROMCKE
GENERAL MANAGER
DEVELOPMENT

- Previously Head of Iron Ore Assets with Glencore International. Jon also worked Xstrata Iron Ore in Switzerland and Xstrata Coal in Queensland.
- Identification, targeting and the development of new business opportunities is underpinned by his technical, financial and commercial skills.
- Provides the step change required to successfully develop our business and provide our shareholders with great sustainable and cost effective returns.

OPERATIONAL PERFORMANCE

OVERBURDEN IS THE KEY VALUE DRIVER FOR THE FY17 POSITION OF THE BUSINESS
AND FORMED THE 'ENABLER' FOR THE FINANCIAL YEAR PERFORMANCE

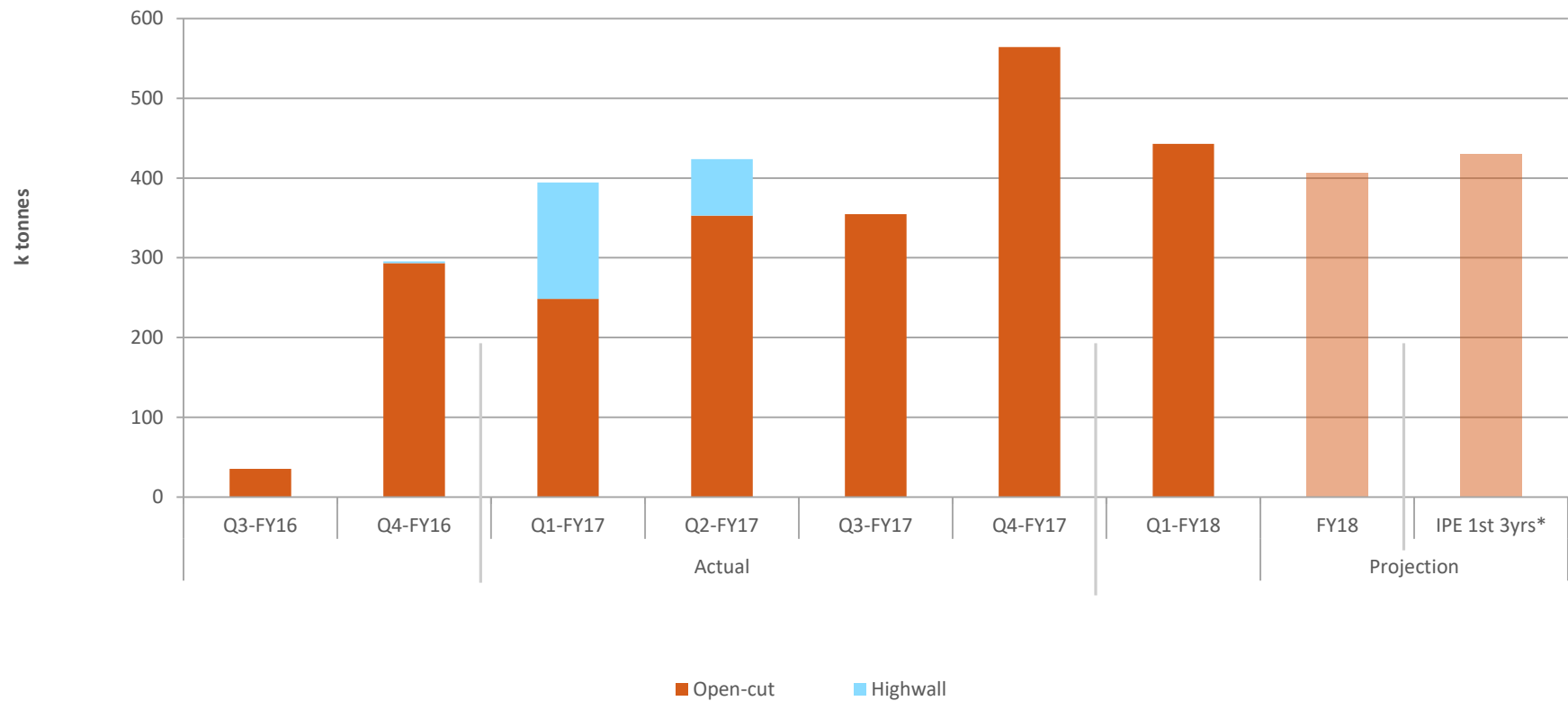
PRIME WASTE OVERBURDEN (BCM)



OPERATIONAL PERFORMANCE

COAL MINING BENEFITED FROM IMPROVED DRAGLINE UTILIZATION AND THE OPEN-CUT SUCCESSFULLY TOOK UP THE VOLUMES GENERATED FROM HIGHWALL MINING

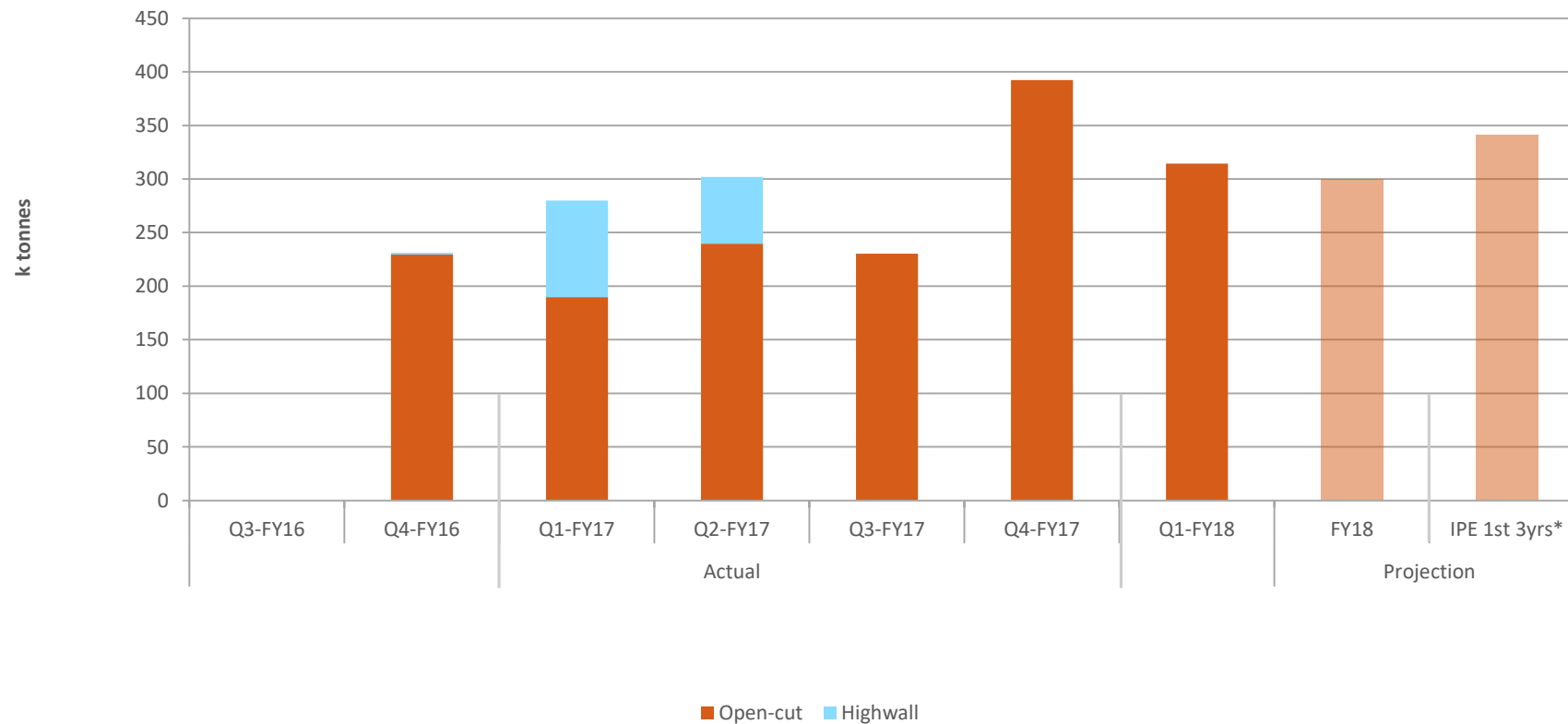
ROM COAL MINED



OPERATIONAL PERFORMANCE

THE COAL HANDLING AND PREPARATION PLANT PERFORMED WELL BEING SUPPORTED WITH IMPROVED STOCKS. A Q4 RECORD SETS A CLEAR BASIS FOR GROWTH INTO ISAAC PLAINS EAST

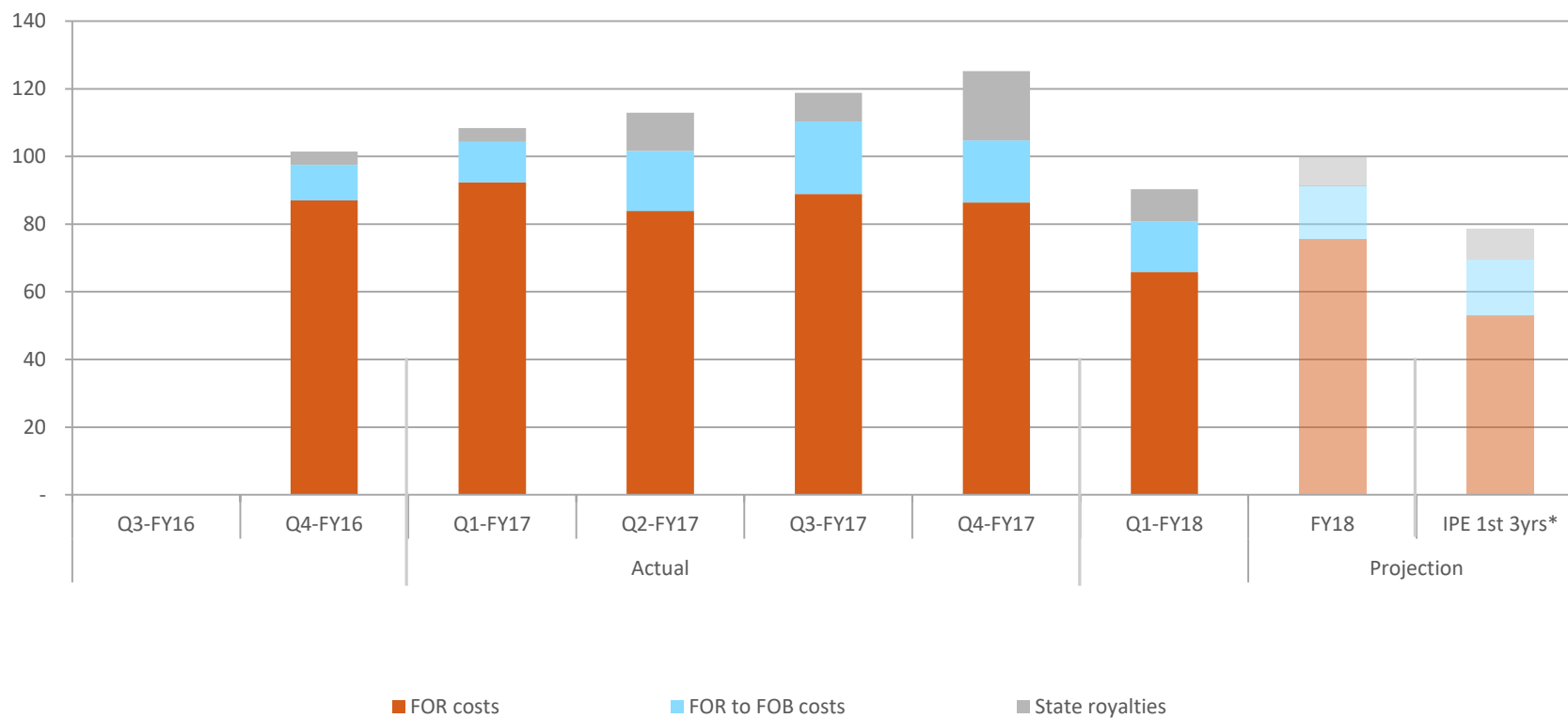
PRODUCT TONNES PRODUCED



OPERATIONAL PERFORMANCE

REPEATABILITY AND RELIABILITY HAS RESULTED IN STABILITY IN CONTROLLABLE COSTS AND PROVIDES 'LINE OF SIGHT' TO LOWERS COSTS IN THE FUTURE

FOB (A\$ PER TONNE)



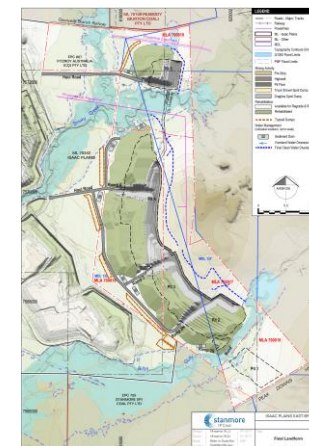
GROWTH PROJECTS

PROGRESS HAS SIGNIFICANTLY DE-RISKED THE PLANS FOR LIFE EXTENSION AND GROWTH OPPORTUNITIES AND INTEGRATION FOR ISAAC PLAINS EAST INTO OPERATIONS IMMINENT

ISAAC PLAINS EAST



- Environmental Authority amendment and Mining Lease Applications submitted
- Landowner agreements negotiated and finalised
- Public notification completed successfully
- Significant 'value engineering' applied to demonstrate 'capital light' approach
- Bankable Feasibility drawing to completion
- First production from Isaac Plains East targeted for early Q1 FY19 with risks from state election and Christmas holidays

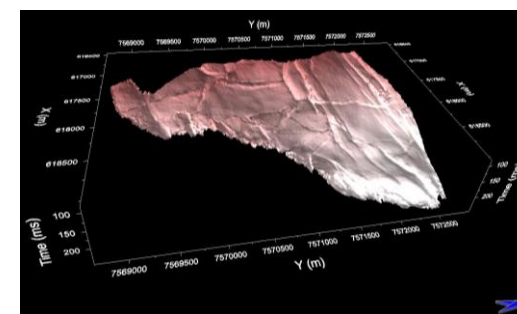


ISAAC PLAINS UNDERGROUND



Photo courtesy of Komatsu Mining Corp.

- JOGMEC funding secured
- Preliminary designs, schedules and financials developed
- 3-D seismic program completed and analysis underway
- Supporting technical studies commissioned
- Investment decision to proceed to Bankable Feasibility Study by Q2 FY18



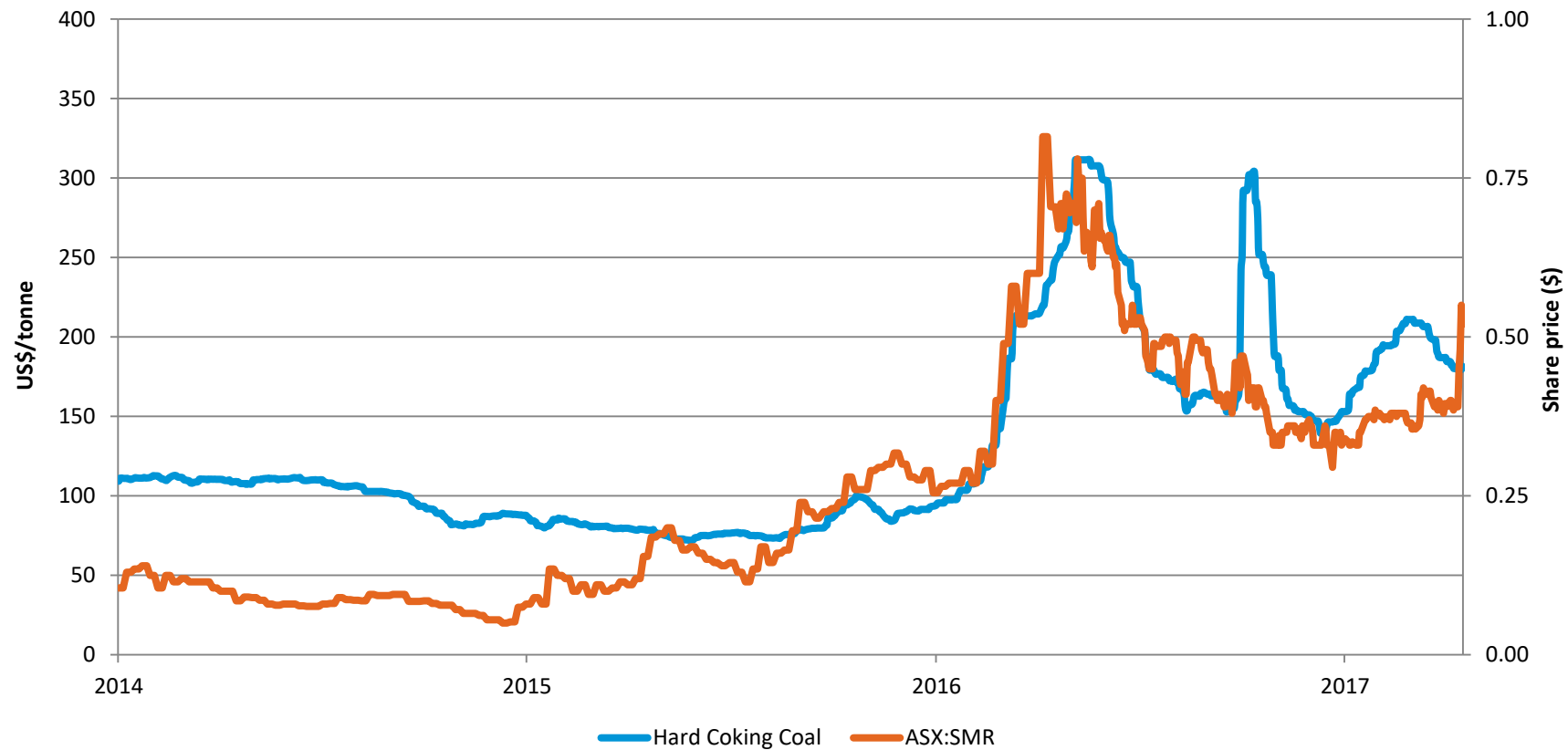
FY2017 FULL YEAR RESULTS SUMMARY

PROFIT FROM OUR FIRST FULL YEAR OF OPERATIONS AND A STRENGTHENING BALANCE SHEET

	2017				
	FY2016	H1	H2	FY2017	Comments
Key financial measures					
Underlying EBITDA	(22.6)	(7.0)	30.6	23.6	Strong second half supported by carry over pricing and a strong physical performance.
Net profit /(loss) after tax	(19.7)	0.2	11.9	12.0	FY2017 represents first full year of operations at the Isaac Plains Coal Mine
Cash generated from operations	(33.6)	(23.8)	6.0	(17.8)	Variance between cash flow from operations to underlying EBITDA in 2017 due significant investment in working capital to improve operating efficiencies (pre-strip and coal inventories) and financing costs
Net cash / (debt)	12.1	10.4	11.9	11.9	Net cash buffer maintained
Net assets	39.1	54.2	66.8	66.8	Strengthening balance sheet
Reconciliation of Underlying EBITDA					
Profit/(loss) before income tax & net finance expenses	(17.0)	(11.5)	27.3	15.7	
Depreciation and amortisation	1.3	1.0	2.3	3.3	
Movement in Range valuation	13.9	(13.9)	5.4	(8.5)	
Exploration & evaluation costs written off	-	0.9	-	0.9	
Movement in fair value of contingent consideration	(0.4)	16.6	(5.3)	11.3	
Onerous contract movement	(11.4)	0.8	(1.3)	(0.5)	
Rehabilitation provision write-back	(9.1)	(0.9)	2.3	1.4	
Underlying EBITDA	(22.6)	(7.0)	30.6	23.6	

SHARE PRICE PERFORMANCE

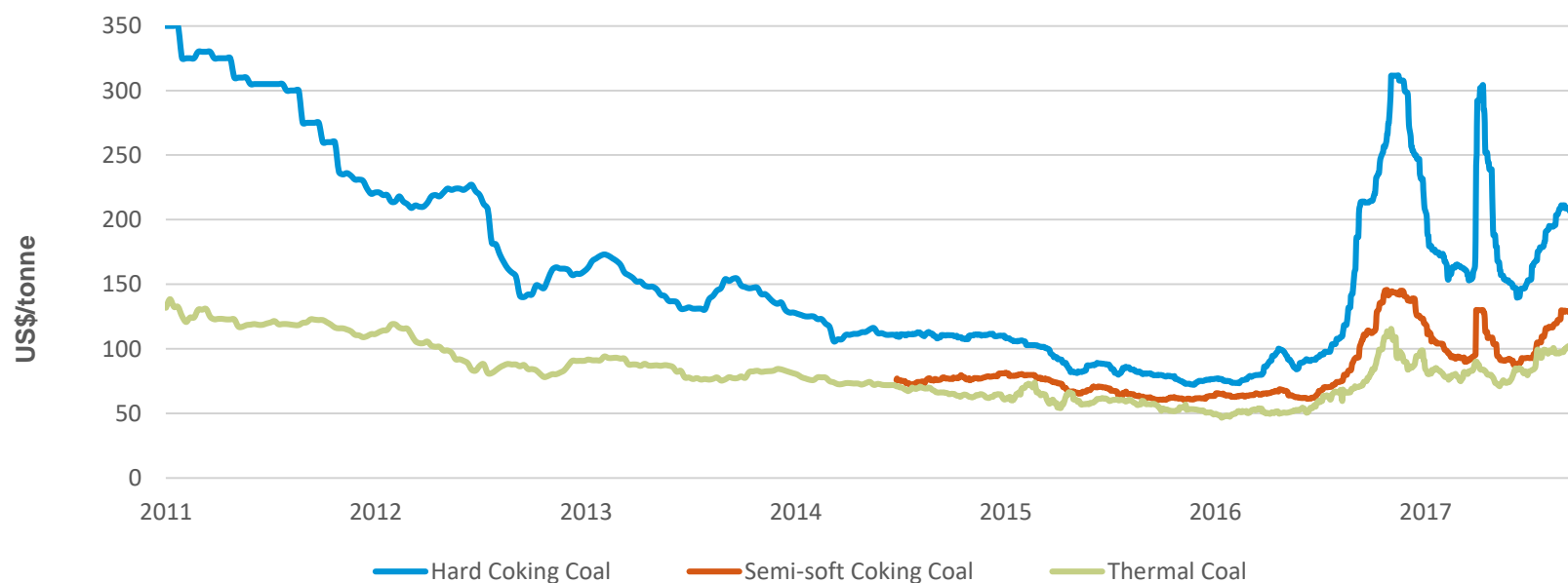
DIVERSE FACTORS HAVE INFLUENCED THE SHARE PRICE AND THE COMPANY IS CONTINUING WITH DRIVING THE CONTROLLABLE FACTORS



COAL PRICE OUTLOOK

PRICE VOLATILITY REINFORCES STANMORE'S APPROACH TO THE LOWEST POSSIBLE COST PER TONNE STRATEGY, ALTHOUGH THE POTENTIAL FOR SHORT TERM BUOYANCY CREATES OPPORTUNITY

HISTORICAL SPOT COAL PRICE (USD)*

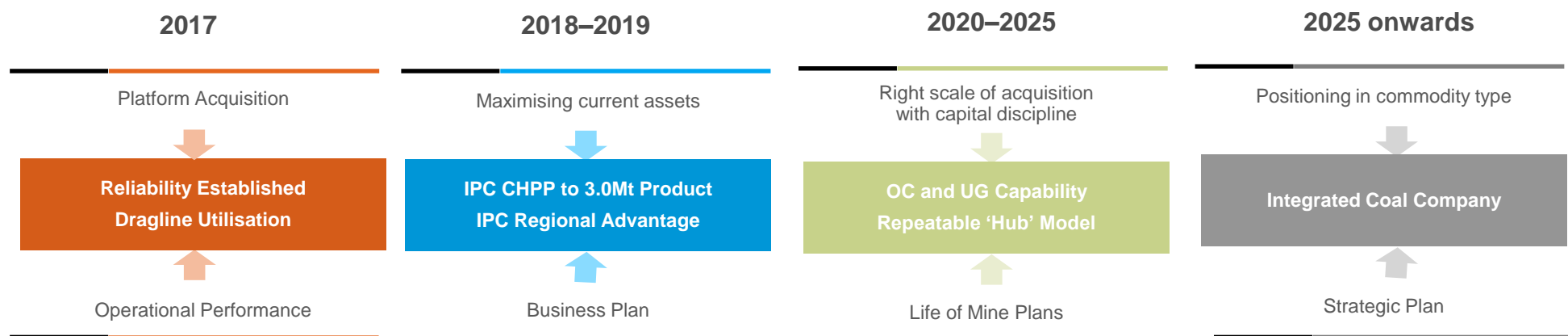


- FY17 prices proved volatile generally as a result of supply interruptions across Australia and Chinese domestic production policy
- There are positive signs in the short term for higher pricing allowing agile producers to capitalise on the price environment
- Stanmore's medium to long term view is that coking coal demand will remain with prices supporting re-investment into supply

*Source: Platts Coal Trader International

LOOKING FORWARD

CREATING CERTAINTY



Company Expectations



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PROXY RESULTS



Resolution 1: Re-election of Mr Chris McAuliffe as a Non-Executive Director

“That Mr Chris McAuliffe, who retires in accordance with rules 38.1 and 38.6 of the Constitution and, being eligible, offers himself for re-election, be re-elected as a Non-Executive Director.”

Total	For	Against	Open-Usable
153,167,043	150,983,276	1,397,475	786,292
100.00%	98.58%	0.91%	0.51%

Resolution 2: Re-election of Mr Patrick O'Connor as a Non-Executive Director

“That Mr Patrick O'Connor, who retires in accordance with rules 38.1 and 38.6 of the Constitution and, being eligible, offers himself for re-election, be re-elected as a Non-Executive Director”.

Total	For	Against	Open-Usable
153,167,043	119,450,274	32,930,477	786,292
100.00%	77.99%	21.50%	0.51%

Resolution 3: Election of Mr Stewart Butel as a Non-Executive Director

"That Mr Stewart Butel, who retires as a casual director in accordance with rule 38.1 of the Constitution and, being eligible, offers himself for election, be elected as a Non-Executive Director."

Total	For	Against	Open-Usable
153,167,043	152,080,751	300,000	786,292
100.00%	99.29%	0.20%	0.51%

Resolution 4: Election of Mr Neal O'Connor as a Non-Executive Director

”That Mr Neal O’Connor, who retires as a casual director in accordance with rule 38.1 of the Constitution and, being eligible, offers himself for election, be elected as a Non-Executive Director.”

Total	For	Against	Open-Usable
153,167,043	152,079,453	301,298	786,292
100.00%	99.29%	0.20%	0.51%

Resolution 5: Adoption of Remuneration Report

” That the Remuneration Report for the year ended 30 June 2017 (as set out in the Directors’ Report) be adopted”

Total	For	Against	Open-Usable
121,013,694	119,719,161	511,741	782,792
100.00%	98.93%	0.42%	0.65%

The vote on Resolution 3 is advisory only and does not bind the Directors of the Company.

Resolution 6: Further Approval of Grant of FY17 Rights to Mr Dan Clifford, Managing Director

“That, for the purposes of Listing Rule 10.14 and for all other purposes, the issue of 531,497 Rights under the SCLRP to the Managing Director, Mr Dan Clifford (which relate to FY17 and were approved by Shareholders at last year’s Annual General Meeting but, due to an administrative oversight, were not issued), on the terms and conditions described in the Explanatory Memorandum, be approved.”

Total	For	Against	Open-Usable
121,013,694	119,719,851	512,051	781,792
100.00%	98.93%	0.42%	0.65%

Resolution 7: Grant of FY18 Rights to Mr Dan Clifford, Managing Director

"That, for the purposes of Listing Rule 10.14 and for all other purposes, the issue of 1,105,020 Rights under the SCLRP to the Managing Director, Mr Dan Clifford (which relate to FY18) on the terms and conditions described in the Explanatory Memorandum, be approved".

Total	For	Against	Open-Usable
121,013,694	119,437,863	794,039	781,792
100.00%	98.70%	0.66%	0.64%

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THANK YOU

