



22 June 2022

## NEW QUEENSLAND COAL ROYALTY REGIME

The Queensland Government yesterday announced changes to the coal royalty regime as part of its 2022-23 budget, making the royalties paid by coal producers in Queensland the highest in the world. Three new progressive royalty tiers have been introduced in addition to the current structure, so the regime is as follows:

- As per the existing regime for prices below \$175 per tonne
- 20% for prices above \$175 per tonne
- 30% for prices above \$225 per tonne
- 40% for prices above \$300 per tonne

This is a significant change to the royalty regime and is in addition to a new payroll tax levy for large businesses. Stanmore is analysing the impact of these additional taxes on the business and will provide an update in due course.

CEO Marcelo Matos said:

*“Stanmore is very disappointed with these extraordinary tax increases given its commitments to the Isaac Downs Project and re-opening of the Millennium and Mavis mines, as well as the very recent and significant US\$1.2 billion investment in the Queensland coal sector with the acquisition of our 80% in BMC. Royalty rates in Queensland were already among the highest in the world prior to these increases and come at a time when the Queensland coal industry was just recovering from the losses experienced during the market downturn in 2020 and 2021. The increases to the royalty rates without formal notice or consultation with the industry are unprecedented. The impact of these increases will be felt the most by workers and suppliers in regional Queensland communities that underpin the resources sector and make it Queensland’s largest export industry.”*

### Approval

This announcement has been approved for release by the Company Secretary of Stanmore.

### Further information

#### Investors

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#### Media

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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 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 Resources 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.