Results for Announcement to Market

Appendix 4D – Period ended 30 June 2024

This document relates to Stanmore Resource Limited's (**Company**) results for the 6 months ended 30 June 2024.

Reporting period 6 months ended 30 June 2024

Previous reporting period 6 months ended 30 June 2023

	6 months to 30 June 2024	6 months to 30 June 2023	Change
	US$m	US$m	%
Revenue from ordinary activities	1,226.0	1,493.4	-18%
Profit/(loss) after tax from ordinary activities attributable to members	136.3	340.3	-60%
Net Profit/(loss) attributable to members	136.3	340.3	-60%

Dividends paid and proposed

Paid during the period

A fully franked 2023 final dividend of US 8.4 cents per share was declared on February 26, 2024 and paid on March 18, 2024.

Declared after the period

A fully franked 2024 interim dividend of US 4.4 cents per share was declared on August 26, 2024 and will be paid on September 18, 2024.

Explanation of key information and commentary on the results for the period

The reduction in profit for the financial period ended 30 June 2024 is primarily related to a decline in the sales price received for product during the financial period. Detailed commentary on the consolidated results and outlook are set out in the Operating and Financial Review section of the Directors' Report.

Rounding of amounts to the nearest thousand dollars

The company satisfies the requirements of the Australian Securities and Investments Commission (ASIC) Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 issued by the ASIC relating to "rounding off" of amounts in the financial statements to the nearest hundred thousand dollars. Amounts have been rounded off in the financial statements in accordance with that ASIC Instrument.

Net tangible assets per security

	30 June 2024	30 June 2023	Change
	$	$	%
Net tangible asset[1] per security	2.013	1.857	8%

[1] Net tangible assets include right of use assets with a carrying value of US$448.4 million as at 30 June 2024 (30 June 2023: US$310.9 million).

Details of entities over which control has been gained or lost during the year

No Change

Details of farm in arrangements

Name of Entity	30 June 2024	30 June 2023	Change
	%	%	%
Clifford Joint Venture – EPC 1274 and EPC 1276	60%	60%	-
Lilyvale Joint Venture Agreement – EPC 1687 and EPC 2157	85%	85%	-
Mackenzie Joint Venture Agreement – EPC 2081	95%	95%	-

Compliance statement

The Consolidated Financial Statements upon which this Appendix 4D is based have been reviewed Ernst & Young, the Company's auditors.

Stanmore Resources Limited

ABN 27 131 920 968

Interim financial report
June 2024

Stanmore Resources Limited
ABN 27 131 920 968
Interim financial report - 30 June 2024

The interim condensed consolidated financial statements are the consolidated financial statements of the consolidated entity consisting of Stanmore Resources Limited and its subsidiaries. The financial statements are presented in United States Dollars.

Stanmore Resources Limited is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Stanmore Resources Limited
Level 32
12 Creek Street
Brisbane QLD 4000

A description of the nature of the consolidated entity's operations and its principal activities is included in the Directors' report on page 2, which is not part of these financial statements.

The financial statements were authorised for issue by the Directors on 26 August 2024. The Directors have the power to amend and reissue the financial statements.

Through the use of the internet, we have ensured that our corporate reporting is timely and complete. All press releases, financial reports and other information are available at our Shareholders' Centre on our website: www.stanmore.au

Stanmore Resources Limited
Corporate directory

Directors	Mr Dwi Suseno Non-Executive Director and Chair
	Mr Marcelo Matos Chief Executive Officer and Executive Director
	Mr Jimmy Lim Non-Executive Director
	Mr Richard Majlinder Non-Executive Director
	Mr Brett Garland Non-Executive Director
	Mr Matthew Latimore Non-Executive Director
	Ms Caroline Chan Non-Executive Director
	Ms Keira Brennan (appointed 12 April 2024) Non-Executive Director
	Mr Murray Smith Alternate Director for Matthew Latimore
Secretary	Mr Rees Fleming
Corporate directory	Level 32 12 Creek Street Brisbane QLD 4000 Australia +61 7 3238 1000
Share and debenture register	Link Market Services Level 21 10 Eagle Street Brisbane QLD 4000 1300 554 474
Auditor	Ernst & Young Level 51 111 Eagle Street Brisbane QLD 4000 +61 7 3011 3333
Stock exchange listings	Australian Securities Exchange ASX Code: SMR
Website	www.stanmore.au

Directors' report

Your Directors present their report on the group consisting of Stanmore Resources Limited and the entities it controlled during the half-year ended 30 June 2024.

DIRECTORS

The following persons held office as Directors of Stanmore Resources Limited during the financial period and up to the date of this report:

Mr Dwi Suseno, Non-Executive Director and Chair
Mr Marcelo Matos, Chief Executive Officer and Executive Director
Mr Jimmy Lim, Non-Executive Director
Mr Richard Majlinder, Non-Executive Director
Mr Brett Garland, Non-Executive Director
Mr Matthew Latimore, Non-Executive Director
Ms Caroline Chan, Non-Executive Director
Ms Keira Brennan, Non-Executive Director (appointed 12 April 2024)
Mr Murray Smith, Alternate Director for Matthew Latimore

The following person was the Company secretary of the Company during the financial year and up to the date of this report:

Mr Rees Fleming

PRINCIPAL ACTIVITIES

During the period the principal continuing activities of the Group consisted of the exploration, development, production and sale of metallurgical coal in Queensland, Australia.

OPERATING AND FINANCIAL REVIEW

Highlights of the Group’s operations and results for the six-month period to 30 June 2024 are described below:

- Cash inflows from operations of $207.5m (30 June 2023: US$395.2m)
- Net profit after tax of $136.3m (30 June 2023: $340.3m profit)
- Underlying EBITDA (a non-IFRS measure) of $374.9m (30 June 2023: $649.7m)
- Cash and cash equivalents of $403.7m as at 30 June 2024 (31 December 2023: $446.3m),
- Run of mine coal produced (ROM) of 9.4Mt (30 June 2023: 9.1Mt)
- Saleable coal produced of 6.8Mt (30 June 2023: 6.4Mt)
- Sale of the Wards' Well southern tenement resulting in a gain on sale of $96.0m

OPERATING AND FINANCIAL REVIEW (CONTINUED)

(a) Financial Performance

	Half-year 30 June 2024 $M	30 June 2023 $M
Revenue from contracts with customers	**1,226.0**	1,493.4
Other income and expenses	**(1,002.0)**	(974.4)
Profit before income tax and net finance costs	**224.0**	519.0
Finance income	**13.6**	10.3
Finance costs	**(48.1)**	(49.4)
Net finance costs	**(34.5)**	(39.1)
Profit before income tax expense	**189.5**	479.9
Income tax expense	**(53.2)**	(139.6)
Profit after income tax expense	**136.3**	340.3

(b) Underlying EBITDA result (non-IFRS measure)

Underlying EBITDA (non-IFRS measure) reflects statutory EBITDA (non-IFRS measure) as adjusted to reflect the Directors' assessment of the result for the ongoing business activities of the Consolidated Entity. The items adjusted are determined to be not in the ordinary course of business and non-regular. The presentation of non-IFRS financial information provides stakeholders the ability to compare against prior periods in a consistent manner.

	Half-year 30 June 2024 $M	30 June 2023 $M
Net Profit after tax	**136.3**	340.3
Add back:		
Depreciation and amortisation expense	**182.6**	130.7
Income tax expense	**53.2**	139.6
Finance costs - net	**34.5**	39.1
Earnings before interest, depreciation and amortisation (EBITDA)	**406.6**	649.7
Gain on sale of Wards Well	**(96.0)**	-
Impairment charges	**55.8**	-
Closure and other non-regular costs	**3.8**	-
Acquisition and other transaction costs	**4.7**	-
Underlying EBITDA	**374.9**	649.7

OPERATING AND FINANCIAL REVIEW (CONTINUED)

(b) Underlying EBITDA result (non-IFRS measure) (continued)

The Underlying EBITDA (non-IFRS measure) of $374.9m for the 6-month period to 30 June 2024 was a $274.8m decrease compared to $649.7m for the 6-month period to 30 June 2023. The decrease in EBITDA was primarily due to a reduction in the average sales price achieved from $250/t to $175/t, which offset a decrease in FOB cash costs (ex. royalties) from $97/t to $91/t.

The primary drivers contributing to the Net Profit after Tax ("NPAT") result $136.3m include:

• Gross revenue from coal sales decreased to $1,226.0m for the period to 30 June 2024 from $1,493.4m in the period to 30 June 2023. The decrease was driven by a decrease in the US$ realised price to an average of $175/t for the period to 30 June 2024 from $250/t in the period to 30 June 2023.

• 1H FOB cash costs per tonne sold (excluding royalties) were $91 (30 June 2023: $97). FOB cash costs per tonne have decreased from the comparable period with robust sales and production volumes more than offsetting inflationary pressures, natural strip ratio increases, cost of expansion fleets at South Walker Creek, prioritisation of stripping at Poitrel and the higher cost Millennium complex. The 1H positive cash impact of lower FOB cash costs has been partially offset by an increase in cash outflows associated with leasing of $4/t compared to the period ending 30 June 2023.

• Depreciation and amortisation costs increased broadly in line with production levels and capital expenditure levels.

• Impairment and closure costs of $59.6m were expensed during the period associated with the decision to cease operations at Mavis Downs.

(c) Cash flow

	Half-year	
	30 June 2024 $M	30 June 2023 $M
Cash at beginning of period	**446.3**	432.4
Cash flows from operating activities	**207.5**	395.2
Cash flows from investing activities	**19.5**	(88.1)
Cash flows from financing activities	**(268.3)**	(316.1)
Net decrease in cash held	**(41.3)**	(9.0)
Effects of exchange rate changes on cash and cash equivalents	**1.3**	2.5
Cash and cash equivalents at end of the half-year	**403.7**	420.9

Cash inflows from operating activities decreased from $395.2m for the period to June 2023 to $207.5m for the period to 30 June 2024. The decrease is primarily due to reductions in cash receipts caused by a reduction in the average sale price, along with the 2023 final tax payment made in the period to 30 June 2024.

Cash inflows from investing activities increased by $107.6m, driven by $134.4m of receipts for the sale of the Wards Well tenement in the period to 30 June 2024. This has more than offset increased capital expenditure in the 6 months to 30 June 2024, due to the expansion projects at South Walker Creek.

OPERATING AND FINANCIAL REVIEW (CONTINUED)

(c) Cash flow (continued)

Cash flows from financing activities decreased by $47.8m to a net outflow of $268.3m for the period to 30 June 2024. This is driven by a reduction in repayments of borrowings from $265.9m for the period to 30 June 2023 to $114.7m in the current period. These are in relation to the Stanmore SMC Pty Ltd financing facility. This is partially offset by $75.7m of dividends paid during the 6 month period to 30 June 2024.

(d) Health, Safety, Environment and Community Performance

Stanmore remains committed to safety as its number one priority and strives towards our goal of everyone returning home safe each day.

Stanmore's 12-month rolling Serious Accident Frequency Rate (SAFR) increased to 0.48 from 0.19 reported as of 31 December 2023, compared to the industry average of 0.56 (reported as of March 2024 by Resources Safety and Health Queensland for Surface Mines).

We also experienced an increase in hand, finger and musculoskeletal related recordable injuries and are constantly assessing our site existing procedures, with specific focus on recurring patterns. This includes improving on the quality of our investigations as well as on the quality of our field leadership engagement. In line with our protective risk management strategy, we have finished a thorough review of principal hazards and critical control at our operations and are actively updating our site systems and Principal Hazard Management Plans for all recommendations made.

(e) Operations

		Half-year	
		30 June 2024	**30 June 2023**
Run of Mine coal produced	Mt	**9.4**	9.1
Run of Mine strip ratio	Prime Waste: ROM	**8.1**	8.0
Saleable coal produced	Mt	**6.8**	6.4
Sales of coal produced	Mt	**6.9**	5.9
Sales of purchased coal	Mt	**0.1**	0.1
Total coal sales	Mt	**7.0**	6.0

Total coal sales increased to 7.0Mt compared to 6.0Mt in H1 2023 following improved production volumes and utilisation of strong inventory positions at 31 December 2023. Saleable coal produced increased to 6.8Mt from 6.4Mt, which is at the top end of guidance range for annualised volumes of 12.8Mt to 13.6Mt previously provided in the Full Year Report and Accounts released by the Company on the ASX on 26 February 2024 (**Guidance**). While the sales volume increase has driven profitability, the reduction in average realised sales price to $175/t has more than offset the increased sales volumes and reduced FOB cash cost per tonne to produce an underlying EBITDA of $374.9m.

Weather events (particularly in 1Q 2024) resulted in operational impacts compared to Q1 2023, however, strong performance at the operations overcame the weather impacts and production targets on an annualised basis were achieved as per Guidance. Performance improvement from the coal logistics chains has assisted in driving the improved 1H 2024 sales volumes compared to 1H 2023.

Cash generated from operations decreased to $207.5m from $395.2m, following the reduction in average sales price received as well as an income tax payment made of $169.6m in June 2024 as anticipated.

OPERATING AND FINANCIAL REVIEW (CONTINUED)

(e) Operations (continued)

FOB Cash Cost per tonne decreased from the comparable period with robust sales and production volumes more than offsetting inflationary pressures, natural strip ratio increases, cost of expansion fleets at South Walker Creek, prioritisation of stripping at Poitrel and the higher cost Millennium complex, finishing the period lower than the Guidance range ($99/t to $104/t). The cash impact of this improvement is partially offset by an increase in cash outflows associated with leasing of $4/t compared to the period ending 30 June 2023.

Year to date capital expenditure is higher when compared to 1H 2023, due to the expansion projects in place at South Walker Creek including the MRA2C creek diversion, Y-South Pit Box-cut and the CHPP expansion. With expenditure weighted towards the first half of the year as planned, capital expenditure remains on track to fall within the full year Guidance range ($165.0m to $185.0m).

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

(a) Operations

The continuing focus for Stanmore in 2024 will be to complete significant capital programs across the portfolio, particularly at our South Walker Creek mine including the MRA2C project, which provides access to lower strip ratio and higher yielding/quality ROM volumes, expansion activities at the CHPP to increase capacity to 9.4Mtpa, the addition of three excavator truck/shovel fleets providing matching mining capacity to 9.4Mtpa ROM including opening up the Y-South box cut and the conversion of Dragline 27 from DC to AC.

On 28 June 2024, the company announced the cessation of mining activities at Mavis Downs due to uneconomic conditions. Closure activities will take place with final sealing and demobilisation activities to be concluded by 30 September 2024.

We expect to see continuing pressure on our input costs through the second half of 2024.

The Company's net cash position continues to improve, increasing our Balance Sheet resilience and providing a strong platform for the future.

(b) Exploration and development

On 6 February 2024, Stanmore announced the annual update to coal resources and reserves across the Group under the relevant Australasian Code for Reporting Exploration Results and Ore Reserves (JORC Code). The total Proved and Probable Coal Reserves across all tenements formally declared and published are now 372Mt, and the Marketable Coal Reserves are 281Mt.

On 13 August 2024, Stanmore announced that it had completed the acquisition of 100% of the Eagle Downs Metallurgical Coal Joint Venture, 100% of the shares of Eagle Downs Coal Management Pty Ltd and a 100% interest in the Eagle Downs South metallurgical coal tenements and associated assets. The focus at Eagle Downs will be to optimise the development plan to take a capital efficient approach to any development and investment decision.

The Group will continue to monitor and assess and prioritise its existing portfolio where they align to Stanmore's objectives and explore acquisition opportunities where it makes financial and commercial sense to do so.

(c) Other corporate

On 25 August 2024, the Company received binding commitments from a group of financiers to refinance the BMC acquisition debt facility, which will result in a new US$350.0m senior secured term loan and a US$100.0m senior secured revolving debt facility, as well as contingent debt facilities. Completion of the refinance is expected to occur by the end of 3Q 2024.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS (CONTINUED)

(c) Other corporate (continued)

A fully franked 2024 interim dividend of $39.7 million (4.4 cents per share) has been determined since balance date by the directors. Further details of dividends on ordinary shares are set out in note 18 to the consolidated interim financial statements.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 8.

ROUNDING OF AMOUNTS

The Company is of a kind referred to *ASIC Legislative Instrument 2016/191*, relating to the 'rounding off' of amounts in the Directors' report and financial report. Amounts in the Directors' report and financial report have been rounded off to the nearest hundred thousand dollars in accordance with the instrument.

This report is made in accordance with a resolution of Directors.

Mr Marcelo Matos
Director

Brisbane
26 August 2024

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Auditor's Independence Declaration to the Directors of Stanmore Resources Limited

As lead auditor for the review of Stanmore Resources Limited for the half-year ended 30 June 2024, I declare to the best of my knowledge and belief, there have been:

a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review.

b. No contraventions of any applicable code of professional conduct in relation to the review.

c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the review.

This declaration is in respect of Stanmore Resources Limited and the entities it controlled during the financial period.

Yours sincerely,

Ernst & Young

Ernst & Young

Tom du Preez
Partner, Brisbane

26 August 2024

Condensed consolidated statement of profit or loss

	Notes	Half-year 30 June 2024 $M	30 June 2023 $M
Revenue from contracts with customers	2	**1,226.0**	1,493.4
Other income	3(a)	**4.6**	1.0
Other gains/(losses)	3(b)	**96.0**	(2.1)
Total income		**1,326.6**	1,492.3
Net coal inventory movements and coal purchases		**(26.2)**	23.9
Foreign exchange gains		**27.1**	12.6
Depreciation and amortisation expense		**(182.6)**	(130.7)
Impairment expenses	3(d)	**(55.8)**	-
Employee benefits expense		**(71.4)**	(59.5)
Materials and supplies		**(174.7)**	(159.6)
Operating expenses		**(384.0)**	(316.4)
Royalties expense		**(171.9)**	(285.2)
Other expenses	3(c)	**(63.1)**	(47.3)
Operating profit		**224.0**	530.1
Finance income	3(e)	**13.6**	10.3
Finance costs	3(e)	**(48.1)**	(49.4)
Share of profit/(loss) from associates net of tax	22(b)	**-**	(11.1)
Profit before income tax		**189.5**	479.9
Income tax expense	4	**(53.2)**	(139.6)
Profit for the period		**136.3**	340.3
Profit is attributable to:			
Owners of Stanmore Resources Limited		**136.3**	340.3
		Cents	Cents
Earnings per share for profit from continuing operations attributable to the ordinary equity holders of the Company:			
Basic earnings per share		**15.1**	37.8
Diluted earnings per share		**15.1**	37.8

The above condensed consolidated statement of profit or loss should be read in conjunction with the accompanying notes.

Condensed consolidated statement of comprehensive income

	Half-year 30 June 2024 $M	30 June 2023 $M
Profit for the period	**136.3**	340.3
Other comprehensive income for the period	**-**	-
Total comprehensive income for the period	**136.3**	340.3
Total comprehensive income for the period is attributable to:		
Owners of Stanmore Resources Limited	**136.3**	340.3

The above condensed consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

Condensed consolidated statement of financial position

	Notes	**30 June 2024 $M**	31 December 2023 $M
ASSETS			
Current assets			
Cash and cash equivalents	6	**403.7**	446.3
Trade receivables	7	**136.4**	283.0
Inventories	8	**180.6**	182.7
Derivative financial instruments	15	**3.2**	6.1
Other current assets	9	**34.3**	31.5
Assets classified as held for sale		**20.5**	48.0
Total current assets		**778.7**	997.6
Non-current assets			
Financial assets at FV through OCI		**25.0**	25.0
Property, plant and equipment	10	**1,514.4**	1,497.2
Exploration, development and mine properties	11	**991.9**	1,043.1
Other non-current assets	9	**38.2**	42.5
Total non-current assets		**2,569.5**	2,607.8
Total assets		**3,348.2**	3,605.4
LIABILITIES			
Current liabilities			
Trade and other payables	12	**284.5**	338.5
Borrowings	13	**75.7**	137.0
Lease liabilities	14	**118.4**	134.8
Current tax liabilities		**27.2**	170.3
Employee benefit obligations	17	**45.1**	50.9
Provisions	16	**157.0**	156.8
Total current liabilities		**707.9**	988.3
Non-current liabilities			
Borrowings	13	**138.1**	178.9
Lease liabilities	14	**348.4**	325.0
Deferred tax liabilities	4	**138.8**	147.3
Provisions	16	**200.9**	212.4
Total non-current liabilities		**826.2**	863.6
Total liabilities		**1,534.1**	1,851.9
Net assets		**1,814.1**	1,753.5
EQUITY			
Share capital	20	**616.4**	616.4
Other reserves		**(23.7)**	(23.7)
Retained earnings		**1,221.4**	1,160.8
Total equity attributable to owners of Stanmore Resources Limited		**1,814.1**	1,753.5

The above condensed consolidated statement of financial position should be read in conjunction with the accompanying notes.

Condensed consolidated statement of changes in equity

	Notes	Attributable to owners of Stanmore Resources Limited Issued Capital $M	Other reserves $M	Retained earnings $M	Total equity $M
Balance at 1 January 2024		**616.4**	**(23.7)**	**1,160.8**	**1,753.5**
Profit for the half-year		**-**	**-**	**136.3**	**136.3**
Total comprehensive income for the half-year		**-**	**-**	**136.3**	**136.3**
Transactions with owners in their capacity as owners:					
Dividends provided for or paid	18	**-**	**-**	**(75.7)**	**(75.7)**
Balance at 30 June 2024		**616.4**	**(23.7)**	**1,221.4**	**1,814.1**

	Attributable to owners of Stanmore Resources Limited Issued Capital $M	Other reserves $M	Retained earnings $M	Total equity $M
Balance at 1 January 2023	616.4	(23.7)	740.9	1,333.6
Profit for the half-year	-	-	340.3	340.3
Total comprehensive income for the half-year	-	-	340.3	340.3
Balance at 30 June 2023	616.4	(23.7)	1,081.2	1,673.9

The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Condensed consolidated statement of cash flows

	Half-year 30 June 2024 $M	30 June 2023 $M
Cash flows from operating activities		
Receipts from customers	**1,362.6**	1,549.5
Payments to suppliers and employees	**(915.4)**	(1,065.6)
Interest received	**13.6**	10.3
Interest and other finance costs paid	**(39.8)**	(32.9)
Income tax paid	**(213.5)**	(66.1)
Net cash inflow from operating activities	**207.5**	395.2
Cash flows from investing activities		
Payments for property, plant and equipment	**(106.0)**	(45.7)
Payments for capitalised development, exploration and evaluation assets	**(0.1)**	-
Payments for mine property assets	**(2.2)**	-
Payments of vendor royalties	**(1.6)**	(3.3)
Proceeds from sale of exploration and evaluation assets	**134.4**	-
Repayment of/(issuance of) loans to related parties	**(6.1)**	-
Dividends received	**1.1**	1.0
Drawdown of loan principle by Joint Venture	**-**	(40.1)
Net cash inflow/(outflow) from investing activities	**19.5**	(88.1)
Cash flows from financing activities		
Repayment of borrowings	**(114.7)**	(265.9)
Payment of principal lease liability	**(78.6)**	(56.1)
Dividend paid	**(75.7)**	-
Refunds for refundable security bonds	**-**	5.9
Settlement of financial instruments	**0.7**	-
Net cash outflow from financing activities	**(268.3)**	(316.1)
Net (decrease) in cash and cash equivalents	**(41.3)**	(9.0)
Cash and cash equivalents at the beginning of the half-year	**446.3**	432.4
Effects of exchange rate changes on cash and cash equivalents	**(1.3)**	(2.5)
Cash and cash equivalents at end of the half-year	**403.7**	420.9

The above condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes.

1 Basis of preparation of half-year report

This condensed consolidated interim financial report for the half-year reporting period ended 30 June 2024 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

The financial statements are presented in US dollars.

Stanmore Resources Limited is a company limited by shares, incorporated and domiciled in Australia, whose shares are publicly traded on the Australian Securities Exchange.

The principal activities of the Group are the exploration, development, production and sale of metallurgical coal in Queensland, Australia.

The interim report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 31 December 2023 and any public announcements made by Stanmore Resources Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the adoption of new and amended standards as set out below.

(a) Notes to the consolidated financial statements

A number of new or amended standards became applicable for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any material impact on the financial performance or position of the Group.

(b) Going concern

The Directors have considered projected cash flow information for the 12 months from the date of approval of these financial statements under multiple scenarios (which includes the ability to slow or defer spending), including conservative pricing forecasts and the Group's access to undrawn working capital facilities as disclosed in note 13. Based on this analysis, the Group is expected to continue to satisfy its obligations as and when they fall due.

Accordingly, the financial statements have been prepared on a going concern basis which contemplates the continuity of normal business activities and the realisation of assets and discharge of liabilities in the ordinary course of business.

(c) Basis of consolidation

The interim condensed consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 30 June 2024.

Subsidiaries are all those entities over which the Company has control. The Consolidated Entity controls an entity when the Consolidated Entity is exposed, or has the rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Consolidated Entity. They are de-consolidated from the date that control ceases.

All intercompany balances and transactions, including unrealised profits arising from intragroup transactions have been eliminated. The financial statements of subsidiaries are prepared for the same reporting period as the parent, using consistent accounting policies.

2 Revenue

The Group derives the following types of revenue:

	Half-year 30 June 2024 $M	30 June 2023 $M
Revenue from contracts with customers	**1,226.0**	1,493.4
Total revenue from continuing operations	**1,226.0**	1,493.4

(a) Disaggregation of revenue from contracts with customers

The Group recognises revenue from the transfer of goods at a point in time in the following geographical regions.

	Half-Year 30 June 2024 $M	30 June 2023 $M
Revenue from external customers		
Metallurgical coal/Asia	**802.2**	1,071.9
Metallurgical coal/Europe	**300.1**	305.4
Metallurgical coal/South America	**73.5**	85.3
Thermal coal/Asia	**50.2**	30.8
	1,226.0	1,493.4

(b) Recognition and measurement

Revenue from the sale of coal is recognised in the profit or loss when performance obligations have been met, which is deemed to be when control of the coal has been transferred from the Group to the customer. Typically, for free on board sales, the transfer of control and the recognition of a sale occurs when the coal passes the ship rail when loading at the port. For free on stockpile sales, the transfer of control will occur when the sales agreement is exercised.

3 Other income and expense items

(a) Other income

	Half-year 30 June 2024 $M	30 June 2023 $M
Dividends	**1.1**	1.0
Other income	**3.5**	-
	4.6	1.0

(b) Other gains/(losses)

	Half-Year 30 June 2024 $M	30 June 2023 $M
Net gain on sale of held-for-sale assets	**96.0**	-
Other items	**-**	(2.1)
	96.0	(2.1)

(c) Breakdown of other expenses

	Half-Year 30 June 2024 $M	30 June 2023 $M
Operational accommodation and travel	**26.2**	21.6
Sales and marketing	**33.8**	23.0
Administration and other operational expenses	**3.1**	2.7
Total other expenses	**63.1**	47.3

(d) Impairment expense

	Half-Year 30 June 2024 $M	30 June 2023 $M
Impairment expense	**55.8**	-
Total impairment expense	**55.8**	-

On 28 June 2024, following a detailed strategic review, Stanmore announced its decision to cease operations at the Mavis underground from end of June and complete the transition by the end of Q3 2024.

As a result, management performed an impairment assessment of its associated assets, recognising a total impairment charge of $55.8m.

3 Other income and expense items (continued)

(e) Finance income and costs

	Half-year 30 June 2024 $M	30 June 2023 $M
Finance income		
Interest	**13.6**	10.3
Finance income	**13.6**	10.3
Finance costs		
Interest paid	**22.6**	32.9
Interest amortisation unwinding	**7.0**	4.3
Interest charge - lease liability	**18.5**	12.2
Finance costs expensed	**48.1**	49.4
Net finance costs	**34.5**	39.1

4 Income tax expense

(a) Income tax expense

	Half-year 30 June 2024 $M	30 June 2023 $M
Current tax	**61.7**	155.5
Deferred tax	**(8.5)**	(15.9)
Total current tax expense	**53.2**	139.6

(b) Numerical reconciliation of income tax expense to prima facie tax payable

	Half-year 30 June 2024 $M	30 June 2023 $M
Profit from continuing operations before income tax expense	**189.5**	479.9
Prima facie tax expense (30%) on profit/(loss) before income tax	**56.9**	144.0
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Non-deductible expenses	**-**	3.5
Prior period taxes over/(under) recognised	**(2.3)**	(3.2)
Other	**(1.4)**	(4.7)
Income tax expense/(benefit)	**53.2**	139.6

(c) Deferred tax balances

(i) Recognised deferred tax assets and liabilities

	30 June 2024 $M	31 December 2023 $M
The balance comprises temporary differences attributable to:		
Deductible temporary differences	**212.6**	181.0
Assessable temporary differences	**(351.4)**	(328.3)
Total net deferred tax liabilities	**(138.8)**	(147.3)

5 Business combination

Acquisition of MetRes Pty Ltd

On 21 December 2023, the Group acquired 50% of the ordinary shares in MetRes Pty Ltd from Marmilu Pty Ltd, taking its total shareholding to 100%.

Marmilu Pty Ltd is an entity controlled by Mr Matthew Latimore, a Director of Stanmore at the time of the transaction, and as such the acquisition was considered a related party transaction.

Initial consideration totalling A$1 was paid, along with an uncapped royalty deed. Pursuant to this deed, royalties on life of mine coal sales will be payable to Marmilu Pty Ltd. These will be payable (except in case of peak coal prices) once Stanmore's net investments in the project have been returned, including Stanmore's existing loan previously provided to MetRes Pty Ltd.

Stanmore now controls the acquired entity with the transaction accounted for as a business combination by way of a step acquisition. This results in no uplift to the original 50% ownership in MetRes Pty Ltd.

Details of the purchase consideration, the net assets acquired and goodwill are as follows:

	$M
Purchase consideration	
Cash paid	**-**
Contingent consideration	**-**
Original investment in MetRes Pty Ltd	**-**
Settlement of pre-existing loan	**47.9**
Total purchase consideration	**47.9**

The assets and liabilities recognised as a result of the acquisition are as follows:

	Provisional Fair value $M	**Adjustments $M**	**Provisional Fair value $M**
Cash	**8.6**	**-**	**8.6**
Trade and other receivables	**7.8**	**-**	**7.8**
Inventories	**11.1**	**0.8**	**11.9**
Property, plant and equipment	**37.0**	**9.5**	**46.5**
Capitalised development and exploration	**48.9**	**(5.0)**	**43.9**
Current tax receivable	**5.3**	**(5.3)**	**-**
Trade and other payables	**(20.3)**	**-**	**(20.3)**
Lease liabilities	**(22.7)**	**-**	**(22.7)**
Rehabilitation provisions	**(22.6)**	**-**	**(22.6)**
Royalty liabilities/contingent consideration acquired	**(5.2)**	**-**	**(5.2)**
Net assets acquired	**47.9**	**-**	**47.9**

Acquisition-related costs

Transaction costs associated with the acquisition were expensed as transaction and transition costs in the period to December 2023 totalling US$3.0m.

5 Business combination (continued)

Acquisition of MetRes Pty Ltd (continued)

Significant estimate: contingent consideration

As part of the acquisition AASB 3 required the recognition of the additional consideration yet to the paid to the vendor, the value of which is dependent on the prevailing coal price exceeding certain targets. Further, repayment of the loan timing significantly impacts fair value.

As at 30 June 2024, a fair value of A$0 has been recognised in relation to this contingent payment, based on expected future operating and market conditions over the assets anticipated life of mine.

6 Cash and cash equivalents

	30 June 2024 $M	31 December 2023 $M
Current assets		
Cash at bank and in hand	**403.7**	446.3

(a) Recognition and measurement

For the purposes of the consolidated statement of cash flows, cash and cash equivalents includes (1) cash on hand and at bank; (2) deposits held at call with financial institutions; (3) other short-term, highly liquid investments with original maturities of three months or less; that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts.

7 Trade and other receivables

	30 June 2024 $M	31 December 2023 $M
Current assets		
Trade receivables	**113.9**	239.4
Other receivables	**3.1**	1.2
GST receivable	**19.4**	42.4
	136.4	283.0

8 Inventories

	30 June 2024 $M	31 December 2023 $M
Current assets		
ROM coal inventories	**59.0**	52.7
Product coal stocks	**58.5**	70.7
Warehouse inventories	**63.1**	59.3
	180.6	182.7

9 Other assets

	30 June 2024 $M	31 December 2023 $M
Other current assets		
Prepayments	**34.3**	31.5

	30 June 2024 $M	31 December 2023 $M
Other non-current assets		
Prepayments	**31.9**	25.7
Security bonds	**3.2**	4.8
Other	**3.1**	12.0
	38.2	42.5

10 Property, plant and equipment

	30 June 2024 $M	31 December 2023 $M
Plant and equipment		
At cost	**681.2**	659.6
Accumulated depreciation and impairment	**(238.1)**	(195.5)
	443.1	464.1
Land and buildings		
At cost	**366.8**	362.3
Accumulated depreciation and impairment	**(75.0)**	(29.8)
	291.8	332.5
Right of use asset		
At cost	**707.5**	633.4
Accumulated depreciation and impairment	**(259.1)**	(174.4)
	448.4	459.0
Capital work in progress		
Capital work in progress	**331.1**	241.6
	331.1	241.6
	1,514.4	1,497.2

10 Property, plant and equipment (continued)

	Plant and equipment $M	Land and buildings $M	Right of use asset $M	Capital work in progress $M	Total $M
Half-year ended 30 June 2024					
Opening net book amount	**464.1**	**332.5**	**459.0**	**241.6**	**1,497.2**
Additions	**9.4**	**-**	**100.5**	**114.7**	**224.6**
Disposals	**-**	**-**	**(2.6)**	**-**	**(2.6)**
Depreciation charge	**(38.7)**	**(13.9)**	**(87.5)**	**-**	**(140.1)**
Reclassifications	**22.6**	**2.6**	**-**	**(25.2)**	**-**
Impairment loss	**(14.3)**	**(29.4)**	**(0.5)**	**-**	**(44.2)**
Transfers to assets held for sale	**-**	**-**	**(20.5)**	**-**	**(20.5)**
Closing net book amount	**443.1**	**291.8**	**448.4**	**331.1**	**1,514.4**

	Plant and equipment $M	Land and buildings $M	Right of use asset $M	Capital work in progress $M	Total $M
Half-year ended 30 June 2023					
Opening net book amount	457.6	247.5	269.3	128.9	1,103.3
Additions	0.1	-	90.8	45.6	136.5
Disposals	(0.2)	-	-	-	(0.2)
Depreciation charge	(36.0)	(8.4)	(49.2)	-	(93.6)
Reclassifications	6.6	-	-	(6.6)	-
Closing net book amount	428.1	239.1	310.9	167.9	1,146.0

11 Non-current assets - Capitalised Development and Exploration

	30 June 2024 $M	31 December 2023 $M
Exploration and evaluation assets	**70.3**	70.9
Mine properties	**921.6**	972.2
	991.9	1,043.1

	Exploration and evaluation $M	**Mine properties $M**	**Total $M**
Half-year ended 30 June 2024			
Opening net book amount	**70.9**	**972.1**	**1,043.0**
Remeasurement of rehabilitation assets	**-**	**(6.8)**	**(6.8)**
Additions	**-**	**0.4**	**0.4**
Depreciation charge	**-**	**(42.5)**	**(42.5)**
Reclassifications	**5.1**	**4.3**	**9.4**
Impairment loss	**(5.7)**	**(5.9)**	**(11.6)**
Closing net book amount	**70.3**	**921.6**	**991.9**

	Exploration and evaluation $M	Mine properties $M	Total $M
Half-year ended 30 June 2023			
Opening net book amount	68.9	1,177.6	1,246.5
Remeasurement of rehabilitation assets	-	(4.0)	(4.0)
Depreciation charge	-	(36.8)	(36.8)
Reclassifications	61.3	(61.3)	-
Closing net book amount	130.2	1,075.5	1,205.7

12 Trade and other payables

	30 June 2024 $M	31 December 2023 $M
Current liabilities		
Trade and other payables	**77.3**	93.1
Amounts due to associates	**-**	6.3
Accrued expenses	**167.7**	170.6
Other payables	**14.5**	6.5
Statutory payables	**25.0**	62.0
	284.5	338.5

13 Interest bearing loans and borrowings

	30 June 2024			31 December 2023		
	Current $M	**Non-current $M**	**Total $M**	Current $M	Non-current $M	Total $M
Acquisition financing	**64.5**	**138.1**	**202.6**	131.2	177.6	308.8
Chattel Mortgage	**2.0**	**-**	**2.0**	1.6	1.3	2.9
Insurance premium funding	**9.2**	**-**	**9.2**	3.0	-	3.0
Working capital facility	**-**	**-**	**-**	1.2	-	1.2
Total interest bearing loans and borrowings	**75.7**	**138.1**	**213.8**	137.0	178.9	315.9

Financing facilities

	30 June 2024			31 December 2023		
	$M			$M		
	Facility Size	**Facility Utilised**	**Facility Available**	Facility Size	Facility Utilised	Facility Available
Acquisition financing	**625.0**	**210.2**	-	625.0	317.7	-
Secured Loans	**153.1**	-	**153.1**	154.2	-	154.2
Unsecured Loans from Related Parties	**70.0**	-	**70.0**	70.0	-	70.0
Other	**14.0**	**11.2**	-	29.7	7.1	2.3
	862.1	**221.4**	**223.1**	878.9	324.8	226.5

The "Acquisition Financing" facility matures 3 May 2027 and has a fixed interest rate of 11.5%. The facility may not be redrawn with repayments comprised of an annual sweep of residual excess cash flow and a fixed amortisation schedule.

The Secured Loans are comprised of a US$120m revolving credit facility maturing 2 March 2025 and an A$50m working capital facility maturing 3 May 2027. Both facilities remain undrawn as of 30 June 2024.

The Unsecured Loans from Related Parties is comprised of a US$70m revolving credit facility with the Group's major shareholder, GEAR. The facilities maturity date was extended to 30 June 2026 during the period, with consideration comprised of a one-off 1.5% extension fee. Other commercial terms have remained in-line with the existing agreement, including being unsecured in nature, a fixed interest rate of 12% per annum and commitment fees on undrawn funds of 3% per annum.

Other financing facilities include A$13.8m outstanding on a short-term group insurance premium funding and A$3.0m outstanding on a chattel mortgage.

	30 June 2024 $M	31 December 2023 $M
Facility Utilisation		
Bank Guarantee Facilities	**14.0**	14.4
Surety Bonding Facilities	**101.7**	109.0
	115.7	123.4

14 Lease liability

	30 June 2024 $M	31 December 2023 $M
Lease liabilities current	**118.4**	134.8
Lease liabilities non-current	**348.4**	325.0
Total lease liability	**466.8**	459.8

(a) Reconciliation of movements

	Half-year 30 June 2024 $M	30 June 2023 $M
Opening balance	**459.8**	260.1
Additions	**100.5**	90.8
Depletions through settlement	**(97.1)**	(62.3)
Foreign exchange remeasurements	**(14.9)**	-
Interest expense	**18.5**	12.2
Closing balance	**466.8**	300.8

15 Derivative financial instruments

	30 June 2024 $M	31 December 2023 $M
Derivative financial assets	**3.2**	6.1
Total derivative financial instruments	**3.2**	6.1

16 Provisions

	30 June 2024			31 December 2023		
	Current $M	Non-Current $M	Total $M	Current $M	Non-current $M	Total $M
Rehabilitation provision	**3.0**	**200.0**	**203.0**	8.4	205.9	214.3
Contingent consideration	**152.2**	**0.9**	**153.1**	148.4	6.5	154.9
Onerous contracts provision	**1.8**	**-**	**1.8**	-	-	-
Total provisions	**157.0**	**200.9**	**357.9**	156.8	212.4	369.2

16 Provisions (continued)

(a) Movements in provisions

Movements in each class of provision during the half-year, other than employee benefits, are set out below:

Half-year to 30 June 2024	**Onerous contracts provisions $M**	**Rehabilitation provision $M**	**Contingent consideration $M**	**Total $M**
Opening balance	**-**	**214.3**	**154.8**	**369.1**
Additions	**1.8**	**-**	**-**	**1.8**
Adjustments through remeasurement	**-**	**(6.8)**	**(3.2)**	**(10.0)**
Depletions through settlement	**-**	**(2.2)**	**(1.0)**	**(3.2)**
Unwinding of discount via profit and loss	**-**	**4.4**	**2.6**	**7.0**
Exchange differences	**-**	**(6.7)**	**(0.1)**	**(6.8)**
Carrying amount at end of period	**1.8**	**203.0**	**153.1**	**357.9**

Half-year to 30 June 2023	Onerous contracts provisions $M	Rehabilitation provision $M	Contingent consideration $M	Total $M
Opening balance	1.0	203.2	148.2	352.4
Additions - current period disturbance	-	(4.0)	-	(4.0)
Adjustments through remeasurement	-	-	(1.5)	(1.5)
Depletions through settlement	(1.0)	(3.0)	2.5	(1.5)
Unwinding of discount via profit and loss	-	(2.0)	(2.3)	(4.3)
Carrying amount at end of period	-	194.2	146.9	341.1

17 Provision for employee benefits

	30 June 2024 $M	31 December 2023 $M
Provision for annual leave	**26.8**	24.4
Provision for bonus	**18.1**	24.6
Provision for long service leave	**0.2**	1.9
	45.1	50.9

18 Dividends and franking credits

(a) Ordinary shares

	Half-year 30 June 2024 $M	30 June 2023 $M
Dividends provided for or paid	**75.7**	-

(b) Dividends not recognised at the end of the half-year

	Half-year 30 June 2024 $M	30 June 2023 $M
Since the end of the half-year the Directors have recommended the payment of an interim dividend of 4.4 cents fully franked per fully paid ordinary share (2023: 0.0 cents). The aggregate amount of the proposed dividend expected to be paid on 18 September 2024 out of retained earnings, but not recognised as a liability at the half-year end, is	**39.7**	-

(c) Franked credits

	Consolidated Entity Half-year 30 June 2024 $M	30 June 2023 $M
Franking credits available for subsequent reporting periods based on a tax rate of 30.0% (2023 - 30.0%)	**524.3**	88.4

19 Earnings per share

(a) Basic earnings per share

	Half-year 30 June 2024 Cents	30 June 2023 Cents
Basic earnings per share (cents)	**15.1**	37.8

Basic earnings per share is calculated by dividing the profit attributable to owners of Stanmore Resources Limited by the weighted average number of ordinary shares outstanding during the financial period.

(b) Diluted earnings per share

	Half-year 30 June 2024 Cents	30 June 2023 Cents
Diluted earnings per share (cents)	**15.1**	37.8

19 Earnings per share (continued)

(b) Diluted earnings per share (continued)

Earnings used to calculate diluted earnings per share are calculated by adjusting the amount used in determining basic earnings per share by the after-tax effect of dividends and interest associated with dilutive potential ordinary shares. The weighted average number of shares used is adjusted for the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

(c) Weighted average number of shares used as denominator

	Half-year	
	30 June 2024 Number	30 June 2023 Number
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	**901,391,634**	901,391,634

20 Equity securities issued

	30 June 2024 Shares	31 December 2023 Shares	**30 June 2024 $M**	31 December 2023 $M
Fully paid	**901,391,634**	901,391,634	**616.4**	616.4

21 Fair value measurements of financial instruments

This note provides an update on the judgements and estimates made by the Group in determining the fair values of the financial instruments since the last annual financial report.

(a) Fair value hierarchy

To provide an indication about the reliability of the inputs used in determining fair value, the Group classifies its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows underneath the table.

The following table presents the Group's financial assets and financial liabilities measured and recognised at fair value at 30 June 2024 and 31 December 2023 on a recurring basis:

At 30 June 2024	**Level 1 $M**	**Level 2 $M**	**Level 3 $M**	**Total $M**
Financial assets				
Derivative financial instruments held at fair value through profit or loss	**-**	**3.2**	**-**	**3.2**
Investments at Fair Value through other comprehensive income	**-**	**-**	**25.0**	**25.0**
Total financial assets	**-**	**3.2**	**25.0**	**28.2**
Financial liabilities				
Contingent consideration held at fair value through profit or loss	**-**	**-**	**153.1**	**153.1**
Total financial liabilities	**-**	**-**	**153.1**	**153.1**

21 Fair value measurements of financial instruments (continued)

(a) Fair value hierarchy (continued)

At 31 December 2023	Level 1 $M	Level 2 $M	Level 3 $M	Total $M
Financial assets				
Derivative financial instruments held at fair value through profit or loss	-	6.1	-	6.1
Investments at Fair Value through other comprehensive income	-	-	25.0	25.0
Total financial assets	-	6.1	25.0	31.1
Financial liabilities				
Contingent consideration held at fair value through profit or loss	-	-	154.8	154.8
Total financial liabilities	-	-	154.8	154.8

Level 1: The fair value of financial instruments traded in active markets (e.g. publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. The quoted market price incorporates the market's assumptions with respect to changes in economic climate such as rising interest rates and inflation, as well as changes due to ESG risk. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (e.g. over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities and for instruments where ESG risk gives rise to a significant unobservable adjustment.

For assets and liabilities that are recognised at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

There were no changes in the Group's valuation processes, valuation techniques, and types of inputs used in the fair value measurements during the period. There were no other financial assets or liabilities carried at fair value as at 30 June 2024. There were no transfers between levels during the period.

All other financial instruments measured at cost materially approximate their fair value.

22 Interests in other entities

(a) Material subsidiaries

The Group's material subsidiaries at 30 June 2024 are set out below. Unless otherwise stated, they have share capital consisting solely of ordinary shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principle place of business.

Name of entity	Principal activities	Place of business/ country of incorporation	Ownership interest held by the group	
			30 June 2024 %	31 December 2023 %
Comet Coal & Coke Pty Limited	Coal exploration	Australia	**100**	100
Belview Coal Pty Ltd	Coal exploration	Australia	**100**	100
Mackenzie Coal Pty Limited	Coal exploration	Australia	**100**	100
Stanmore Coal Custodians Pty Ltd	Trustee of Stanmore Employee Share Trust	Australia	**100**	100
Emerald Coal Pty Ltd	Coal exploration	Australia	**100**	100
New Cambria Pty Ltd	Coal exploration	Australia	**100**	100
Kerlong Coking Coal Pty Ltd	Coal exploration	Australia	**100**	100
Stanmore Surat Coal Pty Ltd	Coal exploration	Australia	**100**	100
Theresa Creek Coal Pty Ltd	Coal exploration	Australia	**100**	100
Stanmore Wotonga Pty Ltd	Coal exploration and mining	Australia	**100**	100
Stanmore IP Coal Pty Ltd	Coal mining	Australia	**100**	100
Stanmore IP South Pty Ltd	Coal exploration and mining	Australia	**100**	100
Stanmore Bowen Coal pty Ltd	Coal exploration and mining	Australia	**100**	100
Isaac Plains Coal Management Pty Ltd	Coal exploration and mining	Australia	**100**	100
Isaac Plains Sales & Marketing Pty Ltd	Coal exploration and mining	Australia	**100**	100
Stanmore SMC Holdings Pty Ltd	Coal exploration and mining	Australia	**100**	100
Stanmore Green Pty Ltd	Renewable energy	Australia	**100**	100
Dampier Coal (Queensland) Pty Limited	Coal mining	Australia	**100**	100
Stanmore SMC Pty Limited	Coal mining	Australia	**100**	100
Red Mountain Infrastructure Pty Ltd	Coal mining	Australia	**100**	100
MetRes Pty Ltd	Coal mining and exploration	Australia	**100**	100
Stanmore Corporate Holdings Pty Ltd	Coal mining and exploration	Australia	**100**	100
Windmill Insurance Company Limited	Insurance captive	Guernsey	**100**	-
Boomerang QLD Coal Pty Ltd	Coal exploration and mining	Australia	**100**	-
Echo QLD Coal Pty Ltd	Coal exploration and mining	Australia	**100**	-

22 Interests in other entities (continued)

(b) Interests in joint arrangements

Set out below are the significant farm in arrangements of the Group as at 30 June 2024. The proportion of ownership interest is the same as the proportion of voting rights held.

Name of entity	Place of business/ country of incorporation	Nature of relationship	Ownership interest held by the group	
			30 June 2024 %	31 December 2023 %
Clifford Joint Venture	Australia	Farm in arrangement	**60**	60
Lilyvale Joint Venture	Australia	Farm in arrangement	**85**	85
Mackenzie Joint Venture	Australia	Farm in arrangement	**95**	95

23 Segment and revenue information

(a) Description of segments

The Group has identified the operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers - CODM) in assessing performance and determining the allocation of resources and the financial information available to be reported to the Board.

The Group produces and sells metallurgical (as primary product) and thermal coal (as secondary product) in Queensland, Australia.

Accordingly, management currently identifies the Consolidated Entity as having one reportable segment.

24 Events occurring after the reporting period

(a) Exploration and development

On 13 August 2024, Stanmore announced that it had completed the acquisition of 100% of the Eagle Downs Metallurgical Coal Joint Venture, 100% of the shares of Eagle Downs Coal Management Pty Ltd and a 100% interest in the Eagle Downs South metallurgical coal tenements and associated assets. The focus at Eagle Downs will be to optimise the development plan to take a capital efficient approach to any development and investment decision.

(b) Refinancing of acquisition facility

On 25 August 2024, the Company received binding commitments from a group of financiers to refinance the BMC acquisition debt facility, which will result in a new US$350.0m senior secured Term Loan and a US$100.0m senior secured revolving debt facility, as well as contingent debt facilities. Completion of the refinance is expected to occur by the end of 3Q 2024.

(c) Dividend recommendation

Refer to note 18(b) for the interim dividend recommended since the end of the reporting period.

No other matters or circumstance have occurred subsequent to period end that have significantly affected, or may significantly affect, the operations of the Group, the results of those operations or the state of affairs of the Group or economic entity in subsequent financial periods.

Directors' declaration

In the Directors' opinion:

(a) the financial statements and notes set out on pages 2 to 31 are in accordance with the *Corporations Act 2001*, including:

  (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and

  (ii) giving a true and fair view of the consolidated entity's financial position as at 30 June 2024 and of its performance for the half-year ended on that date and

(b) there are reasonable grounds to believe that Stanmore Resources Limited will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors.

Mr Marcelo Matos
Director

Brisbane
26 August 2024

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Independent auditor's review report to the members of Stanmore Resources Limited

Conclusion

We have reviewed the accompanying condensed half-year financial report of Stanmore Resources Limited (the Company) and its subsidiaries (collectively the Group), which comprises the condensed statement of financial position as at 30 June 2024, the condensed statement of profit or loss, the condensed statement of comprehensive income, the condensed statement of changes in equity and condensed statement of cash flows for the half-year ended on that date, explanatory notes, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the condensed half-year financial report of the Group does not comply with the *Corporations Act 2001*, including:

a. Giving a true and fair view of the consolidated financial position of the Group as of 30 June 2024 and of its consolidated financial performance for the half-year ended on that date.

b. Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Directors' responsibilities for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 30 June 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Yours sincerely,

Ernst & Young

Ernst & Young

Tom du Preez
Partner, Brisbane

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