29 April 2025

March 2025 Quarterly Activities Report

Lower Full Year Cost and Capital Guidance, with Production Maintained Despite Wet Weather Headwinds

"We are proud to have maintained saleable production levels quarter-on-quarter, despite more than 470mm of rainfall during the quarter. This is the highest quarterly amount of rain since recording began at the Moranbah Airport weather station and is 216% higher than the first quarter average of the previous five calendar years.

These abnormal conditions resulted in adverse mining conditions as well as logistical infrastructure challenges, with rail outages and port closures impacting sales performance. Nonetheless, strong closing inventories for 2024 provided a buffer to the impact, which together with a planned recovery in production during the second half of 2025, has enabled Stanmore to hold full-year saleable production Guidance steady.

Furthermore, Stanmore has announced reductions to FOB Cash Cost and Capital Expenditure Guidance, primarily due to cash preservation and improvement initiatives undertaken to enhance the resilience of the business during a time of heightened macro-economic and coal price uncertainty.

Prime hard coking coal prices traded in a downwards direction throughout the quarter, as elevated Chinese steel exports persisted into new-year and offset the weakened supply environment. Prices have shown signs of support and improvement early in the second quarter with improving demand from India, amidst further, non-weather-related supply constraints.

Subsequent to the end of the quarter, we are today pleased to have released our maiden JORC compliant Reserves for the Isaac Downs Extension Project. The result reaffirms the long-term benefit of this project to Stanmore and the importance of securing relevant approvals."

Marcelo Matos, Chief Executive Officer & Executive Director

Highlights

- No serious accidents for three consecutive quarters, with the rolling-twelve-month Serious Accident Frequency Rate approximately 75% below latest industry average
- Saleable production of 3.3Mt, in line with the prior quarter and previous year-to-date, supported by strong opening inventories and despite significant wet weather in the Bowen Basin throughout the quarter
- FOB Cash Costs tracking at the low end of previously stated Guidance year-to-date, despite lower sales performance
- Guidance restated to reflect FOB cash cost improvement initiatives and lower capital expenditures for 2025, supporting margin protection as prime hard coking coal prices fell to their lowest point since mid-2021 late in the quarter
- Total liquidity of US$389 million including US$220 million of undrawn working capital facilities, providing funding certainty during this period of heightened macro-economic and coal price uncertainty
- Closing consolidated cash of US$169 million and net debt of US$146 million following payment of the 2024 annual dividend, completion of the ongoing growth capital project pipeline and working capital build
- Release of first JORC compliant Reserves Statement for the Isaac Downs Extension Project, reaffirming strong project fundamentals with ROM Coal Reserves of 52Mt and Marketable Reserves of 34Mt

Consolidated Production & Sales Performance

		Quarter-Ended		Year-to-Date	
		Mar-25	Dec-24	**Mar-25**	Mar-24
ROM Coal Mined	Mt	**4.3**	4.1	**4.3**	4.6
ROM Strip Ratio	Prime	**9.2**	11.5	**9.2**	7.8
Saleable Coal Produced	Mt	**3.3**	3.3	**3.3**	3.3
Sales of Produced Coal	Mt	**3.2**	3.4	**3.2**	3.3
Sales of Purchased Coal	Mt	**0.0**	0.0	**0.0**	0.1
Total Coal Sales	Mt	**3.2**	3.4	**3.2**	3.4
Average Sales Price	US$/t	**139**	151	**139**	187

Safety

Stanmore's operations had no serious accidents for the quarter, further the reducing rolling-twelve-month Serious Accident Frequency Rate (SAFR) to 0.15 from 0.30 in the prior quarter and well below the latest reported industry average[1].

This quarter, we've seen a positive reduction in recordable injuries across our operations, with only one recordable non-severe injury for the quarter. This outcome reflects the continued commitment of our teams to identify and manage risks in the field. Importantly, our reporting rates remain high, a strong indicator of a proactive safety culture where hazards and near misses are identified early, enabling us to intervene before they escalate.

We remain focused on aligning our operations with recent legislative changes and ensuring ongoing compliance with Principal Hazard and Critical Control requirements. These controls reflect industry-leading practice and will soon become formal regulatory expectations. By embedding them across our operations now, we are demonstrating our commitment to proactive risk management, and the continued safety of our people.

Operational Highlights

South Walker Creek		Quarter-Ended		Year-to-Date	
		Mar-25	Dec-24	**Mar-25**	Mar-24
ROM Coal Mined	Mt	**2.1**	1.6	**2.1**	2.1
ROM Strip Ratio	Prime	**8.9**	14.1	**8.9**	7.0
Saleable Coal Produced	Mt	**1.6**	1.4	**1.6**	1.6
Total Coal Sales	Mt	**1.6**	1.4	**1.6**	1.6

South Walker Creek saleable coal production increased 12% quarter-on-quarter, owing to the planned 14-day CHPP shutdown in the prior quarter. The new CHPP module has achieved designed nameplate feed rates on multiple occasions since commissioning, demonstrating the overall success of the expansion project. Dragline performance was again a standout, with 8.8Mbcm of overburden moved in the quarter compared to 8.1Mbcm in the prior quarter. This supported a recovery in ROM mining volumes quarter-on-quarter and stabilisation of the strip ratio.

MRA2C works were substantively completed in the first quarter, with only minor works remaining and enabling clearing activities at the new E North-Pit to progress as per plan. Due to the wet weather, particularly late in the quarter and in the early days of April, it is expected that production operations will be challenged in the second quarter from the flow-on effects of restricted mining and coal uncovery activities. As such, production recovery for the full

[1] 0.62, as at December 2024 as published by Resources Safety and Health Queensland for Surface Mines as at the date of this report

year, including the ramp-up in production levels in accordance with stated Guidance is currently expected to occur predominantly in the second half of the year.

Poitrel		Quarter-Ended		Year-to-Date	
		Mar-25	Dec-24	**Mar-25**	Mar-24
ROM Coal Mined	Mt	**1.6**	1.6	**1.6**	1.4
ROM Strip Ratio	Prime	**7.5**	8.9	**7.5**	9.7
Saleable Coal Produced	Mt	**1.3**	1.2	**1.3**	1.1
Total Coal Sales	Mt	**1.1**	1.3	**1.1**	1.2

Poitrel continued its remarkable run, with saleable production increasing quarter-on-quarter as excellent operational performance and healthy opening ROM inventories tempered the wet weather impacts. Nonetheless, sales performance was 16% lower quarter-on-quarter, impacted by disruptions to the rail and port network from heavy rain.

Notwithstanding the strong operational performance, Poitrel has not remained immune to the abnormal amount of rainfall, with reprioritisation of the mining sequence expected to result in lower stripping and coal mining in the second quarter compared to the first quarter. A planned recovery in clean coal production during the second half is anticipated to more than offset these short-term headwinds, supporting an increase in the full-year saleable production Guidance range for Poitrel and the maintaining of portfolio level production Guidance.

Isaac Plains Complex		Quarter-Ended		Year-to-Date	
		Mar-25	Dec-24	**Mar-25**	Mar-24
ROM Coal Mined	Mt	**0.6**	0.8	**0.6**	1.0
ROM Strip Ratio	Prime	**14.5**	11.7	**14.5**	7.8
Saleable Coal Produced	Mt	**0.4**	0.7	**0.4**	0.5
Total Coal Sales	Mt	**0.5**	0.7	**0.5**	0.5

Isaac Plains Complex had a challenging quarter with the heavy weather conditions impacting operations and restricting mining activity. Strip ratios were higher than the prior quarter as a result of prioritising overburden removal in higher areas of the pit, whilst enacting water recovery from the lower coal seam areas.

A reduction in coal sales to the prior comparative period reflects these challenging mining conditions, as well as the nominal amount opening inventories. Nonetheless, the dragline was a highlight, maintaining strong productivity throughout the quarter, which will assist in executing on the mine plan direction and recovery for the remainder of the year.

Due to the severe weather impact experienced at Isaac Downs and the lower flexibility in terms of number of active pits to enable coal flow recovery, we adjusted the full year Guidance for saleable production for the Isaac Plains Complex, with an equivalent impact to expected sales volumes, to reflect these challenges.

Development and Exploration Projects

Exploration

During the period, activities at the Isaac Downs Extension Project ramped up significantly, focusing on time-critical and seasonally dependent environmental tasks such as flora and fauna surveys, soil mapping, and groundwater monitoring. Exploration drilling also intensified, with efforts concentrated on installing and repairing groundwater bores to support environmental approvals and the submission of an Environmental Impact Statement (EIS) in early 2026. Once the groundwater bore drilling program is completed, a structural and quality drilling program will commence in the second quarter.

The structural and quality drilling program at Poitrel for 2025 has begun and will continue into the second quarter. Meanwhile, significant progress was made in logistics and planning for the 2025 South Walker Creek exploration program. Exploration rigs and crews are scheduled to mobilise towards the end of the second quarter, weather permitting. A total of A$2.6 million was spent on exploration activities during the quarter.

Projects

The work packages at Eagle Downs required for the ongoing Final Investment Decision (FID) workstream has advanced well during the quarter, but we have slightly slowed down the pace of the associated studies as a prudent measure to conserve cash and reflective of current market conditions. This will make an FID within 2025 unlikely, and we now expect to complete FID readiness work within the first half of 2026.

Corporate

Stanmore concluded the quarter with total liquidity of US$389 million, with US$220 million[1] in available working capital facilities remaining undrawn and committed. The cash position was US$169 million[2] as of March 31, 2025, which together with the term loan balance of US$315 million amounts to net debt of US$146 million[3]. The cash movement quarter-on-quarter reflects the US$60 million dividend paid to shareholders in early March, US$17 million in primarily growth-related capital expenditure related to the tail-end of the MRA2C and CHPP expansion projects, and a receivables build up late in the quarter from the wet weather impacts on production and sales.

Guidance

Despite the scale and severity of the wet weather in first quarter, Stanmore is pleased to reaffirm our saleable production Guidance for 2025. As highlighted in the report, improvement in production at Poitrel is expected to offset lower production at Isaac Plains Complex, as it recovers from the first quarter wet weather challenges. It is anticipated that production performance in the first half will be below the average annual run-rate for the full-year.

FOB cash costs excluding royalties for the March quarter are tracking below the lower end of the previously published Guidance range of US$89 to US$94 per tonne, supported by lower input costs and cost management initiatives. Due to the challenging metallurgical coal market conditions, which has seen the average sales price reduce to US$139 per tonne in the first quarter of 2025, we are seeking further cost enhancement initiatives and refinement of the capital expenditure program for the remainder of the year.

In light of this, we are pleased to have today announced a reduction in the FOB Cash Cost range compared to previously published Guidance. Similarly, following a review of planned spend, which has seen some deferrals into 2026, the capital expenditure Guidance for 2025 has been lowered. These changes amount to a reduction at the mid-point of guidance of approximately 4% and 24% for FOB Cash Costs and capital expenditure respectively, and reiterates Stanmore's competitive, low-cost position in the industry.

		2025 Guidance	2025 Updated Guidance[4]
Saleable Production	Mt	**13.8 – 14.4**	**13.8 – 14.4**
South Walker Creek	Mt	6.5 – 6.7	6.5 – 6.7
Poitrel	Mt	4.5 – 4.7	4.7 – 4.9
Isaac Plains Complex	Mt	2.8 – 3.0	2.6 – 2.8
FOB Cash Cost	US$/t sold	**89 – 94**	**85 – 90**
Capital Expenditure	US$ million	**100 – 115**	**80 – 90**

[1] 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
[2] Unaudited figures as at March 31, 2025
[3] Unaudited net cash / debt is calculated as the outstanding principal balance of any balance sheet debt facilities, excluding lease liabilities accounted for under IFRS-16 and finance leases, less consolidated unrestricted cash on hand.
[4] Assumes average AUD/USD of 0.6450 for 2025, in-line with consensus. All figures presented on a nominal basis and may differ due to rounding. Investors are cautioned not to place undue reliance on the forecasts provided, particularly in light of the general volatility in coal prices as well as the significant uncertainty surrounding global inflation and global economic outlook

Metallurgical Coal Markets

The prime hard coking coal price opened the quarter at approximately US$200 per tonne and closed at US$169 per tonne, with the key underlying theme being weak ex-China steel market conditions driven primarily by continued high Chinese steel exports. Throughout the quarter, deterioration in Chinese domestic metallurgical coal market conditions, and therefore a consistent spread to China net-back pricing, led to a decrease in seaborne pricing as ex-China mills have generally opted to delay procurement.

On the supply side, wet weather and storm events in Queensland have severely impacted production and exports, with numerous significant rain events over the period. In addition, these weather events have caused multiple temporary shutdowns of rail infrastructure corridors at both of Stanmore's coal export terminals. The effect of ongoing rainfall is likely to persist in the Queensland supply chain over the coming months. The announcement of a further incident at a large underground mine in Queensland late in the quarter will also contribute to supply uncertainty from Queensland. In conjunction, through the quarter further Chapter 11 protections were sought in the US and weather impacts have caused delays to operations in Mozambique.

Post monsoon, in the third quarter, additional coke ovens are expected to commence commissioning within India where aggregate inventory is generally understood to be low, with a resultant restock anticipated. The interplay of these factors will be a key factor in price direction for the second quarter, in addition to any further developments in global policy on tariffs and sanctions.

Source: S&P Global Commodity Insights Platts Premium Low Vol HCC FOB Australia and Low Vol PCI FOB Australia indices: 3 April 2023 to 17 April 2025

Summarised Production Statistics[1]

		Quarter-Ended		Year-to-Date	
		Mar-25	Dec-24	**Mar-25**	Mar-24
ROM Coal Mined	Mt	**4.266**	**4.075**	**4.266**	**4.565**
South Walker Creek	Mt	2.101	1.628	2.101	2.061
Poitrel	Mt	1.579	1.646	1.579	1.402
Isaac Plains Complex	Mt	0.586	0.802	0.586	0.983
Millennium[2]	Mt	-	-	-	0.119
Strip Ratio	Prime	**9.2**	**11.5**	**9.2**	**7.8**
South Walker Creek	Prime	8.9	14.1	8.9	7.0
Poitrel	Prime	7.5	8.9	7.5	9.7
Isaac Plains Complex	Prime	14.5	11.7	14.5	7.8
Saleable Production	Mt	**3.334**	**3.269**	**3.334**	**3.340**
South Walker Creek	Mt	1.607	1.433	1.607	1.623
Poitrel	Mt	1.311	1.181	1.311	1.081
Isaac Plains Complex	Mt	0.415	0.655	0.415	0.545
Millennium[2]	Mt	-	-	-	0.091
Total Coal Sales	Mt	**3.219**	**3.410**	**3.219**	**3.444**
South Walker Creek	Mt	1.594	1.427	1.594	1.589
Poitrel	Mt	1.106	1.318	1.106	1.209
Isaac Plains Complex	Mt	0.520	0.664	0.520	0.545
Millennium[2]	Mt	-	-	-	0.091
Sales – Coking Coals	%	26%	30%	26%	31%
Sales – PCI	%	68%	67%	68%	63%
Sales – Thermal Coals	%	6%	3%	6%	6%
Average Sales Price	US$/t	**139**	151	**139**	187
Product Coal Stockpile		**0.495**	**0.413**	**0.495**	**0.709**
South Walker Creek	Mt	0.142	0.132	0.142	0.354
Poitrel	Mt	0.271	0.087	0.271	0.205
Isaac Plains Complex	Mt	0.082	0.193	0.082	0.133
Millennium[2]	Mt	-	-	-	0.017
ROM Coal Stockpile		**0.726**	**1.080**	**0.726**	**1.217**
South Walker Creek	Mt	0.125	0.194	0.125	0.201
Poitrel	Mt	0.586	0.856	0.586	0.722
Isaac Plains Complex	Mt	0.015	0.030	0.015	0.272
Millennium[2]	Mt	-	-	-	0.022

[1] Rounding may impact totals when computed in this table
[2] Note that Millennium underground mining operations ceased June 30, 2024

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

Further Information

Investors

Investors@stanmore.net.au

Media

Media@stanmore.net.au

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.

Follow us on LinkedIn.

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 Isaac Downs Extension, Eagle Downs, Lancewood and Isaac Plains underground 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.

More information about Stanmore can be found at stanmore.au