21 DECEMBER 2016

Cleansing Notice under section 708A(5)(e) and 708A(6) of the Corporations Act

This notice is given by Stanmore Coal Limited (**Company**) under section 708A(5)(e) and 708A(6) of the Corporations Act 2001 (Cth) (**Act**).

On 14 December 2016, the Company announced that it had issued 27.3 million Ordinary Shares to sophisticated and professional investors via a placement at a price of $0.55 per Ordinary Share under Section 708 and 708A of the Act (**Placement**). The Placement will utilise the Company's existing 15% capacity under ASX Listing Rule 7.1. The issue of Ordinary Shares will not increase the relative percentage holding of the Company held by any of its top shareholders and is not expected to have any material effect or consequence on the control of the Company.

In issuing the Ordinary Shares, the Company relies on section 708A(5) of the Act and gives notice under section 708A(5)(e) and 708A(6) of the Act the following details:

1. The Ordinary Shares were issued without disclosure under Part 6D.2 of the Act;
2. As at the date of this notice, the Company has complied with the provisions of Chapter 2M of the Act as they apply to the Company and section 674 of the Act; and
3. As at the date of this notice, there is no excluded information of the type referred to in sections 708A(7) and 708A(8) of the Act.

On behalf of the Board

Andrew Roach
Company Secretary

FOR FURTHER INFORMATION, PLEASE CONTACT:

Mr Dan Clifford
Managing Director
07 3238 1000

Mr Andrew Roach
Chief Financial Officer & Company Secretary
07 3238 1000

ABOUT STANMORE COAL LIMITED (ASX CODE: SMR)

Stanmore Coal is an operating coal mining company with a number of additional prospective coal projects and mining assets within Queensland's Bowen and Surat Basins. Stanmore Coal owns 100% of the Isaac Plains Coal Mine and the adjoining Isaac Plains East Project and is focused on the creation of shareholder value via the efficient operation of Isaac Plains and identification of further local development opportunities. Stanmore continues to progress its prospective high quality thermal coal assets in the Northern Surat Basin which will prove to be valuable as the demand for high quality, low impurity thermal coal grows at a global level. Stanmore's focus is on the prime coal bearing regions of the east coast of Australia.

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