



27 April 2020

FY20 GUIDANCE UPDATE

The Company (Stanmore Coal Limited ASX: SMR) has today revised its Underlying EBITDA¹ guidance for the full year FY20 from \$92-100 million to \$80-85 million. This is due to further recent unfolding impacts of COVID-19 which are now expected to impact earnings in the June 2020 quarter as follows:

- Term customers have advised Stanmore in the past week that they will be deferring taking delivery of contracted coal shipments that they were due to take in June until later in the year. This will now cause a material deferral in revenue and earnings with no sales now forecast for June, being a reduction of around 250kt of sales which were previously expected.
- Reductions in coking coal prices with PLV HCC prices falling from US\$163.5/t in mid-March, to US\$118.5/t as at 24 April 2020². Although this recent fall in prices is significant, it will not impact FY20 underlying EBITDA materially, given the Company sells largely on contract prices which are 50% set for the June quarter (refer table below).

SMR Coking Benchmark Summary (US\$/t, Financial Year)	Q1-20	Q2-20	Q3-20	Q4-20
Forward looking	124.0	107.0	101.0	103.7
HCC Index linked (backward looking)	115.0	98.0	103.7	TBC

- As a result of fewer tonnes being sold as well as measures put in place by the Company and its suppliers to manage the impacts of COVID-19, unit costs per tonne are expected to increase slightly above guidance of A\$107/tonne sold, ex royalty, to A\$109/tonne sold.

Production guidance for the full year remains on track at 2.35Mt.

Yours faithfully

Ian Poole
Company Secretary

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About Stanmore Coal Limited (ASX: SMR)

Stanmore Coal operates the Isaac Plains coking coal mine in Queensland's prime Bowen Basin region. Stanmore Coal owns 100% of the Isaac Plains Complex which includes the original Isaac Plains Mine, the adjoining Isaac Plains East (operational), Isaac Downs (open cut mine project) 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. In addition, Stanmore Coal holds a number of high-quality development assets (both coking and thermal coal resources) located in Queensland Bowen and Surat basins.

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¹ Non-IFRS measure

² Platts Coal Trader International