

stanmorecoal



23 January 2019

EXPIRY OF TAKEOVER OFFER

The Stanmore Coal Limited (ASX: SMR) confirms that the unsolicited off-market takeover Offer from Golden Investments (Australia) Pte Ltd has now expired.

After expiry of the Offer, Stanmore has been informed that Golden Investments Limited has a relevant interest in 25.47% of Stanmore's shares on issue. This includes the 19.9% of the shares on issue acquired by a related entity of Golden Investments from Greatgroup immediately prior to the Offer.

The Company continued to make excellent progress at its Isaac Plains operations throughout the period of the Offer, including:

- Substantially de-risked operations with the dragline transitioned to the low strip ratio pits at Isaac Plains East to enable increased production at lower unit costs
- Announced record coal production and coal sales for the December quarter
- Materially upgraded forecast saleable coal production for FY19 to 2.15Mtpa
- Materially upgrading earnings guidance for FY19 Underlying EBITDA¹¹ to between \$140 million and \$155 million.

On the basis of this upgraded earnings guidance and strong operating performance, the Board also declared an Interim Dividend of 3 cents per share payable on 30 April 2019 and initiated a share buy-back for up to 10% of the Company's fully paid ordinary shares which is expected to commence in early February 2019 and end no later than 12 months after commencement. (Please refer to the Company's ASX announcement dated 18 January 2019 for further details of the Interim Dividend and Share Buy-back.)

¹ Stanmore's financial results are reported under International Financial Reporting Standards (IFRS). References to underlying EBITDA is "non-IFRS financial information" under ASIC Regulatory Guide 230 Disclosing non-IFRS information published by the Australian Securities and Investments Commission. Because non-IFRS financial measures are not based on Australian Accounting Standards or any other recognised body of accounting standards, they do not have a prescribed meaning and the way that Stanmore calculates them may be different from the way other companies calculate similarly-titled measures. Stanmore Shareholders should therefore not place undue reliance on these non-IFRS financial measures. Underlying EBITDA reflects statutory EBITDA as adjusted to reflect the Directors' assessment of the result for the ongoing business activities of Stanmore. Non-IFRS measures have not been audited.

The Company remains focused on managing operations and continuing to deliver on its strategy to maximise value for all shareholders.

The Board thanks shareholders for their support throughout the takeover process and looks forward to reporting on the continued success of the business.

Yours faithfully,

Ian Poole
Company Secretary

For further information, please contact:

Dan Clifford
Managing Director
07 3238 1000

Ian Poole
Chief Financial Officer & Company Secretary
07 3238 1000

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 Mine (currently being assessed in a Bankable Feasibility Study). 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.

Stanmore Coal Limited ACN 131 920 968

p: +61 7 3238 1000
f: +61 7 3238 1098

e: info@stanmorecoal.com.au
w: www.stanmorecoal.com.au

Level 8, 100 Edward Street, Brisbane QLD 4000
GPO Box 2602, Brisbane QLD 4001

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