

June 2025 Quarterly Activities Report

Higher ROM coal production, zero serious safety incidents, and positive cash flows for the June quarter as operations recover from severe weather impacts to continue to deliver on full year Saleable Production Guidance

"We are proud to have recovered strongly from the first quarter, increasing our run-of-mine production by 15% with saleable production remaining stable. Most notably, our Serious Accident Frequency Rate has returned to zero for the first time since late 2023, reflecting our continued commitment to safety and proactive risk management. This performance is especially commendable given the continued impact of wet weather early in the second quarter, with rainfall of nearly 600mm reported by the end of April - equivalent to 97% of Moranbah's 5-year annual average.

Mine plans have been successfully adjusted to manage that weather impact, allowing for production to increase progressively over the quarter, positioning our operating assets to deliver on a higher coal production run-rate for the remainder of 2025.

While cash preservation remains paramount throughout the industry, we are pleased to report that Stanmore has generated positive operating cash flows and reduced net debt quarter-on-quarter, supported by our various cost improvement initiatives, despite the continued heightened global macro-economic conditions.

Prime hard coking coal prices were rangebound, as constrained supply from Australia interplayed against elevated Chinese steel exports continuing to pressure steel margins. Coal miners remain under pressure globally, with various commentators indicating that pricing is currently operating in a part of the cost curve that appears unsustainable for an extended period without meaningful disruption in supply/demand dynamics."

Marcelo Matos, Chief Executive Officer & Executive Director

Highlights

- Rolling twelve-month Serious Accident Frequency Rate returned to zero for the first time since late 2023, supported by proactive risk management initiatives and disciplined operational performance
- ROM coal production of 4.9Mt including a quarterly site record at South Walker Creek, rebounding strongly from the prior quarter as the significant wet weather impacts subsided and productivities improved – this supported saleable production of 3.2Mt in the quarter
- FOB Cash Costs¹ are within the previously stated Guidance range, albeit they are tracking at the upper end of the range year to date, with sales volumes remaining weighted to the second half of the year
- Positive operating cash flows generated during 2Q with consolidated cash of US\$181¹ million and net debt of US\$99 million¹ as at June 30, improving from US\$169 million and US\$146 million as at March 31, respectively
- Total liquidity of US\$401 million¹, maintaining a robust balance sheet position and providing financial resilience amid ongoing macroeconomic volatility and coal market uncertainty
- Planting commenced in a 50-hectare area to trial of the use Pongamia as sustainable feedstock for renewable fuels – a significant milestone for Stanmore's ongoing decarbonisation and sustainability efforts

¹ Preliminary unaudited figures as at 30 June 2025

For personal use only

Consolidated Production & Sales Performance

		Quarter-Ended		Year-to-Date	
		June-25	Mar-25	June-25	June-24
ROM Coal Mined	Mt	4.9	4.3	9.2	9.4
ROM Strip Ratio	Prime	8.3	9.2	8.7	8.1
Saleable Coal Produced	Mt	3.2	3.3	6.5	6.8
Sales of Produced Coal	Mt	3.3	3.2	6.5	6.9
Sales of Purchased Coal	Mt	0.0	0.0	0.1	0.1
Total Coal Sales	Mt	3.3	3.2	6.6	7.0
Average Sales Price	US\$/t	127	139	132	175

Safety

Stanmore's operations had no serious accidents for the quarter, reducing rolling-twelve-month Serious Accident Frequency Rate (SAFR) from 0.15 in the prior quarter to zero as at June 30, and well below the latest reported industry average¹ of 0.68.

There has been a continued decline in recordable injuries across the operations, reflecting sustained efforts to actively identify and manage risks in the field. Importantly, reporting rates remain high, which is a strong indicator of a proactive safety culture.

The focus on completing critical control integration into our Principal Hazard Management Plans (PHMP's) continues. These updates ensure critical controls are both effective and verifiable, reflecting best practice and supporting Stanmore's commitment to proactive risk management and the continued safety of our people.

Operational Highlights

South Walker Creek

		Quarter-Ended		Year-to-Date	
		June-25	Mar-25	June-25	June-24
ROM Coal Mined	Mt	2.3	2.1	4.4	4.3
ROM Strip Ratio	Prime	8.0	8.9	8.4	7.2
Saleable Coal Produced	Mt	1.4	1.6	3.0	3.2
Total Coal Sales	Mt	1.5	1.6	3.1	3.2

South Walker Creek ROM coal production returned to steady-state levels despite significant wet weather in April, supported by consistent overburden removal and a strong finish to the quarter – highlighted by over 1Mt of ROM coal mining achieved in the month of June alone and a quarterly record. Saleable coal production decreased slightly quarter-on-quarter, owing to the timing of recovery from the wet weather impacting coal availability for the CHPP, and lower opening inventories compared to the previous quarter.

The CHPP recovered strongly to operate at the upgraded nameplate capacity late in the quarter, which together with increased second-half mining volumes, supports the ability to achieve the saleable production Guidance.

¹ 0.68, as at 31 March 2025 as published by Resources Safety and Health Queensland for Surface Mines as at the date of this report.

Poitrel

		Quarter-Ended		Year-to-Date	
		June-25	Mar-25	June-25	June-24
ROM Coal Mined	Mt	1.7	1.6	3.3	2.9
ROM Strip Ratio	Prime	8.6	7.5	8.1	9.5
Saleable Coal Produced	Mt	1.2	1.3	2.5	2.1
Total Coal Sales	Mt	1.3	1.1	2.4	2.3

Poitrel maintained strong operational performance, overcoming the adverse weather conditions to achieve saleable production levels above the mid-point run-rate of Guidance. In the June quarter, ROM coal mining output rose by approximately 7% compared to the previous quarter, supported by proactive adjustments to the mining schedule in response to the ongoing wet weather. These changes also led to increased stripping activity, reflected in the higher strip ratio compared to the previous quarter. The strip ratio is expected to normalise in the second half.

A planned CHPP shutdown in May reduced saleable production quarter-on-quarter, however, coal sales were buoyed by healthy opening inventories and rose 16%, marking a strong close to the first half of the year.

A coal auger mining project concluded after 16 months on site with over 200,000 tonnes of high-quality metallurgical coal recovered through the life of the project. The success of this initiative has prompted further studies and approvals to access additional auger reserves in future years.

Isaac Plains Complex

		Quarter-Ended		Year-to-Date	
		June-25	Mar-25	June-25	June-24
ROM Coal Mined	Mt	0.9	0.6	1.5	2.0
ROM Strip Ratio	Prime	8.4	14.5	10.7	8.9
Saleable Coal Produced	Mt	0.6	0.4	1.0	1.3
Total Coal Sales	Mt	0.5	0.5	1.1	1.3

Isaac Plains Complex continued recovery efforts in the quarter, noting this asset was the most severely impacted by the wet weather impacts in the prior quarter. An adjustment to mine plan sequencing in response to these events and prioritisation of coal flow and recovery activities led to an increase in both ROM production and saleable coal production of 50% on the previous quarter. Strong performance of the dragline, combined with ongoing improvements on pre-strip operations supports the ability to achieve saleable production Guidance.

Development and Exploration Projects**Exploration**

A total of A\$5.5 million was spent on exploration activities across our operations for geotechnical and coal quality analysis during the quarter. This included groundwater bore, structural and coal quality drilling works at the Isaac Downs Extension Project, as well as time-critical and seasonally dependent environmental tasks to support the submission of an Environmental Impact Statement (EIS).

Projects

Eagle Downs Mine development studies and design work are progressing with work focussed on mine planning and capital optimisation studies. This optimisation work, reviewing the entire scope of capital and operational parameters, will continue through to the second quarter of 2026.

Isaac Downs Extension preliminary design work is largely complete in line with approval application requirements. Environmental field work and associated studies are well advanced in line with our targets to move to EIS submission early next year.

Corporate

Stanmore remains well-positioned with strong liquidity and disciplined capital deployment to sustain its business during this period of cyclically low metallurgical coal prices. Total liquidity as of June 30 was US\$401 million¹, comprising US\$181 million in cash and US\$220 million in undrawn and committed working capital facilities. Net debt reduced to US\$99 million² quarter-on-quarter, with the half-yearly scheduled term loan repayment of US\$35 million reducing the balance of that facility to US\$280 million.

Total cash movements over the quarter included the following non-operational items:

- US\$35 million scheduled term loan repayment
- US\$24 million of stamp duty paid in relation to the acquisition of the Eagle Downs Project
- US\$19 million in total capital expenditure (of which US\$9 million relates to growth / improvement spend)

Adjusting for these items, Stanmore generated US\$90 million in cash during the quarter, which included a US\$48 million income tax refund following the submission of our annual tax return in June 2025. Furthermore, the Company has lodged a formal objection to the Queensland Revenue Office's stamp duty assessment for the Eagle Downs Project and, in accordance with legislation, paid the assessed amount to preserve its right to appeal the outcome if necessary.

Guidance

Stanmore is pleased to reaffirm our saleable production Guidance for 2025, with no other changes to Guidance noted at this time. This is a remarkable effort, given the significant wet weather experienced in the first quarter also continued into the early part of the second quarter. Recovery plans have been enacted, with higher production performance in the second half anticipated to deliver the stated full year Guidance.

		2025 Guidance ³
Saleable Production	Mt	13.8 – 14.4
South Walker Creek	Mt	6.5 – 6.7
Poitrel	Mt	4.7 – 4.9
Isaac Plains Complex	Mt	2.6 – 2.8

Metallurgical Coal Markets

The prime hard coking coal price opened the quarter at approximately US\$169 per tonne and closed at US\$174 per tonne. The key underlying theme was similar to the first quarter, being weak ex-China steel market conditions driven primarily by continued high Chinese steel exports. Throughout the quarter, Chinese domestic metallurgical coal market conditions remained soft, resulting in a consistent spread to China net-back pricing.

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 net cash / debt is calculated as the outstanding principal balance of any long-term balance sheet debt facilities, excluding lease liabilities accounted for under IFRS-16 and finance leases, less consolidated unrestricted cash on hand.

³ 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

In contrast, Australian supply conditions continued to deteriorate, with severe impacts associated with weather and production issues occurring across the full range of metallurgical products. Rainfall in Queensland was particularly severe early in the second quarter, contributing to significant delays in shipping and growth in vessel queues at all ports that persisted through the quarter. PCI supply in particular was significantly constrained during the quarter against consistent demand globally.

The introduction of a safeguard duty on steel imports into India had an immediate impact early in the period, with steel prices normalising and a return to procurement confidence from the Indian market. Demand has remained stable, with inventory cover levels generally at low levels and a steadier approach to procurement observed into the monsoon season than in prior years. Early in the third quarter of 2025, there have been some signs of stabilisation in Chinese domestic markets, with the current price understood to be operating in an unsustainable part of the cost curve globally. Since 30 June the reported domestic spot price for certain high grades of Chinese coking coal have increased by a value of approximately US\$25 per tonne to late July. Along with maintenance at key production facilities in Australia, this is expected to be influential in pricing for the July-September quarter.

For personal use only



Source: S&P Global Commodity Insights Platts Premium Low Vol HCC FOB Australia and Low Vol PCI FOB Australia indices: 3 July 2023 to 10 July 2025

Summarised Production Statistics¹

		Quarter-Ended		Year-to-Date	
		June-25	Mar-25	June-25	June-24
ROM Coal Mined	Mt	4.905	4.266	9.171	9.437
South Walker Creek	Mt	2.289	2.101	4.390	4.309
Poitrel	Mt	1.684	1.579	3.263	2.923
Isaac Plains Complex	Mt	0.932	0.586	1.518	1.963
Millennium ²	Mt	-	-	-	0.242
Strip Ratio	Prime	8.3	9.2	8.7	8.1
South Walker Creek	Prime	8.0	8.9	8.4	7.2
Poitrel	Prime	8.6	7.5	8.1	9.5
Isaac Plains Complex	Prime	8.4	14.5	10.7	8.9
Saleable Production	Mt	3.177	3.334	6.510	6.760
South Walker Creek	Mt	1.414	1.607	3.021	3.195
Poitrel	Mt	1.188	1.311	2.499	2.084
Isaac Plains Complex	Mt	0.575	0.415	0.990	1.287
Millennium ²	Mt	-	-	-	0.194
Total Coal Sales	Mt	3.315	3.239	6.554	6.990
South Walker Creek	Mt	1.488	1.594	3.082	3.245
Poitrel	Mt	1.284	1.125	2.409	2.276
Isaac Plains Complex	Mt	0.543	0.520	1.063	1.263
Millennium ²	Mt	-	-	-	0.206
<i>Sales – Coking Coals</i>	%	26%	26%	26%	31%
<i>Sales – PCI</i>	%	68%	68%	68%	62%
<i>Sales – Thermal Coals</i>	%	6%	6%	6%	7%
Average Sales Price	US\$/t	127	139	132	175
Product Coal Stockpile		0.351	0.495	0.351	0.583
South Walker Creek	Mt	0.066	0.142	0.066	0.261
Poitrel	Mt	0.170	0.271	0.170	0.149
Isaac Plains Complex	Mt	0.115	0.082	0.115	0.174
ROM Coal Stockpile		0.856	0.726	0.856	1.048
South Walker Creek	Mt	0.418	0.125	0.418	0.343
Poitrel	Mt	0.395	0.586	0.395	0.500
Isaac Plains Complex	Mt	0.042	0.015	0.042	0.160
Millennium ²	Mt	-	-	-	0.045

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