

2025 AGM Chair's Address

Dear Stanmore shareholders,

Before I address shareholders about the Group's 2024 performance, I would like to acknowledge the Barada Barna people, who are the Traditional Owners of the land on which we operate, and the Widi people who share some of the Country surrounding our South Walker Creek mine, and pay my respects to their Elders past and present. I would also like to pay my respects to the Yuggera and Turrbal people, who are the Traditional Owners of the land on which our corporate office is based and where today's shareholder meeting is being held.

As we reflect on 2024, Stanmore Resources has emerged as a stronger, more resilient company with a clear pathway to sustainable growth and shareholder value creation.

Our commitment to operational excellence, financial resilience and sustainable growth has delivered another year of solid results, ensuring that we continue to create long-term value for our shareholders.

Stanmore Resources continues to demonstrate its ability to perform at the highest operational level delivering record production and sales volumes. Reinvesting capital in our core operating assets is already enhancing productivity and reinforcing the foundations for our future growth.

Importantly, we also improved overall safety outcomes across the Group at the same time as we delivered these strong production results.

Our operational performance and capital management discipline led to a strong financial outcome for 2024, despite export metallurgical coal prices continuing to decline from the highs of 2022. The Group reported underlying earnings before interest, tax, depreciation and amortisation of US\$700 million and operating cash flows of US\$408 million.

Our commitment to disciplined capital management was evident as significant capital expenditure programs were completed on time and under budget. Capital expenditure reduced from US\$200 million in 2023 to US\$170 million in 2024 as the majority of these one-off investments were completed.

We also completed several corporate transactions during the year to set the stage for future capacity expansion and resource replenishment.

The Group's balance sheet remains robust, with total liquidity of more than US\$500 million at year end, following our debt refinancing which was completed in October 2024.

In line with our disciplined capital management strategy, the Board declared a fully franked final dividend of US 6.7 cents per share, bringing total dividends for 2024 to US 11.1 cents per share, or US \$100 million in aggregate. This reflects our strong cash generation and confidence in our long-term value creation strategy.

In March 2024, Stanmore was included in the ASX 200 Index. This is a testament to the market's confidence in our earnings growth potential after transforming the business with the acquisition of the SMC assets in October 2022.

Sustainability

Embedding sustainability into our operations to move beyond compliance is a strategic priority for Stanmore, and we continue to build momentum in this process.

Mandatory climate-related financial disclosures commenced at the start of 2025. Under this new reporting standard, Stanmore will make climate-related financial disclosures as part of the sustainability reporting in the current year's Annual Report. In preparation for this, we have designed climate risk management processes to ensure that our sustainability reporting is compliant and fit-for-purpose.

Outlook

Stanmore has a diversified customer base across the traditional markets of Japan, Korea, Taiwan and Europe, and emerging markets in India and south-east Asia. While demand for metallurgical coal has recently been impacted by global steel market and macro-economic conditions, longer-term growth forecasts remain fundamentally intact, with India continuing to be an important growth market as its steel industry expands.

As we look ahead, Stanmore is well-positioned to pursue a range of strategic opportunities for organic growth and value-adding transactions to develop new production capacity while maintaining financial discipline.

As we stated in the company's March Quarterly Report, our mines have all been affected by unusually wet weather in the Bowen Basin, which has created challenges for mining operations and the entire logistics chain.

These supply impacts have coincided with subdued demand for metallurgical coal during the first quarter, which has resulted in prices trading down to levels the industry has not seen since mid-2021. It is encouraging to note that prices have shown signs of stabilising and improving early in the second quarter with improving demand from Indian customers amid further supply constraints.

Challenges such as these are a normal part of our cyclical industry. Our performance in 2024 and solid balance sheet has helped to position the business to manage through the cycle. Our growth capex program has largely been completed in the first quarter and gives us access to new production capacity and organic expansion options hence timing wise is perfect in lieu of current capital market conditions. At the same time, we have substantially de-leveraged the balance sheet and put committed financing facilities in place.

The combination of operational excellence, a strong balance sheet, prudent financial management, and a clear strategic vision, positions Stanmore to maximise value from our existing assets organically and at the same time capitalise on new opportunities in a dynamic market should such opportunities arise. These factors also reinforce our status as a leading player in the global metallurgical coal industry with substantial capacity for sustainable, long-term growth in shareholder value.

Governance

There are a number of resolutions to be considered by shareholders at today's meeting.

Three directors – Caroline Chan, Brett Garland and Matt Latimore – retire by rotation at this meeting, in accordance with the Company's Constitution and the ASX Listing Rules. They have all offered themselves for re-election as Directors. I will introduce Caroline, Brett and Matt during the proceedings of the meeting before shareholders will be asked to cast their votes on these resolutions.

The Board has also proposed that the maximum fee pool for non-executive Directors be increased from \$1 million to \$1.5 million. The Board has undertaken a review of remuneration paid to non-executive Directors in similar-sized companies to Stanmore. The size, complexity and risk profile of the Group have significantly increased, and the Board believes that Directors' fees should reflect this and be set at a competitive level, so the Company is able to attract and retain the services of high calibre non-executive Directors. As the non-executive Directors have a direct interest in the outcome of this resolution, the Board has not made a recommendation to shareholders as to how to vote.

These resolutions and the Remuneration Report will be put to a vote of shareholders later in the formal business of the meeting.

Closing

On behalf of the Board, I extend my gratitude to our employees, leadership team, and business partners for your dedication and commitment to the company's success. Stanmore's exceptional performance over the past year would not have been possible without your efforts.

I would also like to thank the Traditional Owners of the land on which we operate, and our valued stakeholders for their ongoing support.

I would also like to express my appreciation to my fellow directors for their efforts in guiding the direction and performance of the business.

Finally, thank you to all shareholders for your continued trust in the Board and leadership team as stewards of the company. Your support is invaluable as we continue to build a sustainable and prosperous future for Stanmore.

I look forward to another year of progress and success in 2025 and beyond.

Thank you.

This announcement is authorised for release by the Company Secretary of Stanmore Resources Limited.

Further Information

Investors

Investors@stanmore.net.au

Media

Media@stanmore.net.au

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](https://www.stanmore.au)