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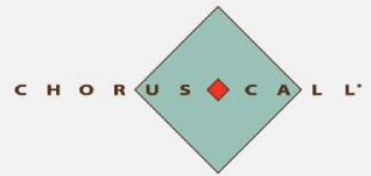
Company: Stanmore Resources Limited
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Operator: Thank you for standing by, and welcome to the Stanmore Resources Limited June 2024 Quarterly Activities Report. All participants are in listen-only mode. There will be a presentation followed by a question-and-answer session. If you wish to ask a question, you will need to press the star key followed by the number one on your telephone keypad. I would now like to hand the conference over to Mr. Marcelo Matos, Executive Director and Chief Executive Officer. Please go ahead.

Marcelo Matos: Good morning all, and thank you for joining us today as we discuss our operating results and key achievements for the June quarter. We are pleased to report robust results once again which have contributed to total saleable production of 6.8 million tons for the first half, in line with the upper end of full year guidance on an annualised basis. This is notwithstanding that our group level guidance has not been restated following the announcement to seize operations at Mavis Underground with the team remaining comfortable that our core operations can meet the shortfall.

Our assets continue to demonstrate their cash-generating potential with net cash moving by some US\$106 million, including the net one-off impacts from the receipt of the US\$136 million Wards Well proceeds and our 170 million tax payment. We've been busy transaction-wise over the quarter, announcing the acquisition of the remaining 50% Eagle Downs metallurgical coal joint venture and 100% of the Eagle Downs South tenements. These assets are highly complementary to Stanmore's infrastructure position in the Bowen Basin, and we look forward to completing other transaction in the coming weeks.



Kicking off today's call with safety. As you all know, we've been very busy with many projects with man hours increased significantly across our sites, with the mobilisation of a significant number of newcomers into our business as well as contractors to support our very sizable capital investment program.

Unfortunately, this has coincided with a step-up in recordable injuries over this time period, which whilst remaining a concern, have thankfully been mostly related to non-severe musculoskeletal and finger- and hand-related injuries.

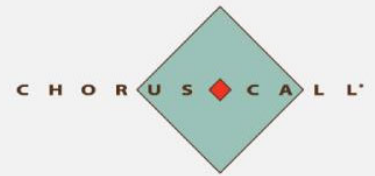
Overall, this trend has translated to our Serious Accident Frequency Rate increasing from 0.35 in the March quarter to 0.48, thus still remaining below the latest industry average of 0.56. In response to the upward trend, we've run a hand injury prevention campaign in April, safety focused engagement sessions with our senior leadership team across May.

And most recently, a safety reset in June. We are committed to ensuring that these increased actions initiatives get to the bottom of any underlying causes that may be contributing to this uptick in injuries, including ongoing engagement and management of our major contractors.

Moving on to a brief update for each of the operations. South Walker Creek had another fantastic quarter, producing a consistent production result of 1.6 million tons, well above the upper end of guidance on an annualised basis. Strip ratios increased versus the prior quarter with the ramp-up of the expansion fleet well underway though we had lower dragline stripping due to the scheduled 70-day shutdown of our dragline 27 to support the ongoing conversion to AC. This works have been successfully completed in the last week or so and the dragline is on its way back into the pit to be back in full operation in the coming days.

The MRA2C project is ahead of schedule and underbudget with significant civil works ongoing with 3.7 million cubic meters of material moved in the first half despite numerous wet weather interruptions. CHPP expansion remains on track for November shutdown tie-in and commissioning, whilst as previously stated, all three expansion fleets have been mobilised and are conducting box cut operations at Y-South ahead of first coal in August.

The significant capital investment program at South Walker Creek is in full throttle, and we look forward to finalising these projects over the coming months with full conclusion of MRA2C received by the first quarter of 2025.



In total, since the acquisition of this flagship asset in May '22, we have approved over US\$200 million in growth and improvement capital, which will make it an even more resilient and consistent operation. Meanwhile, at Poitrel, statical production and sales enabled inventories to remain healthy quarter-on-quarter.

The bringing forward of Run of Mine coal from the first quarter '24 into the fourth quarter 2023 opened the year with healthy ROM coal volumes. This facilitated the team to focus on stripping and pit setup activities optimising those push parts to position stripping almost 20% above plan in the first half despite all wet weather interruptions.

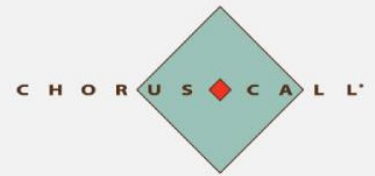
ROM coal production is expected to be strong in the second half, benefiting from this strong first half waste removal performance. Similarly to South Walker Creek, these strong operational outcomes have translated to annualised saleable production above the upper end of guidance, together offsetting the lost volumes from the closure of the Mavis Underground.

Project-wise, the Ramp 10 project has entered into its final phase with completion of the box cut waste planned for the September quarter. We're also happy to report that the southern flood protection Levee was fully certified earlier this month.

At Isaac Plains Complex, stripping and coal production recovered nicely in the second quarter, overcoming the wet weather and geotechnical challenges to bring run rate saleable production back in line with guidance. Overburden removal at Pit 5 continued, thus will increase drill-blast complexities through a difficult buzz out cover and also mining of an over thrust area in Isaac Downs commenced; hence, delaying coal mining and modestly increasing strip ratios. Despite these challenges, we still expect a robust second half and to finish the year well within our guidance range.

As announced in late June, we released the closure of our Mavis Underground project. This decision was not taken lightly. But as we have previously highlighted to the market, Mavis was a small scale much higher cost operation compared to our main operating portfolio.

Unfortunately, this has been exacerbated by a challenging ramp up and production performance below previously expected levels, putting pressure on



unit costs and all the economic viability of that small operation especially in an environment of falling and lower coal prices.

Our focus will be on ensuring a seamless closure of the Mavis E-Pit Underground and demobilisation of the mining services contractor with a view to reach steady-state minimum expenditure status by the end of the current quarter. As mentioned earlier, the Eagle Downs transaction remains on track, with completion expected in the coming weeks.

Total up-front consideration for these transactions together is approximately US\$32 million. We are looking forward to getting our hands on the asset to optimise the development pathway, including optioneering various opportunities to leverage our unique neighbour infrastructure position at Isaac and Poitrel and reduce development capital.

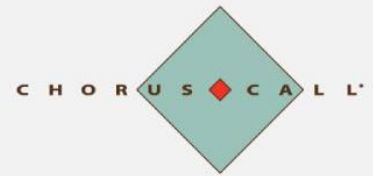
I'll hand over to Shane briefly to provide an update on our corporate activities and cash flows.

Shane Young:

Thanks, Marcelo. As highlighted in the release, we closed the quarter very strongly from a cash flow perspective, with net cash of US\$192 million compared with US\$86 million as of the March quarter. This is despite making US\$170 million tax payment as flagged in our prior quarterly call, as well as a cash receipt of US\$136 million from the proceeds of sale of Wards Well South.

Furthermore, capital spend stepped up in the second quarter as planned, with works for the various South Walker Creek projects, MRA2C, the dragline AC conversion, Y-South box cut and the CHPP expansion ramping up in unison. It should be noted that this has resulted in a higher weighting of capex in H1 compared to the expected capital spend planned for H2, impacting first half cash flows accordingly while total 2024 capital spend is expected to land within the full year guidance range as planned.

Meanwhile, we continue the scheduled repayments of our acquisition financing facility, reducing the principal balance to US\$210 million as at the end of Q2. All of this has combined to our balance sheet now showing US\$404 million of cash on hand as at 30 June. This is a strong cash position for the company ahead of the Eagle Downs completion payments of 32 million and a final deferred BMC consideration payment to BHP of US\$150 million in Q3.



Further strengthening our available liquidity was the 2-year extension of the US\$70 million working capital facility with our major shareholder GEAR, also noted in our announcement. With regard to guidance, we have kept our previously disclosed figures unchanged.

With strong production figures out of South Walker Creek and Poitrel expected to offset the lower-than-guided volumes from the Millennium Complex following the Mavis Downs' closure on a consolidated basis. We look forward to further reaffirming our public guidance position and releasing the upcoming half year financial results in August.

I'll now hand back to Marcelo to close out the report with a brief discussion around metallurgical coal markets before moving to Q&A.

Marcelo Matos:

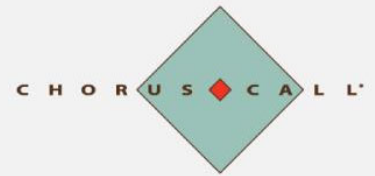
Thanks, Shane. The June quarter saw an uncharacteristically stable quarter for hard coking coal prices trading at the lowest quarterly standard deviation since early 2020s. This was reflective of demand remaining relatively stable despite ongoing challenging conditions in the steel environment as China exports remain elevated.

Nonetheless, PCI was not so stable and pleasingly saw the relatively to the Premium Low Vol Hard Coking Coal Index retrace from around 60% at the end of March to almost 80% by the end of June, as we have been expecting, and more recently closed to 85%, driven by further sanctions on Russian materials, bringing the buyers back to Australia materials and tightening the availability of high-quality Australian FOB PCI volumes.

This brings relativities back to actually above long-term average levels, materially benefiting our portfolio mix, which is still around 60% PCI on an annualised basis. Clearly, the ignition event immediately preceding the quarter end at a major hard coking coal underground asset in Queensland has also driven recent uncertainty and volatility at the premium end of the market.

This only exacerbates the view that the supply side view of metallurgical seaborne market will be structurally constrained, and it will be interesting to see how this plays out during the second half post the Indian monsoon season and continued blast furnace commissioning.

Overall, it's been another robust and consistent quarter and first half for Stanmore, and we are pleased to have recovered well from the charges early in



the year with wet weather. With the PCI market position favourably and our assets continue to perform strongly, we are looking forward to continuing to deliver robust outcomes for our shareholders during the second half.

I'll now hand over to the moderator so we can take your questions before concluding the call.

Operator: Thank you. If you wish to ask a question, please press star one on your telephone and wait for your name to be announced. If you wish to cancel your request, please press star two. If you're on a speakerphone, please pick up the handset to ask your question. Your first question comes from Jim Xu with Barrenjoey. Please go ahead.

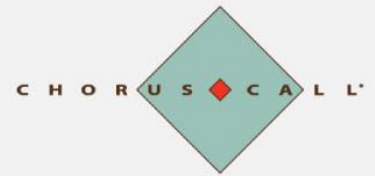
Jim Xu: Hi, Marcelo and Shane. Congrats on a great quarter, especially on cash generation. And thanks for the opportunity to ask a question. I guess the question on everyone's mind right now is just on M&A. And clearly, the balance sheet's got a lot of strength. Your thoughts on the assets coming to the market right now for sale?

Marcelo Matos: Hi, Jim. Look, I think the market, of course, has been expecting this envelope process to start. I think it's early days. Of course, we are not prepared to comment, I mean, as usual, in details around process itself. It's a large portfolio of metallurgical coal assets, a combination of underground and open-cut assets.

In Queensland, of course, we are always saying that Queensland is our backyard, and we're going to be always open to look at opportunities that offer a value proposition for us in our backyard. So, I think we need to see how this process is going to unfold at GMA, but it is just a lot of water under that bridge.

Jim Xu: Okay. Understood. And just any thoughts on how you would maybe finance an acquisition? I think if I look back to when you bought your 80% of BMT, it was roughly 50% debt, 10% internally sourced and 40% equity. Do you think that would be the right mix for an acquisition going ahead? And have you had conversations with your major shareholder? Are they also supportive of M&A activity as well?

Shane Young: Jim, it's Shane here. Look, I think it's probably too early to start to think about or speculate on things for this particular process. I mean Marcelo said, we don't usually comment at all on M&A activities. So, I'll only speak just generally about



the position that Stanmore find themselves in. I mean, we've got a very strong balance sheet at this stage. We've got big numbers of net cash of \$400 million of cash on the balance sheet. And that gives options, gives us options to raise debt.

It gives us options to look at equity markets. And of course, whenever high-quality assets come on the market, there's always options for other joint ventures and other ideas as well. So, the most important thing that we're trying to do whether it's any process that could be coming up from any vendors is to just give ourselves the best possible opportunity to have a look at things and to grow and to finance things accordingly.

Jim Xu: Okay. Thanks Shane. And maybe just a couple more questions, if I can. I think last time we talked in April, you mentioned that the non-core period for your acquisition financing facility expires in May. Any update you can provide on that refinancing?

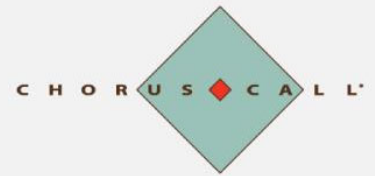
Shane Young: Yes. Thanks, Jim. Yes. It did -- the non-core period ended in the beginning of May. So, it's early into that process now that we're now in a position where we can refinance without penalties. We are considering our options in that regard and setting ourselves up with a strong balance sheet also helps in that assessing different options there as well. So, it's something that we're considering. And obviously, once we have something a little bit more concrete, we'll be sure to update the market at that time.

Jim Xu: Okay. Understood. Thank you.

Operator: Your next question comes from Brett McKay with Petra Capital. Please go ahead.

Brett McKay: Hi morning gents. Another solid result. Just maybe remind us on the timing of updates that you expect to present to the market around Lancewood and Eagle Downs. I appreciate that Eagle Downs hasn't fully settled yet. But just in terms of medium term, what we might expect to hear and when from you guys?

Marcelo Matos: Brett, I'll start with Eagle Downs. We are expecting to complete the transaction in the coming very few weeks. So I think we are very close. Most of the CPs have been satisfied. There's a couple of contracts that need to be assigned and novated. And we think that it's just a question of days and not even weeks. So it should be happening soon.



Obviously, we need to get our hands in the asset and a lot of the effort will be around capital and development capital and how we can improve start-up capital by leveraging from our existing infrastructure as we've discussed before. I think Eagle Downs is different than some of the other development options is shovel already.

And that it's the only project in the portfolio that we're going to have, let's say, with the large amount of control on what happens with the timetable and on the development of the project overall. Most of the other projects they still depend on quite lengthy and onerous approval pathway, okay regulatory approval that includes Lancewood, Brett.

I think we are looking at an environment where things are not getting any easier. So a lot of the work in Lancewood has been on working on an open-cut option and whether it is an economic open-cut option ahead of a longer term underground development that was always the approach. It's not an easy pit because it's a reasonably higher strip ratio open cut because we're going to have a sizable box cut to get to stock that pit. It's going to be a terrace pit in a very constrained space and in an area where we don't have existing infrastructure.

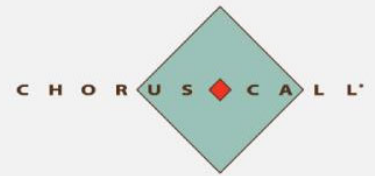
As you know we have that transaction with Peabody where we may have access to infrastructure, but a lot of the work is on our understanding the economics and how that stacks up ahead of our longer-term development on the ground. And as I said, Brett, I think we still have another 3 years at least ahead of us simply by having to do an EIS and the granting of the EIS.

So I think we hope to be able to update the market soon where studies are ongoing and -- but I think until we have a more meaningful story to tell about Lancewood, I think it's still a bit early. The focus to be frank given Eagle Downs is going to be where we have more control of the outcome and where we can actually act a lot earlier.

I think we want to run the project to ground by the first half next year and to be able to then make some decisions about how we're going to progress with the project given it has all the approvals in place for development.

Brett McKay:

Okay. That makes sense. That's all I have got today. Thanks a lot.



Operator: Your next question is a follow-up from Jim Xu with Barrenjoey. Please go ahead.

Jim Xu: Just another question. I understand that your current mining contract at South Walker Creek is HSE and your contract I think, expires in August 2025, have you started tendering process for the new contract? When do you expect to award it? That's the first question?

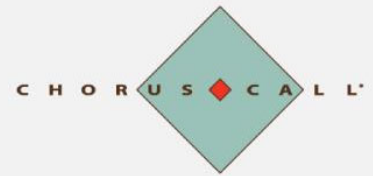
Marcelo Matos: Yes, Jim, maybe just as an update, HSE, I mean, the Swire group who owns HSE they have concluded a transaction with NRW Group with Golding for the -- where they acquired that part of the HSE business which is the South Walker contract. So Golding is actually now transitioning into South Walker. It's all happening as we speak. So far so good very smooth transition. And they will be the incumbent contractor until August next year which were the current contracts by us.

We are at full throttle in a tender process for the, let's say, the renewal of their job which could be actually a bigger contract considering that we have now the increased expansion fleets as well as part of the expansion project. So it's happening as we speak. And we hope that in the next few weeks we should be able to make some decisions and provide the market with further update.

Jim Xu: Okay. Understood. And then maybe just a question on the market as well. I mean, as you mentioned on the call a big change in PCI dynamics with PCI discount now down to 12%. Your thoughts on what has driven that reduce spread and how do you see PCI and I think met coal prices playing out over the rest of the year?

Marcelo Matos: Look there's been -- on the high-quality FOB volumes, Jim, I think you probably heard about the second round of sanctions to Russia materials including Korea, for example and we were expecting that including the Korean market, there will be a gradual replacement for some Russian volumes by Australian coal as some of those contracts are phasing out and renewed.

So this has put a bit of pressure on PCI prices. I think you may have seen in the Platts' assessment that some of those recent spot deals at higher prices, I think they were South Walker Creek price. So I mean we are glad we've been able to participate in assisting with PCI price reflecting a more realistic view of where the PCI market is especially for high-quality long-haul PCIs.



Obviously, the trend on the premium end of hard coking coal has been a bit different. We are not necessarily confident that that's going to remain the same for the back end of the year where we've now seen these reductions in the premium end of the food chain which is the premium hard coking coals. I think, there's been a lot of cargo volume, especially ahead of a change in control in Canada which just taken place now and our other transactions where normally you see vendors putting a lot of cargoes in the market ahead of some of these transaction completions.

Maybe things will be a bit tighter towards the back end of the year, especially as the recent oxidation event in Queensland flushes out in the market and shows its full impact. PCI especially high-quality PCI in Australia is tight. We are not seeing a lot of cargoes offered to the spot market recently.

Jim Xu: All right. Thank you.

Operator: The next question is a follow-up from Brett McKay with Petra Capital. Please go ahead.

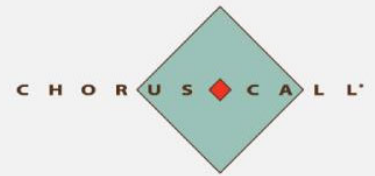
Brett McKay: Yes. Sorry, just wanted to clarify are you guys seeing any delays coming out of DBCT or increase in shipping queues that may be impacting any of your volumes getting away at the moment?

Marcelo Matos: Yes, July has not been a good month in DBCT, Brett. I think shipping queues went up to close to 40 days. So, it's been a -- not a good month. Our volumes are a lot lower than what we expected initially them to be. It's already improving. We are seeing the size of improvement. So, July was expected to be a difficult month.

I think it ended up being worse network-wise in the Goonyella chain also contributed by some of the issues that we experienced in DBCT. I think they are normalised. I think August, we are hoping that August will be mostly caught up to where we wanted to be in the 2 months combined.

Brett McKay: Is there any sort of systemic issue there that we're not aware of? I mean, obviously, we know the key drivers, but was there anything in the month of July specifically that might roll on?

Marcelo Matos: Plant maintenance that was already there and there was some system and system issues in DBCT technology, so that needs -- the terminal has -- let's



say, has suspended the operations for in a few events. So I think there's a few -
- a combination of a few factors, but I don't think there are any of them are
necessarily expected to continue. I think we are already seeing actually
improvement. It's already improved in the past week or so.

Operator: There are no further questions at this time. I'll now hand back to Mr. Matos for closing remarks.

Marcelo Matos: Thank you for all your questions and joining today's call. As always, I'd like to thank our employees and contractors and the ongoing support of our investors. We look forward to connecting with the market again in a few weeks for our half year financial results release. Thanks everyone. Have a good day.

Operator: That does conclude our conference for today. Thank you for participating. You may now disconnect.

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