

4 March 2016

ASX ANNOUNCEMENT

Significant Coking Coal Offtake Contract Signed

HIGHLIGHTS

- Annual coking coal contract signed with major East Asian steel producer
- Continue to meet key milestones on site for mine restart first coal on track for April 2016

Stanmore Coal Limited (**Stanmore** or the **Company**) (**ASX:SMR**) is pleased to announce that a foundation coking coal contract has been signed with a top tier East Asian steel producer. Details of the annual supply contract are confidential; however it represents a material portion of the high quality semi-soft coking coal that will be produced from the Isaac Plains mine.

Nick Jorss, Managing Director of Stanmore, said "We are very pleased to sign this significant sales contract with one of the largest steel producers in Asia. This foundation contract provides a strong platform for Stanmore's coking coal sales in the lead up to production. A number of other contracts are under negotiation with top tier steel producers.

On average each year we utilise around 215kg of new steel per capita across the globe. This goes into a range of applications from major infrastructure such as mass transit systems, water and energy to housing, cars, and kitchen appliances. Our coking coal produced at Isaac Plains will create over 700,000 tonnes of steel each year, enough to build a new Sydney Harbour Bridge every month."

The restart of Isaac Plains continues to hit key site milestones with the drag line now in operation and the wash plant being readied for first coal production in April.

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Figure 1: Dragline in operation



Figure 2: First truck-shovel workings in North Pit 1



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Yours faithfully

Andrew Roach Company Secretary

FOR FURTHER INFORMATION, PLEASE CONTACT:

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ABOUT STANMORE COAL LIMITED (ASX CODE: SMR)

Stanmore Coal is an operating coal mining company with a number of additional prospective coal projects and mining assets within Queensland's Bowen and Surat Basins. Stanmore Coal owns 100% of the Isaac Plains Coal Mine and the adjoining Isaac Plains East Project and is focused on the creation of shareholder value via the efficient operation of Isaac Plains and identification of further local development opportunities. Stanmore continues to progress its prospective high quality thermal coal assets in the Northern Surat Basin which will prove to be valuable as the demand for high quality, low impurity thermal coal grows at a global level. Stanmore's focus is on the prime coal bearing regions of the east coast of Australia.

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