



# ASX announcement

26 October 2012

## Further JORC Resource Upgrade for The Range Project

### Highlights

- Initial 18Mt JORC Measured Resource covering the majority of the first three years of production
- A 10% increase in total JORC (Measured, Indicated + Inferred) Resource to 287Mt
- Additional Target<sup>1</sup> of 60 - 70Mt remains to the west of the current planned pit

Stanmore Coal Limited (ASX:SMR, "Stanmore Coal") has completed a further review of The Range Project, in the Surat Basin, following the receipt of final laboratory and geological modelling results from the 2012 drilling program. This review has resulted in the certification of the initial 18Mt JORC Measured Resource and a 10% increase in Total JORC Resource (Measured, Indicated + Inferred). The Measured Resource provides an increased level of knowledge and certainty for the first three years of production. The drilling results were supplemented with sub-crop line delineation using "TSIM" technology with very good results.

(Million Tonnes)	October 2012	March 2012
<b>Measured Resource</b>	18	0
<b>Indicated Resource</b>	187	184
<b>Inferred Resource</b>	82	76
<b>Total Resource</b>	<b>287</b>	<b>260</b>

A total of 330 holes have been drilled at The Range. Three twin 4C (100mm) holes were drilled for washability analysis in areas corresponding to the first three years of the mine plan.

The impact of the resource upgrade on JORC Reserves<sup>2</sup> and the project economics is being modelled and will feed into the Bankable Feasibility Study.

This increase is separate to the 60 -70 Mt additional Exploration Target<sup>1</sup> in the area west of the planned pit at The Range.

Commenting on the increase Managing Director Nick Jorss said, "This increased result in The Range is another positive step on the path towards production at our first class thermal coal deposit at The Range. Certification of the first Measured Resource means that we now have a very high level of knowledge and certainty over the first years of production".

### **The Project**

The Range Project (EPC1112, EPC2030, MLA 55001, MLA 55009 and MLA 55010) is located 25km south east of the Wandoan township, within the Surat Basin. It is well located relative to existing key infrastructure and the planned Surat Basin Rail line, which will provide a rail link to the coal ports at Gladstone.

The project contains an initial JORC Marketable Reserve of 94 million tonnes<sup>2</sup> (Mt) from a JORC Total Resource of 287Mt (18Mt Measured, 187Mt Indicated plus 82Mt Inferred) of export quality thermal coal.

First coal is expected in 2016 subject to statutory approvals being attained and completion of third party infrastructure.

On behalf of the Board



Doug McAlpine  
Joint Company Secretary

### **For further information, please contact:**

**Mr Nick Jorss**  
Managing Director  
07 3238 1000

**Mr Andrew Barber**  
Investor Relations Manager  
07 3212 9216  
0418 783 701  
[andrew.barber@stanmorecoal.com.au](mailto:andrew.barber@stanmorecoal.com.au)

### Competent Persons Statement

The information in this report relating to exploration results and coal resources is based on information compiled by Mr Troy Turner who is a member of the Australian Institute of Mining and Metallurgy and is a full time employee of Xenith Consulting Pty Ltd. Mr Turner is a qualified geologist and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking, to qualify as Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Turner consents to the inclusion in the report of the matters based on the information, in the form and context in which it appears.

The information in this report relating to coal reserves is based on information compiled by Mr Richard Hoskings who is a consultant for Minserve Pty Ltd. Mr Hoskings is a mining engineer, a member of the Australian Institute of Mining and Metallurgy (AusIMM) and has the relevant experience (30+ years) in relation to the mineralisation being reported to qualify as a Competent Person as defined in the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code 2004 Edition)". Mr Hoskings consents to the inclusion in the report of the matters based on the information, in the form and context in which it appears.

#### Note 1: Exploration Target:

All statements as to exploration targets of Stanmore Coal and statements as to potential quality and grade are conceptual in nature. There has been insufficient exploration undertaken to date to define a coal resource and identification of a resource will be totally dependent on the outcome of further exploration. Any statement contained in this document as to exploration results or exploration targets has been made consistent with the requirements of the Australasian code for reporting of exploration results, mineral resources and ore reserves ("JORC Code").

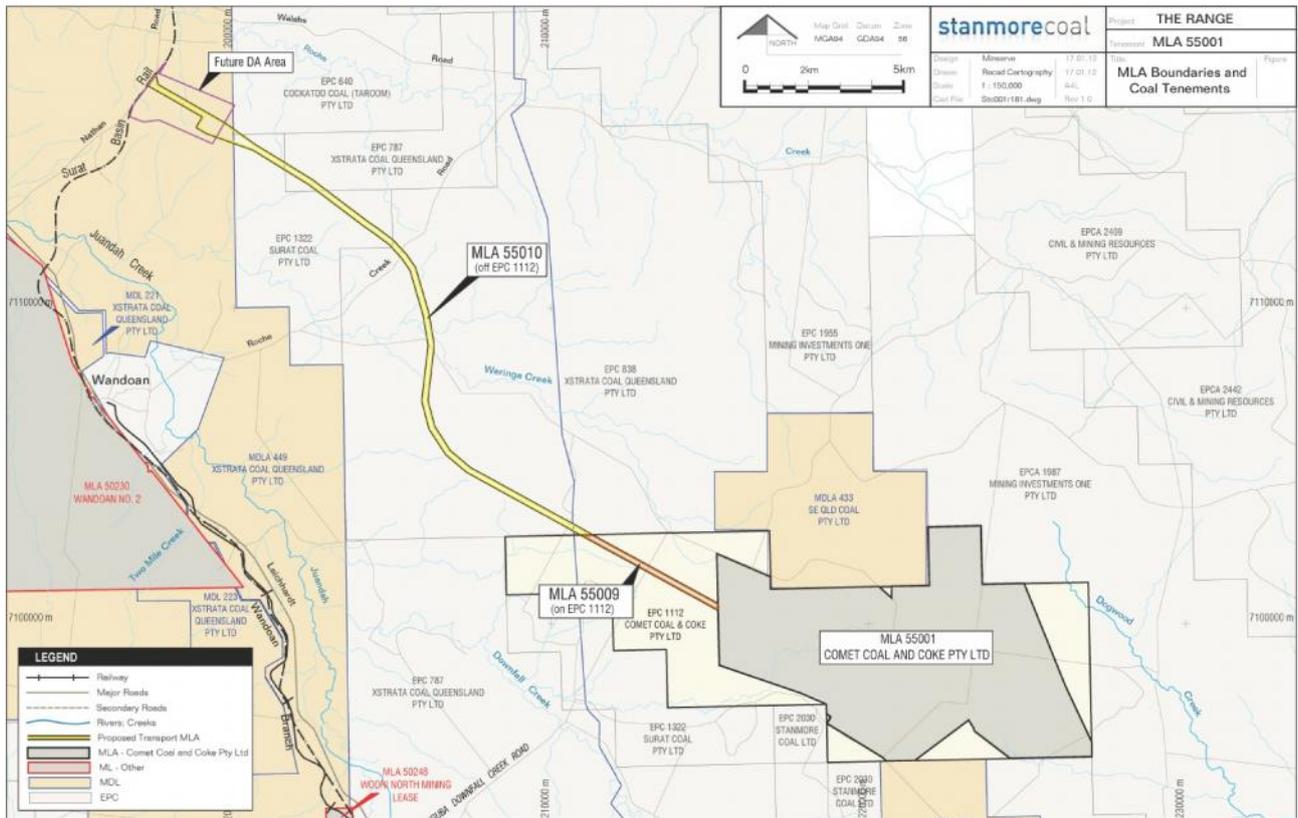
#### Note 2: Marketable Reserves Note

The Marketable Coal Reserves of 94Mt is derived from a JORC compliant run of mine (ROM) Coal Reserve of 117.5Mt based on a 14.8% ash product and predicted yield of 80%. The 94Mt Marketable Reserve is included in the 287Mt total JORC Resource (18Mt Measured, 187Mt Indicated plus 82Mt Inferred).

#### About Stanmore Coal Limited (ASX code: SMR)

Stanmore Coal is a growth focused, pure play coal exploration and development company with a number of prospective coal projects and exploration areas within Queensland's Bowen and Surat Basins. Stanmore Coal is focused on the creation of shareholder value via the identification and development of coal deposits, with a focus on the prime coal bearing regions of the east coast of Australia.

Stanmore Coal holds 100% interests in its seven coal project areas, covering over 1,080 km<sup>2</sup> in total. These projects include significant deposits of open pit coking and thermal coal and are typically well located for export infrastructure.



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

Street address: Level 11, 10 Market Street, Brisbane QLD 4000 | Postal address: GPO Box 2602, Brisbane QLD 4001