



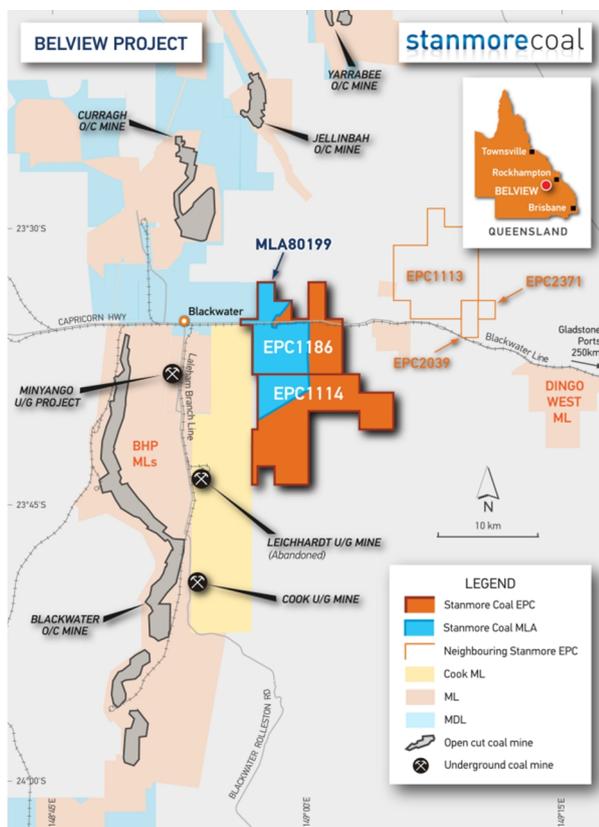
# ASX announcement

30 December 2013

## Belview Coking Coal Project - Exploration Support from Japan

### Highlights

- Stanmore Coal has secured \$680,000 of exploration funding for the Belview Coking Coal Project from Taiheiyo Kouhatsu and Japanese Government Owned Corporation, JOGMEC
- Taiheiyo will provide marketing support for coal from the Belview Project into Japan
- Drilling underway with the aim to increase the JORC Inferred Resource



Stanmore Coal Limited (“Stanmore Coal”, or “the Company”) and Taiheiyo Kouhatsu Inc. (“Taiheiyo”) supported by the Japan Oil, Gas and Metals National Corporation (“JOGMEC”) have signed an Exploration Support Agreement (“ESA”) which provides funding for resource drilling at Stanmore Coal’s Belview Coking Coal Project (“Belview”).

The ESA provides Stanmore Coal with A\$680,000 to undertake the drilling of additional core holes and associated coal quality analysis within the Belview Project area. This drilling program is targeting an upgrade to the project’s JORC Inferred Resource<sup>1</sup>. Under this funding arrangement, Taiheiyo is entitled to purchase up to a total of 100,000 Metric Tonnes of coal over the first three year period of Belview operation at

a A\$2 per tonne discount to the Japanese settlement price which prevails at that time. Drilling associated with the ESA has commenced and is expected to be concluded in the first quarter of 2014.

The Belview Project is a large scale, metallurgical coal project located in the heart of Queensland's Bowen Basin. The Company has established a 322 Mt JORC Inferred Resource<sup>1</sup> with an additional exploration target<sup>2</sup> of between 204Mt and 306Mt. Coal quality analysis completed to date confirms a high overall washed yield of between 73% and 83% with the ability to produce a Hard Coking Coal primary product and a secondary low volatile Pulverised Coal Injection product. Both products exhibit low ash, low volatile matter and low sulphur. The Company has submitted a Mining Lease Application and is targeting first coal in 2017.

Stanmore Coal's Managing Director Mr Nick Jorss said, "We are very pleased to continue the relationship we established during exploration at The Range with Taiheiyo and key Japanese Government Owned Corporation, JOGMEC. Securing the exploration support funding for Belview allows us to maximise the exploration undertaken there this year while preserving the Company's cash reserves. This transaction reinforces the attractiveness of the Belview as a major Bowen Basin coking coal project."

On behalf of the Board



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Joint Company Secretary

**For further information, please contact:**

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**Mr Doug McAlpine**  
Company Secretary  
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**Note 1: Competent Persons Statement**

The information in this report relating to the Belview Project 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 2012 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.

**Note 2: 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”).

**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 has been a previous recipient of exploration grants from Taiheiyō and the Japanese Government at The Range.

**About the Taiheiyō Kouhatsu Inc (“Taiheiyō”)**

Taiheiyō is a diversified Japanese investment company that has long stand relationships with Japanese energy utilities and industrial companies.

**About the Japan Oil, Gas and Metals National Corporation (“JOGMEC”)**

JOGMEC is a Japanese government owned corporation which was established for the purpose of securing a stable supply of natural resources, including coal, to support Japan’s industrial activities and improve the lives of its citizens.

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