



# ASX announcement

12 February 2016

## Isaac Plains Operational Update

### HIGHLIGHTS

- Operational handover to Golding Contractors completed
- Dragline overhaul completed and under budget
- Mining activities commenced on site with first blast successfully completed
- First coal on track for April 2016

Stanmore Coal Limited (**Stanmore** or the **Company**) (ASX:SMR) is pleased to announce that in late January the Department of Environment and Heritage Protection (**DEHP**) accepted the Isaac Plains Coal Mine's Plan of Operations. This initial Plan of Operations covers the operational period through to 31 March 2017. The review of the Plan of Operations and associated decision on Financial Assurance means that mining can restart at Isaac Plains. Stanmore IP Coal Pty Ltd (subsidiary of Stanmore) has committed to increase the rate of rehabilitation within completed mining areas.

As a result of the finalising the Financial Assurance and infrastructure bonding requirements, Stanmore has reduced the quantum of guarantee funds drawn from Taurus Mining Finance Fund by \$10 million, resulting in significant savings in guarantee fees over the term of the financing arrangement. Following the DEHP's decision, the Company has handed over operational responsibilities to Golding Contractors Pty Ltd (**Golding**) which enabled the commencement of mining activities on site.



*Production drilling in preparation for first blast*

Production drilling has commenced with the first blast successfully completed yesterday. The dragline overhaul was completed under budget in late January with operations set to be ramped up over the coming weeks.

The Company notes that the recent period of sustained rainfall in Central Queensland has had only a moderate impact on the schedule to recommence mining at Isaac Plains. On Friday 5 February the region of Moranbah experienced one of its highest 24 hour rainfall events with over 145 mm recorded at Isaac Plains resulting in significant flows through Smokey Creek which bisects the northern and southern pits of the Mining Lease. Pleasingly we note the creek levee structure performed well with only surface run-off settling in the pits and minor damage to haul and access roadways. Our contractor is currently pumping the collected runoff to the disused southern pits and reinstating other areas of the site to full condition.

Nick Jorss, Managing Director of Stanmore, said “We are pleased with the significant progress made by Golding to date in mobilising to site and kicking off mining activities within a short timeframe. The site is a hive of activity as the team gears up for first coal production in April this year as planned. In the meantime negotiations are progressing well with a number of large North Asian steel mills regarding the terms of offtake contracts for the high quality coking coal we will produce.”

**Golding mobilisation to site underway**



Dragline ready for operation



Trucks mobilised on site



Hitachi EX5500 Excavator mobilised on site

Yours faithfully

Andrew Roach  
Joint Company Secretary

**For further information, please contact:**

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

**Mr Andrew Roach**  
Chief Financial Officer &  
Company Secretary  
07 3238 1000

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

Stanmore Coal is a growth focused coal mining company with a number of 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 prudent operation of Isaac Plains and identification of further development opportunities. Stanmore continues to progress its prospective 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.

Stanmore Coal Limited ACN 131 920 968

p: +61 (7) 3238 1000 | f: +61 (7) 3238 1098 | e: [info@stanmorecoal.com.au](mailto:info@stanmorecoal.com.au) | w: [www.stanmorecoal.com.au](http://www.stanmorecoal.com.au)

Street address: Level 8, 100 Edward Street, Brisbane QLD 4000 | Postal address: GPO Box 2602, Brisbane QLD 4001