

Successful completion of \$15m capital raising

HIGHLIGHTS

- Placement of 27.3m shares to raise \$15 million
- Funds will be used to accelerate pre-strip and build inventory stockpiles

Stanmore Coal Limited (**Stanmore** or the **Company**) is pleased to announce that it has completed a \$15 million equity raising to replenish the Company's working capital available for pre-strip and inventory stockpile build. This will improve the efficiency of operations and also provide an important buffer to finished inventory ensuring product availability for sales.

Equity raising details

The Offer Price of \$0.55 per share represents a discount of approximately:

- 12% to the last closing price of Stanmore shares on the ASX on 12 December 2016 of \$0.625; and
- 15% to the 5 day volume weighted average price.

Petra Capital Pty Ltd acted as bookrunner and Lead Manager, with Morgans Financial Limited acting as broker to the offer. The Placement was well supported with a number of leading institutional funds joining the share register.

Mr Neville Sneddon, Chairman of Stanmore commented that "This capital raising is an important step for the Company to invest in pre-stripping activities and coal stockpiles in order to de-risk the business. With the working capital available from this raising together with the undrawn US\$6M Taurus working capital facility, the Company, in the event of wet weather, will have sufficient funding available to cater for production outages of several weeks duration. The Company has been in discussion with its contractor in relation to a

revised mine plan that alters the short term plan whilst materially maintaining the contract term production objectives. The Company maintains FY17 production guidance of 1.25 Mt.

As a result of the capital raising the Company welcomes several new institutional investors to the share register. We look forward to continuing to drive growth for all shareholders of the Company through both internal and external opportunities.”

On behalf of the Board

Andrew Roach
Company Secretary

FOR FURTHER INFORMATION, PLEASE CONTACT:

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Managing Director
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Mr Andrew Roach
Chief Financial Officer & Company Secretary
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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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