

Operational excellence underpins cash flow generation and unlocks interim dividend

"Stanmore delivered another strong operational performance in the third quarter, with South Walker Creek achieving new quarterly records for both ROM and saleable production following our deliberate prioritisation of stripping and pit preparation earlier in the year. Most importantly, these outcomes were achieved with no serious accidents during the quarter."

Seaborne supply tightness continued to support market conditions during the quarter, with disruptions across key Russian and Chinese production basins driving coal prices higher. This translated to an average sales price of US\$163/t in the third quarter, up 6% quarter-on-quarter; 18% higher than the same period last year on a year-to-date basis. These improved market conditions, combined with strong operational performance, supported positive cash flow during the quarter. Together with the Eagle Downs stamp duty refund, this contributed to a US\$53 million reduction in net debt."

At the half year, the Board prudently deferred an interim dividend to preserve balance sheet flexibility, particularly given the second-half weighting of coal sales and uncertainty surrounding the then pending Moranbah South acquisition. With a strong third quarter now delivered, improved year-to-date cash generation, supportive market conditions and robust liquidity, we are pleased to report that the Board has resolved to declare a fully franked interim dividend of 2.2 US cents per share."

Looking ahead, we enter the fourth quarter with healthy ROM stocks and production tracking towards the top end of our reaffirmed full-year saleable production guidance. At the same time, we're focused on completing the Moranbah South acquisition, a compelling opportunity to add a significant resource right next door to Eagle Downs and the Isaac Plains Complex."

Marcelo Matos, Chief Executive Officer & Executive Director

Highlights

- Run of Mine coal mined increased to 5.3Mt and saleable production reached 3.4Mt for the third quarter, supported by record quarterly production at South Walker Creek
- Continued safety discipline, with no serious accidents recorded during the quarter and the twelve-month Serious Accident Frequency Rate steady at 0.53
- Average sales price of US\$163/t, up 6% quarter-on-quarter, reflecting improved market conditions
- Total cash as of 30 September 2026 of US\$231 million, corresponding to net debt of US\$19 million (an improvement of US\$53 million over the quarter) and total liquidity of US\$501 million
- Interim dividend of 2.2 US cents per share declared, supported by a cash flow positive third quarter, year-to-date cash flows, improved market conditions and strong liquidity
- Agreement to acquire 100% of the Moranbah South tenements from Exxaro Resources for US\$105 million, adding 724Mt of Measured and Indicated Coal Resources adjacent to Eagle Downs and the Isaac Plains Complex, and extinguishing up to US\$60 million of deferred and contingent consideration related to the Isaac Downs Extension

Consolidated Production & Sales Performance¹

		Quarter-Ended		Year-to-Date	
		Sep-26	Jun-26	Sep-26	Sep-25
ROM Coal Mined	Mt	5.3	5.1	14.4	14.5
ROM Strip Ratio	Prime	8.5	9.1	8.7	8.7
Saleable Coal Produced	Mt	3.4	3.3	9.9	10.1
Sales of Produced Coal	Mt	3.4	3.4	9.8	10.1
Sales of Purchased Coal	Mt	0.0	0.0	0.0	0.0
Total Coal Sales	Mt	3.4	3.4	9.8	10.1
Average Sales Price	US\$/t	163	154	156	132

Operational Highlights

Safety

Stanmore continues to demonstrate strong safety performance, with no serious accidents recorded during the quarter. The rolling 12-month Serious Accident Frequency Rate (SAFR) remained steady at 0.53 as at 30 September 2026, remaining well below the industry average². This result reflects continued focus on managing critical risks and strengthening control effectiveness across operations.

South Walker Creek

Following a deliberate approach in the first half of 2026 to prioritise stripping and pit preparation, South Walker Creek delivered 2.8Mt Run of Mine (ROM) production and 1.9Mt saleable production in the third quarter, surpassing its previous quarterly ROM production record of 2.5Mt set in the December 2025 quarter. This record mining volume, together with strong CHPP performance also translated to a quarterly record for saleable production. With healthy ROM stocks heading into the fourth quarter, South Walker Creek is well-positioned to meet its saleable production Guidance for the full year, which remains unchanged.

Poitrel

Poitrel's third-quarter performance reflected the planned CHPP shutdown, deferred from June and completed in July. Saleable production decreased quarter-on-quarter as CHPP feed was constrained during the shutdown, before processing rates returned to normal in August and September. ROM volumes were strong at 1.9Mt, supporting a build-up in ROM coal inventories at quarter end and positioning the operation well for the fourth quarter. Year-to-date saleable production of 3.6Mt remains on track towards the upper end of full-year Guidance.

Isaac Plains Complex

As previously announced, Stanmore assumed full control of mining operations at Isaac Downs during the quarter. The truck and excavator fleets delivered a strong performance, which together with an optimisation of the dragline dig methodology supported operational efficiencies, resulting in improved strip ratio, saleable production and total coal sales quarter-on-quarter.

Development and Exploration Projects

Exploration

Exploration expenditure was approximately A\$4.9 million in the third quarter, supporting resource definition and evaluation across the portfolio. The Isaac Downs Extension 3D seismic program and the 2D seismic programs at South Walker Creek and Bee Creek concluded during the quarter.

¹ Rounding may impact totals when computed in this table

² 0.84 as of 31 March 2026 as published by Resources Safety and Health Queensland for Surface Mines as at the date of this report

The Lancewood drilling campaign, which included chip drilling for structural data and core drilling for gas content and type sample analysis, was completed. The rigs then demobilised for scheduled maintenance before commencing drilling operations at Isaac Downs Extension.

Projects

During the quarter, Stanmore announced it has agreed to acquire 100% of the Moranbah South tenements from Exxaro Resources for US\$105 million¹. The tenements are located immediately adjacent to Eagle Downs and the Isaac Plains Complex and contain 724Mt of Measured and Indicated Coal Resources in the Goonyella Middle Seam, expected to be of premium hard coking coal quality.

Completion is anticipated within the fourth quarter of 2026, conditional on Exxaro completing its acquisition of Anglo American's 50% interest in the tenements and on certain limited conditions precedent. The Eagle Downs studies continue to progress, and we intend to incorporate the Moranbah South deposit (upon completion of the transaction) into a broader study scope as a potential integrated joint development with Eagle Downs, among other options.

The Isaac Downs Extension project continued to progress through the approvals process during the quarter. Detailed infrastructure design scopes were also issued for tender, positioning the project for early development once approvals are received.

Corporate

Stanmore concluded the quarter with total cash of US\$231 million, which, after factoring in the balance of the new term loan of US\$250 million, translates to net debt² of US\$19 million. This is an improvement of US\$53 million over the quarter, with cash flows supported by improved market conditions and the second-half weighted sales profile.

Key non-operational cash flow items included US\$22 million of capital expenditures and an initial payment of US\$5 million towards the acquisition of Moranbah South. These outflows were partially offset by a refund of US\$26 million received during the quarter, following Stanmore's successful objection to stamp duty paid in 2025 as part of the acquisition of the Eagle Downs project.

The debt refinancing was completed during the quarter, with the new US\$250 million term loan drawn and the maturity of the US\$200 million revolving credit facility extended. Including available cash and undrawn debt capacity, Stanmore's liquidity³ was US\$501 million as at 30 September 2026, providing a strong platform to fund the remaining US\$100 million completion payment for Moranbah South.

In determining the fully franked dividend of 2.2 US cents per share (approximately US\$20 million), the Board considered the Company's year-to-date cash generation, balance sheet strength, liquidity and committed payment obligations, including the expected completion payment for Moranbah South. The Board is satisfied that the declaration of the interim dividend is consistent with Stanmore's dividend policy and its disciplined approach to capital allocation.

The timing for the payment of this dividend is as follows:

- | | |
|----------------------|---|
| a) Declaration date: | 27 October 2026 |
| b) Ex-Dividend date: | 30 October 2026 |
| c) Record date: | 2 November 2026 |
| d) Payment date: | 16 November 2026 |
| e) Payment currency: | Australian Dollars |
| f) Foreign exchange: | Reserve Bank of Australia published AUD/USD exchange rate at 4:00pm AEDT on Record Date |

Full details are contained in the Appendix 3A.1 filed with the ASX on today's date.

¹ Refer to ASX Announcement "Stanmore agrees to acquire Moranbah South" dated September 4, 2026

² Unaudited net cash / debt is calculated as the outstanding principal balance of any long-term balance sheet debt facilities, excluding lease liabilities accounted for under IFRS-16 and finance leases, less consolidated unrestricted cash on hand, including cash in transit

³ Unaudited total liquidity includes total cash and US\$270 million of available debt capacity, comprised of the undrawn US\$200 million bank revolving credit facility and the undrawn US\$70 million GEAR working capital facility

Guidance

Stanmore reaffirms its 2026 full year Public Guidance, with saleable production tracking towards the top end of the Guidance range.

Metallurgical Coal Markets

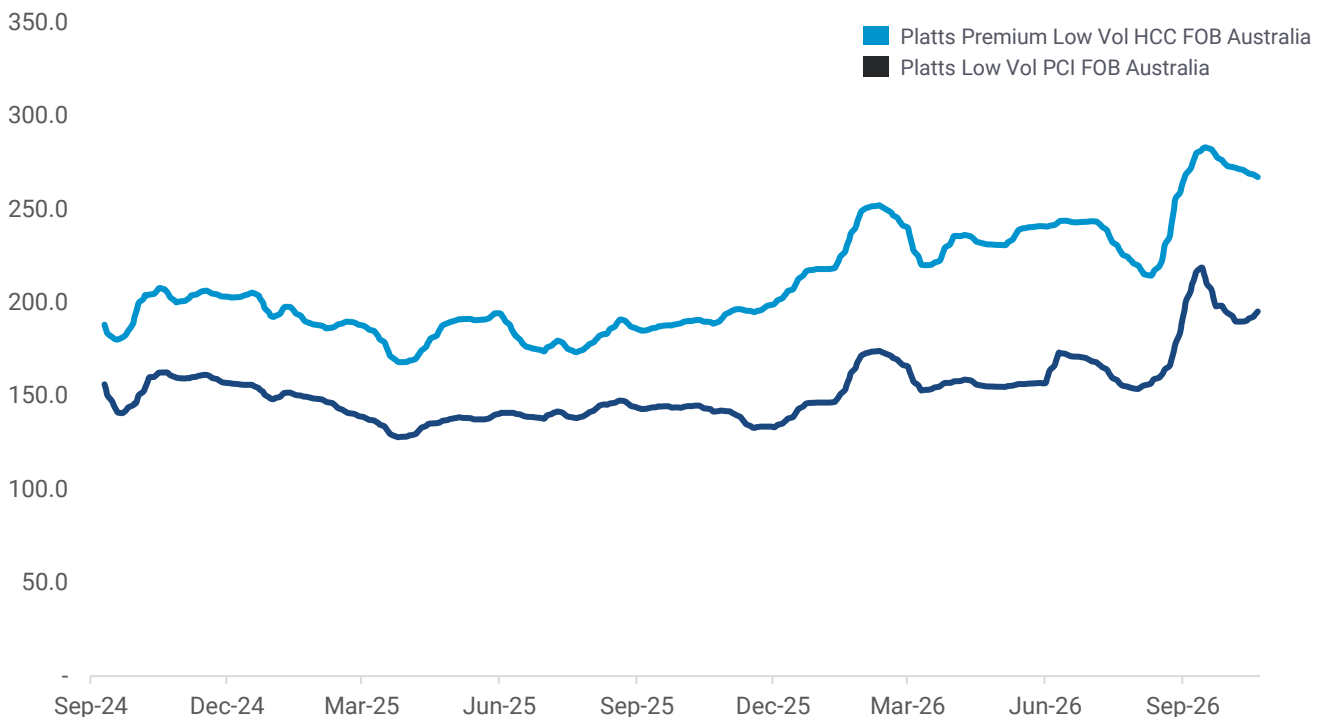
Concurrent shortages of coal from key Russian and Chinese production basins became the primary driver for pricing during the quarter. For China, the impacts of safety inspections and curtailment of domestic production volumes in excess of permitted limits, in combination with a reduction in clearance rates of Mongolian landborne volumes drove a supply shortage and a rapid escalation in domestic pricing. As a result, Chinese imports of seaborne coking coal increased materially during the quarter with a high premium payable for any prompt cargo availability.

Concurrently, Russian exports were materially disrupted from the Black Sea terminals due to escalation of vessel strikes. These volumes were not fully replaced with exports from Baltic or Far East terminals. In addition, further economic and availability pressures from fuel and labour inputs meant Russian offered pricing for exports increased materially through the quarter. Amid this environment, delays and reduced availability were observed from key North American coal export terminals.

The net effect drove FOB Australia seaborne premium coking coal pricing to a peak of US\$285 per tonne in the quarter. Australian production in the quarter was strong, with favourable weather and a return to production from previously idled mines, however, producers appear to have capitalised on the very high demand from China and inventory availability in Australia is expected to be very limited.

The escalation in coal and broader energy prices has placed pressure on steel margins, including within China. The direction of steel production post-holiday season in China, as well as any potential trade flow outcomes from the tariff discussions between China and the United States will be important factors in the fourth quarter. Notwithstanding that, India's emergence from the monsoon season, together with the commissioning of new large-scale Indian coke oven facilities, is expected to provide ongoing support for seaborne demand.

US\$ Price / Metric Tonne



Source: S&P Global Commodity Insights Platts Premium Low Vol HCC FOB Australia and Low Vol PCI FOB Australia indices: 7-day moving average 2 September 2024 to 23 October 2026
S&P Global Commodity Insights, ©2026 by S&P Global Inc.

Summarised Production Statistics¹

		Quarter-Ended		Year-to-Date	
		Sep-26	Jun-26	Sep-26	Sep-25
ROM Coal Mined	Mt	5.278	5.086	14.368	14.512
South Walker Creek	Mt	2.799	2.211	7.227	6.849
Poitrel	Mt	1.940	2.059	5.179	5.119
Isaac Plains Complex	Mt	0.540	0.815	1.962	2.544
Strip Ratio	Prime	8.5	9.1	8.7	8.7
South Walker Creek	Prime	8.5	10.2	8.7	8.4
Poitrel	Prime	8.8	8.1	9.0	8.5
Isaac Plains Complex	Prime	6.8	8.3	8.3	10.1
Saleable Production	Mt	3.433	3.271	9.884	10.118
South Walker Creek	Mt	1.882	1.530	5.023	4.845
Poitrel	Mt	1.070	1.322	3.554	3.683
Isaac Plains Complex	Mt	0.482	0.419	1.307	1.590
Total Coal Sales	Mt	3.392	3.371	9.788	10.138
South Walker Creek	Mt	1.876	1.610	4.979	4.894
Poitrel	Mt	1.016	1.308	3.486	3.595
Isaac Plains Complex	Mt	0.499	0.453	1.323	1.649
<i>Sales – Coking Coals</i>	%	25%	22%	23%	24%
<i>Sales – PCI</i>	%	70%	74%	71%	70%
<i>Sales – Thermal Coals</i>	%	5%	4%	6%	6%
Average Sales Price	US\$/t	163	154	156	132
Product Coal Stockpile	Mt	0.290	0.279	0.290	0.367
South Walker Creek	Mt	0.076	0.089	0.076	0.071
Poitrel	Mt	0.146	0.105	0.146	0.170
Isaac Plains Complex	Mt	0.067	0.086	0.067	0.126
ROM Coal Stockpile	Mt	1.671	1.205	1.671	1.066
South Walker Creek	Mt	0.823	0.517	0.823	0.448
Poitrel	Mt	0.736	0.407	0.736	0.461
Isaac Plains Complex	Mt	0.112	0.280	0.112	0.157

¹ Rounding may impact totals when computed in this table

This announcement has been approved for release by the Board of Directors of Stanmore Resources Limited.

Further Information

Investors

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Media

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We acknowledge the Traditional Owners of the land on which we work and operate: Turrbul and Jagera Country in Brisbane and Barada Barna, Widi and Jangga Country in Central Queensland.

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About Stanmore Resources Limited (ASX: SMR)

Stanmore Resources Limited controls and operates the South Walker Creek, Poitrel and Isaac Plains Complex metallurgical coal mines as well as the undeveloped Isaac Downs Extension, Eagle Downs and Lancewood projects in Queensland's Bowen Basin region. Stanmore Resources holds several additional high-quality prospective coal tenements located in Queensland's Bowen and Surat basins. The Company is focused on the creation of shareholder value via the efficient operation of its mining assets and the identification of further development opportunities within the region.

More information about Stanmore can be found at stanmore.au