



16 December 2022

UPDATED CORPORATE POLICIES

Stanmore Resources Limited ("Company") (ASX: SMR) has recently reviewed and updated key corporate governance policies and committee charters. The following charters and policies have been updated:

- Board Charter
- Audit and Risk Management Committee Charter
- Disclosure Committee Charter
- Health and Safety Committee Charter
- Remuneration and Nominations Committee Charter
- Sustainability Committee Charter
- Standing Rules of Committees
- Anti-Bribery and Corruption Policy
- Corporate Ethics Policy
- Market Disclosure and Communication Policy
- Securities Trading Policy
- Shareholder Communications Policy
- Whistleblower Policy
- Privacy Policy

All can be located on SMR's website at <https://stanmore.net.au/investors/corporate-governance/>

A copy of the Company's updated Securities Trading Policy is attached to this announcement.

Approval

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

Further information

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About Stanmore Resources Limited (ASX: SMR)

Stanmore Resources Limited controls and operates the Isaac Plains Complex, South Walker Creek and Poitrel metallurgical coal mines, as well as the undeveloped Wards Well, Isaac Plains underground and Isaac Plains South projects, in Queensland's prime Bowen Basin region. Stanmore Resources is also a joint owner of the Millennium and Mavis Downs Mines and 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.

Securities Trading Policy

Stanmore Resources Limited

1 Introduction

1.1 Purpose of the Policy

- (1) This securities trading policy (**Policy**) provides a framework for and is intended to minimise the risk of actual insider trading, and to avoid the appearance of insider trading and the reputational damage that may be caused to Stanmore Resources Limited and its controlled entities (the **Company**) or persons involved or perceived to be involved in such conduct.
- (2) This Policy addresses:
 - when trading in Company securities is prohibited;
 - the steps for Directors, employees and contractors to take to obtain clearance to trade in Company securities;
 - additional restrictions on Dealing in the Company's securities;
 - a description of what insider trading is; and
 - exceptions to the Policy.
- (3) For the avoidance of doubt, nothing in this Policy sanctions a breach of the market misconduct or insider trading provisions of the *Corporations Act* 2001 (Cth) (**Act**).
- (4) A reference in this Policy to "securities" includes: shares, options, warrants, exchange-traded options, contracts for difference, and any other instrument or derivative in respect of a company on issue from time to time.
- (5) A reference in this Policy to "Deal" or "Dealing" includes a wide range of transactions, for example buying or selling securities, entering into an agreement to buy or sell securities or exercising options over securities.

1.2 Who this Policy applies to

- (1) This Policy applies to all Directors, employees and contractors of the Company.
- (2) This Policy also applies to any spouse, defacto partner, child or dependent of, or any company or trust that can be controlled by, a Director, employee or contractor (**Closely Connected Persons**).
- (3) Certain aspects of this Policy only apply to Restricted Persons. Restricted Persons, for the purposes of this Policy, are:
 - (a) all Directors and key management personnel (as defined in the Act) (**Key Management Personnel**);
 - (b) any member of the Company's executive team;

- (c) any employee or contractor of the Company who works in the finance team or legal team or strategic development team who has access to market sensitive information ahead of the market;
- (d) any other employee or contractor determined by the Company Secretary and approved by the Managing Director and Chief Executive Officer; and
- (e) any executive assistant to any of the above.

1.3 Dealing by Closely Connected Persons

- (1) Each Director, employee and contractor must take reasonable steps to advise any Closely Connected Persons:
 - (a) that they are subject to the restrictions under this Policy; and
 - (b) of the periods during which they are restricted from Dealing in the Company's securities.
- (2) If a Director, employee or contractor becomes aware that any of their Closely Connected Persons have dealt in securities (for instance, purchased or sold securities) at a time when they were prohibited from doing so, they must immediately inform the Company Secretary.

2 Buying and selling the Company's Securities

2.1 General prohibition – all Directors, employees and contractors

- (1) Directors, employees and contractors of the Company must not buy or sell securities in the Company when:
 - (a) they are in possession of information that is not generally available to the market and, if it were generally available to the market, a reasonable person would expect it to have a material effect (upwards or downwards) on either the price or the value of a company's securities (**Inside Information**); or
 - (b) the Company has notified them that they must not deal in securities (either for a specified period, or until the Company gives further notice).

Further information regarding the insider trading offences, as well as some examples of types of information that may be Inside Information, is set out in section 6 of this Policy.

2.2 Protect reputation in the market place – all Directors, employees and contractors

- (1) It is important that public confidence in the Company is maintained. It would be damaging to the Company's reputation if the market or the general public perceived that Directors, employees or contractors might be taking advantage of their position to make financial gains (by dealing in securities on the basis of confidential information).
- (2) Directors, employees and contractors must, in addition to considering whether they have Inside Information, consider whether their proposed conduct could create a negative market perception.

- (3) A useful question to ask is: If the market was aware of all the current circumstances, could my proposed transaction be perceived by the market as me taking advantage of my position in an inappropriate way? How would it look like if my transaction was reported on the front page of the Australian Financial Review?
- (4) If you are unsure about a potential trade in the Company's securities, you should consult the Company Secretary. Where any approval is required for a Dealing under this Policy, approval will not be granted where the Dealing would not satisfy the test outlined above.

2.3 No dealing in a Blackout Period – Restricted Persons

- (1) Restricted Persons must not Deal in any securities of the Company during a Blackout Period (as defined below), unless there are Exceptional Circumstances under section 2.4 or the Dealing is an Excluded Dealing under section 4.
- (2) In this Policy, blackout period means:
 - (a) for the calendar quarters ending 31 March and 30 September, the period starting on 1 April and 1 October and ending on the later of 24 hours or the Business Day after the release of that quarters quarterly report to the ASX;
 - (b) for the calendar quarter ending 30 June, the period starting on 1 July and ending on the later of 24 hours or the Business Day after the release of 30 June ASX Appendix 4D (if applicable) and half year financial report to the ASX;
 - (c) for the calendar quarter ending 31 December, the period starting on 1 January and ending on the later of 24 hours or the Business Day after the release of the 31 December ASX 4E (if applicable) and full year financial report to the ASX;
 - (d) the period commencing from the release of information to the ASX which a reasonable person would expect to have a material effect on either the price or the value of the Company's securities and ending 24 hours after the release of such information to the ASX; and
 - (e) any other period determined by the Directors in their absolute discretion,

(Blackout Period).

2.4 Exceptional circumstances – Restricted Persons

- (1) A Restricted Person (or any of their Closely Connected Persons), who is not in possession of Inside Information in relation to Company securities, may apply for and be given Clearance to Deal during a Blackout Period if there are Exceptional Circumstances.
- (2) **'Exceptional Circumstances'** may include, but are not limited to:
 - (a) severe financial hardship;
 - (b) the existence of a court order or enforceable undertaking, or some other overriding legal or regulatory requirement; or

- (c) other circumstances determined by the Clearance Officer to be exceptional.
- (3) Restricted Persons must seek clearance to trade in Exceptional Circumstances in accordance with the process set out in section 2.5. Where a request for Clearance to Deal involves the consideration of Exceptional Circumstances justifying a sale as the only reasonable course of action, sufficient evidence of those Exceptional Circumstances must accompany the relevant clearance request.

2.5 Requirements for clearance and reporting

- (1) Outside a Blackout Period, and prior to any proposed Dealing, a Restricted Person (**Applicant**) must seek approval for the proposed Dealing in the Company's securities as follows:
 - (a) providing written notice (which may be provided electronically) of their intention to Deal to the relevant Clearance Officer (as set out in the table below) and the Company Secretary. The written notice must include:
 - (i) the key terms of the intended Deal (including the nature and timing of the Dealing), the other party (if known) and the number of the Company's securities affected; and
 - (ii) a statement by the Applicant confirming that they are not in possession of any Inside Information that might preclude them from Dealing; and

Applicant	Clearance Officer
Director, Chief Executive Officer or Company Secretary	Chairperson
Chairperson	Chairperson of the Audit & Risk Management Committee
Chairperson and Chief Executive Officer (where the roles are combined)	Board of Directors (Board)
All other Restricted Persons not covered above	Company Secretary

- (b) receiving written clearance to Deal signed by the Clearance Officer (which may be provided electronically) (**Clearance to Deal**).
- (2) A response to a request for Clearance to Deal must be given to the Applicant within 2 Business Days of the request being made. The decision of the Clearance Officer is final and binding and the reasons for a decision do not need to be given.
- (3) The Company must maintain a record of all applications for a Clearance to Deal, all decisions in response to such applications and Clearances to Deal issued.
- (4) An Applicant who is given Clearance to Deal in accordance with this section 2.5 must Deal as soon as possible and in any event within five (5) Business Days of the date of the Clearance to Deal unless another period is stated in the Clearance to Deal.
- (5) Approval under this Policy is not an endorsement of the trade. Personnel are responsible for their own compliance with the law.

- (6) On completion of the transaction(s) for which Clearance to Deal has been obtained, the Restricted Person must notify the Company Secretary within three (3) business days that the cleared transaction has been completed.

3 Other prohibitions applying to the Company's Securities

3.1 Margin lending, hedging, derivatives and secured financing arrangements

- (1) Restricted Persons must obtain the Board's approval to enter into a margin lending, hedging, derivative or any other secured financing arrangement in relation to the Company's securities (**Funding Arrangements**). Restricted Persons must provide the Board with the material terms of any proposed Funding Arrangements, including the right of the lender to sell unilaterally and any trigger events.
- (2) Restricted Persons must not enter into Funding Arrangements that would have the effect of limiting their exposure to risk in relation to all or part of their remuneration that has not vested, or has vested but remains subject to a restriction arrangement (including by holding lock).
- (3) If a Restricted Person has, with the Board's approval under section 3.1(1), entered into any Funding Arrangement they must keep the Company Secretary informed of any change in circumstances that may be relevant to the Company's continuous disclosure obligations under the Act and the Listing Rules.
- (4) Without limiting section 3.1(3), where a Funding Arrangement of a Restricted Person involves 5% or more of the Company's securities, the Board and Company Secretary shall make appropriate disclosure to the market of any key terms of the Funding Arrangements.

3.2 Short-term trading

- (1) Directors, employees and contractors must not engage in short-term (less than 120 days) trading of the Company's securities.
- (2) Any proposed sale of the Company's securities less than 120 days after their acquisition must receive prior Clearance to Deal in accordance with the procedure set out in section 2.5.

3.3 Short selling

Directors, employees and contractors must not engage in short selling the Company's securities.

4 Trading excluded from the Policy

- 4.1 Some trading in Company securities by Directors, employees and contractors is excluded from the operation of this Policy. Notwithstanding, such trading remains subject to the insider trading rules in the Act.
- 4.2 The following circumstances normally involve situations where the trading is passive, outside the Director's, employee's or contractor's control, or where there is no underlying change in beneficial ownership, and are therefore excluded from the operation of this Policy:

- (1) **(beneficial holding)** where the Dealing will not result in a change to the beneficial control of the Company's securities (i.e. transfer to a superannuation fund);
- (2) **(third parties)** where the Dealing arises as a consequence of a third-party fund or scheme investing in the Company's securities at the discretion of a third party (i.e. a managed investment scheme or listed investment fund);
- (3) **(takeover)** where the Dealing arises from a scheme of arrangement or acceptance of a takeover;
- (4) **(offers, security purchase, dividend reinvestment plans etc)** where the Dealing arises under an offer to all retail shareholders of the Company, where the particular offer determines the timing and the structure of the offer has been approved by the Board (and includes the election to allow rights to lapse);
- (5) **(incentive scheme)** where the Dealing arises through an acquisition, cancellation or surrender of the Company's securities under an employee incentive scheme; or
- (6) **(lender disposal)** where the Dealing arises through the disposal of the Company's securities by a lender exercising their rights under an approved Funding Arrangement,

(each an **Excluded Dealing**).

5 Disclosure responsibilities

5.1 Responsibilities of Directors

- (1) In accordance with section 205G of the Act and Listing Rule 3.19A, Directors must notify the ASX of any Dealings in the Company's securities within five (5) Business Days of such Dealing.
- (2) To the extent required to do so under the Listing Rules, the Company shall disclose to the market when a Director has been given a Clearance to Deal during a Blackout Period.

5.2 Responsibilities of the Company

- (1) In accordance with the Listing Rules, the Company will:
 - (a) provide a copy of this Policy to the ASX; and
 - (b) provide the ASX with any material change to the Policy within five (5) Business Days of the change taking effect.
- (2) All Directors, employees and contractors (current and future) will be provided with a copy of this Policy. The Board may from time to time require Directors, employees and contractors to provide a written acknowledgement that they are aware of, understand and agree to comply with this Policy.
- (3) The Company will notify Directors, employees and contractors of any amendment to the Policy by email and upload a copy of the amended Policy to the Company's website.

6 Prohibition on Insider Trading

- 6.1 In broad terms, the law provides that a person who has Inside Information about a company must not:
- (1) Deal in that company's securities;
 - (2) encourage someone else to Deal in that company's securities; or
 - (3) directly or indirectly communicate Inside Information to another person where they know, or ought reasonably to know, that the other person would be likely to use the information to Deal in the company's securities.
- 6.2 To illustrate the prohibition described above, the following are examples of potential Inside Information which, if made available to the market, may be likely to affect materially the price or value of company securities:
- (1) revenue;
 - (2) profit forecasts, inventory levels or forecasts;
 - (3) items of major capital expenditure or borrowings;
 - (4) liquidity and cashflow information;
 - (5) management restructuring;
 - (6) changes in distribution arrangements or litigation;
 - (7) impending mergers and acquisitions, reconstructions or takeovers, or major asset purchases or sales;
 - (8) drilling results; or
 - (9) new product and technology.
- 6.3 This list is not exhaustive and there are many other examples of information that potentially could be price sensitive. Knowledge of the potential for or the likelihood of any of the matters listed above occurring should also be considered to be Inside Information for the purposes of this Policy.
- 6.4 For these purposes, "information" extends beyond pure matters of fact and includes matters of opinion and intention. It is not limited to information that is generated by, or sourced from within, the Company, nor is it limited to information that is financial in character or that is measurable in financial terms.

7 Trading in Securities of other companies

- 7.1 Whilst this Policy does not prescribe restrictions on trading in the securities of other entities (other than in accordance with the general prohibition on insider trading set out in section 2.1), Directors, employees and contractors should be alert to the likelihood of coming into possession of Inside Information in respect of the securities of other listed entities as a consequence of the Company's commercial activities.

- 7.2 If intending to Deal in the securities of another entity, Directors, employees and contractors should actively consider whether they may in fact be in possession of Inside Information in respect of the relevant entity and, if in any doubt as to the legality or propriety of the proposed transaction, seek advice from the Company Secretary. Given the reputational risk to the Company if misconduct occurs in these circumstances, Directors, employees and contractors should always err on the side of caution in assessing the nature of their knowledge.
- 7.3 Directors, employees and contractors are reminded that the insider trading prohibition extends to the passing on of Inside Information to a third party that would be likely to buy or sell the relevant securities – this prohibition applies to information in respect of other entities to the same extent as it applies to Inside Information regarding the Company.
- 7.4 Set out below is a non-exhaustive list of examples of how Inside Information about another entity may be obtained:
- (1) during the course of a proposed transaction;
 - (2) during the course of due diligence investigations;
 - (3) Board deliberations;
 - (4) negotiations; or
 - (5) information provided to the Company during the ordinary course of business.

8 Penalties for a breach of the Policy

- 8.1 Insider trading is a criminal offence and may attract criminal liability (e.g. fines and/or imprisonment). In addition, it may also attract civil penalties (e.g. disqualification from managing a company) and civil liability (e.g. personal liability for loss suffered as a consequence of the illegal conduct).
- 8.2 A breach of this Policy or the insider trading provisions under the Act (or both) will be treated by the Company as serious misconduct and may attract disciplinary action, including termination of employment.

9 Policy status and review

- 9.1 The Board will review this Policy on an annual basis and as otherwise appropriate to ensure it complies with the Listing Rules and its applicable governance policy.