

TRANSCRIPTION

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Operator: Thank you for standing by, and welcome to the Stanmore Resources Limited 2025 Full Year Financial Results Investor Briefing. All participants are in a listen-only mode. There will be a presentation, followed by a question-and-answer session. If you would like to ask a question, you will need to press the star key, followed by the number one on your telephone keypad.

I would now like to hand the conference over to Mr. Marcelo Matos, Executive Director and CEO. Please go ahead.

Marcelo Matos: Good morning, everyone. Thank you for joining today's call as we present our full year results for 2025. I'm joined here once again by our CFO, Shane Young. Today's result marks our fourth set of full year results since our transformational acquisition of BMC back in 2022 and comes in what has been the most challenging operating conditions and market environment over that period. Nonetheless, I'm pleased to say that our well-capitalised business has demonstrated remarkable resilience as highlighted by a few of the opening snapshots on Slide number 3.

Safety and operational performance has been pre-reported in our recent quarterly update, but I'm very proud of our site teams to have safely delivered a record production year of 14 million tonnes. This translated into a strong sales volume performance of 14.1 million tonnes, which supported lower FOB cash costs year-on-year of US\$87.8 per tonne. This outcome is well within our revised guidance range, which was lowered early in the year.

Underlying EBITDA of US\$385 million was generated over 2025, supporting robust cash flow generation to maintain a modest net debt position of US\$33 million at year-end. This strong balance sheet position, together with a liquidity position of almost US\$500 million has allowed us to step up shareholder returns



with the declaration of a final dividend for 2025 of US\$0.089 per share, equivalent to US\$80 million. Shane will expand more on that later after I briefly discuss our operating and financial performance from Slide number 6.

Starting with safety. Our performance was solid in 2025, continuing a trend of serious accidents frequency rates consistently remaining below the industry average for surface coal mines in Queensland. Importantly, we also saw a 57% reduction in recordable injuries year-on-year, while the 2 serious accidents recorded late in the year were thankfully limited in their potential.

As highlighted, the team delivered a record production year despite the significant amount of rainfall early in the year. This ultimately came down to a remarkable second half recovery, where we saw the business operate at an outstanding 15 million tonne annual rate of production.

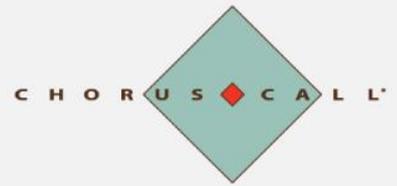
For the chart at the bottom section of the slide, this year saw us cap off a 6-year period of sequential growth in the production profile of our existing asset base, which also represents a 25% increase since we purchased the BMC assets.

Looking at each asset in further detail on the next slide, Slide number 7. South Walker Creek delivered record operational results across all metrics as it continued its growth trajectory following the conclusion of the CHPP expansion and the MRA2C creek diversion. The upgraded CHPP operated consistently above nameplate capacity during the second half, providing the saleable production volume to deliver against the guidance range and support further cost improvement year-on-year.

As highlighted throughout the year and in our recent quarterly, Poitrel had a standout year, delivering an all-time record of 5 million tonnes of saleable production. As Poitrel is geometrically constrained in the level of output, this performance is purely reflective of the very high level of productivity at that operation, which has been reinforced by a strengthening of the strike length from the recent investment into the Ramp 10 North development.

Finally, the Isaac Plains Complex pulled off a strong recovery through the final quarter to deliver full year saleable production of 2.4 million tonnes within the revised guidance range.

I'll now hand over to Shane to discuss the financial elements of our operating performance before moving to the overall financial results.



Shane Young:

Thanks, Marcelo. Looking at our FOB cash cost per tonne and underlying EBITDA walk forwards on Slide 8. 2025 FOB cash cost per tonne ended the year at US\$87.80, very close to the midpoint of our revised market guidance and \$1.80 per tonne lower than 2024 despite the effect of non-controllable year-on-year cost increases.

As the waterfall shows, if we rebased 2024 FOB for the effects of inflation, FX and the impact of the Millennium mine closure, 2025 cost expectations would have been around US\$91 per tonne with a further \$1.80 per tonne in cost and volume impacts from wet weather early in the year.

The reduction year-on-year is, therefore, clearly attributable to the strong volume increases at South Walker Creek and Poitrel, along with the cost optimisation program kicked off in mid-2025 to deliver a combined benefit of almost \$5 per tonne year-on-year.

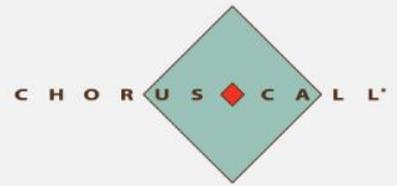
These volume and cost improvements also translated into US\$170 million of additional underlying EBITDA to help partially mitigate the impacts of non-controllable lower coal prices, inflation and wet weather.

Finishing 2025 with underlying EBITDA of US\$385 million, which is over A\$0.5 billion in a year of lower coal prices and significant wet weather is a testament to the strength of our platform to withstand adverse market and operating conditions throughout the cycle.

Turning to the financial scorecard on Slide 10. Our overall financial results also demonstrated the resilient nature of our operations during a challenging period in the market. While we have already highlighted underlying EBITDA, this performance translated into a remarkable US\$381 million in operating cash flows and positive all-in cash generation during 2025 after adjusting for lease payments and debt servicing.

This was supported by a reduction to steady-state capital expenditures at a timely point in the cycle, with key projects having been brought to a final investment decision quickly post the acquisition of BMC in 2022 and delivered ahead of schedule and under budget.

Furthermore, and as highlighted by Marcelo, we are pleased today to have declared a fully franked final dividend of US\$0.089 per share, totalling US\$80 million. This announcement sees our shareholders being rewarded for their



patience through a period of higher intrinsic capital allocation to enhance the resilience and optionality of the business.

With respect to movements in net debt and balance sheet position on Slide 11, Stanmore's net debt position remained stable year-on-year with strong net operating cash flows, putting the company in a position to meet all capital allocation commitments during 2025.

This included the capital expenditure program, the \$25 million in stamp duty paid on the Eagle Downs acquisition, which remains under objection and \$81 [CORRECTION: \$US61] million in dividends paid with respect to the 2024 full year results.

As highlighted previously, our liquidity position remains strong, approaching almost US\$500 million as of year-end. This was reinforced late in the year by an upsizing of our bank revolving credit facilities by US\$50 million with all US\$270 million in working capital style facilities remaining undrawn and available for use.

This additional liquidity and low net debt supported the Board's decision to award a healthy final dividend for 2025, as also highlighted in our review of capital management on Slide 13.

This chart aims to visualise the trend of dividends since 2022 as a percentage of our total capital allocation, which is comprised of shareholder returns, debt repayments, major projects and M&A-related payments. Importantly, please note that the dividend figures are on a declared in relation to basis regardless of the actual timing of dividend payments.

As you can see, the proportion of dividends of our total capital allocation has stepped up as part of this 2025 result. This follows a period where our capital allocation strategy was very much focused on making the most of low-hanging fruit opportunities within the expanded portfolio and strengthening our balance sheet post the BMC acquisition in 2022.

With these initiatives mostly behind us and before our next investment phases in the form of a life extension project with the Isaac Downs Extension Project or future growth in Eagle Downs, the Board considered it prudent to declare a surplus shareholder return above and beyond our stated policy with reference



also to our modest net debt position and targeted liquidity requirements, as mentioned earlier.

Today's dividend announcement brings aggregate shareholder returns since the 2022 BMC-related equity raise to US\$0.342 per share, which is almost 50% of the equity raise price itself in Australian dollar terms. And before I hand back to Marcelo, let's look ahead briefly to 2026, starting with our guidance slide on 14.

Slide 14 shows saleable production at South Walker Creek is expected to continue to ramp up towards its recently expanded capacity set in motion by the wash plant upgrade and MRA2C investments, while Poitrel's output is set to normalise after a record 2025.

As flagged in our recent quarterly update, Isaac Plains will see a planned reduction in output from 2.4 million tonnes to 1.6 million tonnes at the midpoint of guidance. This reflects an intentional shift in strategy to focus on maximising dragline utilisation by reducing operations to a single fleet from midyear while focusing mining activity into the northern areas of the mine where strip ratios remain optimal.

Overall, and similar to 2025, portfolio saleable production is now expected to be somewhat second half weighted following the impacts of ex-tropical Cyclone Koji in early January. Nonetheless, barring any further impacts during the wet season, we are confident in meeting our full year production targets.

Our 2026 capital program is expected to remain broadly in line with the steady-state levels of 2025 with only a small increase reflecting prior year deferrals and capital improvement opportunities. While capex is expected to be largely consistent, FOB cash costs will see an impact from inflationary cost pressures and a higher Australian dollar as illustrated on Slide 15.

This chart demonstrates that we are forecasting to maintain a broadly stable cost profile this year after allowing for typical cost escalations from uncontrollable factors. This reflects a targeted approach to our mining strategy in 2026, which has provided sufficient cost savings to offset the FOB cost per tonne impact of lower volumes at the Isaac Plains Complex.

Foreign exchange has emerged as a headwind this year, stepping up from an average rate of US\$0.645 in 2025 to levels above US\$0.70 that have not been

seen since early 2022. However, if we remove this impact and look at costs in Australian dollars adjusted for inflation, we are expecting costs to remain stable year-on-year, further supporting the benefits of our capital reinvestment strategy and overall cost competitiveness in the industry.

With that, I'll now hand back to Marcelo to take us through the remaining slides.

Marcelo Matos:

Thanks, Shane. As you are all aware, we have a great portfolio of capacity replacement and growth projects that we remain busy working towards. However, the key focus is on obtaining all regulatory approvals to enable an investment decision and the start of development of the Isaac Downs Extension Project, which is at least a couple of years away. We have also included a couple of slides to explain some of the near-term opportunities within the existing portfolio.

At South Walker Creek on Slide 17, the focus is on maximising the value we are getting from the recent investments into unlocking low strip ratio and capacity expansion. This comes from focusing output on the various pits within the MRA2C area, known within our mine plans as E, F and G pits. 58 million tonnes of run-of-mine coal at an average strip ratio of 8:1 are broadly available within the MRA2C area with the highest margin coal coming from G and F pits.

While we are already mining in E pit this year, the Chase the Blue strategy, which is a reference to the blue colours used in our margin rank plots for the higher margin reserves, see us prioritising access and maximising mining activities within the G and F pits earlier than originally planned. Given the additional reserves unlocked in the pits above what was originally planned, additional preparation works are required in 2026 before we commence dragline activity in 2027 through the MRA2C area.

This will ultimately improve margins compared to our previous mine plan and is believed to be value accretive across the life of mine, noting South Walker Creek possesses significant optionality to continue to unlock future low-cost mining areas in the MRA3, the Nebo West and the Bee Creek resource areas.

It should be added that this strategy is consistent with our value-over-volume approach at the Isaac Plains Complex and in the medium term, may see us operate slightly below capacity compared to our volume maximisation strategy with a view of optimising cash generation.

Nonetheless, given the significant amount of strike length available to us at South Walker Creek, we would always reserve the optionality to scale operations and capacity utilisation up and down should prevailing market conditions incentivise us to do so.

Moving on to Slide 18 for a brief look at Poitrel and the Isaac Plains complex. For Poitrel, the story over the next few years is one of making sure we get the most out of what we have, given the operations will always be naturally constrained within the geometric limits of the mining lease.

As Shane highlighted, the team has delivered an exceptional few years, demonstrating their ability to continuously find efficiency improvements and incremental output. The latter has been supported by the investment into Ramp 10 North and the additional volumes from the Vermont 2 and 3 plays, which, as you recall, was an immediate opportunity that we took in the southern area of the mine to extract coal beneath a very small layer of interbud.

As mining activity reduces in the southern area, in line with depletion and gradually concentrates towards the northern part of the mine, we anticipate production levels to normalise back to the expected run rate, which in case of 2026 is reflected in our guidance volumes.

Meanwhile, at Isaac Plains, it is important to briefly reflect on the performance of the investment into Isaac Downs as we commence the twilight period for that operation before we begin the transition to the Isaac Downs Extension. As you all may recall, Isaac Downs, previously named Wotonga South was acquired as an exploration permit for a total consideration of A\$30 million.

After successfully converting the EPC to a fully approved mining lease in record time back in 2021, Stanmore invested the capital required for Isaac Downs, primarily comprised of transitioning the dragline into the new mining area and the construction of haulage related and pit infrastructure.

Over the 4-year period from 2021 to 2025 and inclusive of the acquisition and capital costs, the Isaac Plains Complex has delivered over A\$700 million in free cash flows after leasing providing significant value to shareholders over that time.

Looking ahead, we have done a lot of work, including scenario analysis to understand the best path forward for the remainder of life at Isaac Downs. The

mine has a clearly defined economic limit driven by a splitting of the Leichardt seam that has always been anticipated to set in across the whole operation around 2028.

In the near term, higher strip ratios become more pronounced in the southern area of the pit. Hence, we have taken a decision to focus mining activity into the northern area and maximise the utilisation and productivity of the dragline to help support unit costs. We believe this targeted approach is expected to deliver a favourable outcome from a value perspective compared to a higher cost, higher volume plan.

Turning briefly to the medium and long-term growth opportunities on Slide 19. The Isaac Downs Extension remains our highest priority in the near term with the project providing crucial life extension and capacity utilisation for the complex overall.

As previously highlighted, finalisation of the groundwater modelling and associated studies remain the key item on the critical path for submission of the full environmental impact statement. We also took the opportunity during this time to optimise our mine plans to minimise future backfilling requirement of residual voids, which will provide significant improvement to the economics of the project.

The holdup on the groundwater data acquisition and modelling was the weather conditions through the first half of last year. We are also busy working through the various stakeholders agreements with native title holders and landholders, which are also key milestones.

On Eagle Downs, we continue to progress our studies to determine the optimal development pathway for the project and we will aim to provide an update to the market once our ongoing studies are concluded late this year. Moving on to a summary of the market conditions through 2025 on Slide 21.

We have touched on the market a few times already through the call. But as you can see from the historical pricing chart, 2025 was a relatively soft year for metallurgical coal. Subdued prices generally traded sideways as demand conditions remained soggy with the ongoing glut of Chinese steel exports and generally healthy availability from competing North American, Mongolian and Russian producers, as shown on Slide number 23.

Nonetheless, Australian supply remained tight with ongoing outages at key mines and lower output across the board, limiting further downside risk to price. We have been of the view that pricing was consistently well inside the cost curve of production with only the lowest cost producers continue to generate positive free cash flows during the lowest points in the period.

It was evident that there was limited meaningful supply rebalancing as producers came into the cycle with conservatively positioned balance sheets compared to previous cycles. Towards the end of the year, we started to see some green shoots in demand as the Chinese domestic prices for metallurgical coal recovered relatively to seaborne levels and importers recommenced a certain price formation on the seaborne market in light of improved outlook.

This also coincided with returning demand from India with the commencement of restocking after running consistently low inventory days throughout the year to optimise their working capital positions. In the turn of the year, prices have rallied strongly, primarily off the back of supply concerns from the impact of the wet weather in early January 2026.

However, prices have been relatively resilient through the course of February and we are optimistic that the demand fundamentals are improved compared to this time last year. This is expected to be supported by firming demand in India, supported by the recent expansion of safeguard duties on Chinese imports of flat steel through to 2028, the continued rollout of blast furnace capacity and a recent uplift in economic data. With that, I'll now hand back to the moderator to handle the Q&A session.

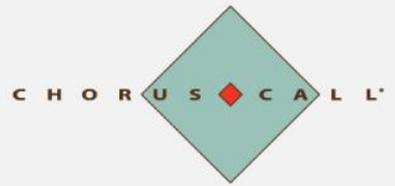
Operator:

Thank you. If you like to ask a question, please press star one on your telephone and wait for your name to be announced. If you like to cancel your request, please press star two. If you're using a speakerphone, please pick up the handset to ask your question.

Your first question today comes from Brett McKay from Petra Capital. Please go ahead.

Brett McKay:

Thank you and good morning, team. Great result, well done. Just a few questions from me this morning. Firstly, if we just reflect on the 2025 year and a few sort of the minor details, can you just outline what some of the non-



controllable costs are that sort of sit in that -- under that umbrella that you've normalised for, maybe one for Shane?

Shane Young:

Yes. No worries, Brett. So as we've highlighted on the sort of non-controllable area, it's primarily year-on-year inflation. So cost increases through rise and fall mechanisms within established contracts, through annual salary changes, and EA adjustments year-on-year as well as general CPI. And then the other major item through the sort of non-controllable area are your foreign exchange impacts.

I mean all of our costs, as you know, are denominated in U.S. dollars despite -- well, released and reported in U.S. dollars despite the fact that a number of them actually are in Australian dollars being an Australian company. So we are exposed in that regard when we start reporting and referencing U.S. dollar costs.

Brett McKay:

Can you disclose the FX assumption that you used for this year? I think last year, it was 64. What is it for this year?

Shane Young:

Yes. So going forward into 2026, we've assumed a \$0.68 exchange rate for the year.

Brett McKay:

Okay. And just on, I guess, operational efficiencies in the business, it really looks like you're continuing to focus on those areas to maximise cash flow and making some adjustments there at South Walker Creek as well. How much more do you think you can do within the existing footprint of the business?

You've obviously made the adjustments as well at Isaac Plains. Do you think that, that lemon sort of being largely squeezed for now? Or do you feel like you'll always be looking for those incremental improvements and then trying to quantify them along the way.

Marcelo Matos:

Brett, it's Marcelo. There is more in the tank. I think we have a very well packed improvement pipeline. As some of those potential improvement initiatives mature throughout the, let's say, the studies. I mean, as we validate some of them, I think we start to bank them as part of our, let's say, forecast going forward.

So I think that we have a pretty wide range from cost improvement to productivity improvements. Some of them may not be necessarily cost, maybe

margin or revenue related. So I think the simple answer is yes. I think there's probably more improvement ahead of us. But obviously, we want to make sure we are conservative in making sure they are validated and they are achievable, especially when we look at guidance in the short term.

Adjustments at Isaac, I think they're quite natural, and expected. And I think as I explained, we are -- the target is to make sure that we set it up for the best cash outcome, not necessarily just chasing higher cost volume. As in South Walker, there's a lot of work going on now in understanding how we can accelerate mining within the MRA area to benefit from those higher-margin reserves as well.

So a lot of work, probably depending on how we move with that strategy, it's not necessarily going to be something that's going to be benefiting 2026 necessarily because there's a lot of work in dewatering and demining some of those pits in 2026. But '27 onwards, there's a lot of potential opportunity to maximise cash generation there as well.

Brett McKay:

Is there scope to further lift the wash plant capacity? I know you've got a regulatory limit there. But is there any feeling that you might look at that at some point to make sure you're maximising these volumes that are quite close to the wash plant and clearly higher returning?

Marcelo Matos:

Look, I think the existing wash plant is probably maxed out in terms of value-accretive expansion, and it's somehow real estate constrained as well, as you know. So I think what we've done in terms of the last expansion program was probably the limit in the existing plant, any expansions beyond that are probably going to require going somewhere else at the mine and probably going to be more expensive.

So I think for the existing plant, I think we are probably at the optimum setup. We have been maximising utilisation of the existing operating hours, and throughput as much as possible. We've done that through the second half of last year. I mean, South Walker is an operation where I mean, with the wash plant being the constraint, especially for the second half of last year and somehow this year as well. We need to make sure that we have feed ahead of the plant and not -- I mean, especially during wet season that -- whether we don't lose those operating hours.

Going forward, it's going to be all about margin, Brett, as you said, MRA2C is lucky to be close to the wash plant and to have high-yielding costs, maximising mining in that area is definitely a priority. However, we are going to be constrained as well how much volume we can get from that specific area in terms of mining intensity within the MRA area.

So it's going to be a trade-off between how much we can get from those southern pits, which are higher margin, but constrained by a certain intensity. And there's always going to be a trade-off against how much volume we can get in that sort of scenario. So I think that's ongoing work, but a lot of optionality in South Walker for sure.

Brett McKay:

Yes. Okay, good. I'll just quickly move on and just ask two questions on your organic growth options in the portfolio. Just firstly, Isaac Downs Extension. You mentioned in the intro there, you are looking at some optimisation initiatives with pit backfilling and the like. Will you provide an update to the market at some point once all of those numbers have been finalised? Or is that something that you'll just move straight into development once the permitting comes through?

Marcelo Matos:

I don't see any reason not to give the market an update. I think we are pretty well progressed with development scenarios and mine plans. And I think we are in pretty good shape. Project looks good. As we always said, it's a reasonably low capital investment. So a very similar project to Isaac Downs, which we've done very successfully.

I think focus now is on approvals. I don't think there's any critical path around actual development. We've been taking time, as I said, in optimising, as you said, residual voids and backfilling requirements, working with the regulators on scenarios that enable us to have a lower cost rehabilitation program and post-closure backfilling.

And yes, I think so, I think we should be able to provide a bit more colour on how the project looks like, but I think there's plenty of time between now and 2028 to do that.

Brett McKay:

Okay. Good. And just finally on Eagle Downs. You mentioned earlier that you'll provide the study outcomes towards the back end of this year. Is there anything really that you need to see from a market context point of view outside of the

specific -- project-specific numbers that would give you the confidence to go ahead if you sort of saw the tailwind really strengthening through the course of the year around coal markets? Or would it be partnering with somebody or coming up with some sort of financing package that would sort of derisk the financing side of things.

Out of those high-level key components, is there anything that we can expect to see or just trying to get a sense for key milestones that might give us a sense of the forward pathway for Eagle Downs, considering that is the key growth project in the portfolio?

Marcelo Matos:

Right, maybe I will just go back to some of the previous comments on Eagle Downs in previous calls. Eagle Downs, it could be a very natural replacement for Poitrel in the longer term. As Poitrel ramps down, especially from 2030, it has a world-class processing infrastructure. It has very important capacity to -- and it could be a very nice natural sequence through -- with the development and ramping up of Eagle Downs.

Moving or bringing Eagle Downs forward and developing earlier, I think we probably will need to have some good reasons to do that because there will be some overlap of production for a few years, which means we may need to -- we may have some constraints around washing and rail port, especially when Poitrel is still going strong.

With Isaac ramping down, some of those constraints may actually not be as great. But I mean that part of the equation together with funding, as you said, the right funding solution, the right market conditions, I think they are all critical elements in the equation.

We are not done with the work yet. So I think we need to make sure that we are confident that the project is going to be an attractive project from all angles from what we can expect production-wise, how much that is going to cost us to build and to deal with some of those constraints. So I think we still have work to do.

We have slowed down the pace, as we said before, given that we were actually working on cash preservation in the last 12 to 18 months, and it was unlikely that with the market conditions as they were that we're going to make an investment decision. So we are just taking the time to get the studies right, to get to the right outcomes in terms of development scenarios.

So I think it's going to follow its natural course. We are aiming investment readiness by the end of this year. Whether or not investment decisions will be taken, it will depend on all those elements that I just listed. But I'm also going to say, Brett, there will always be trade-offs, and we're always going to be looking at trade-offs, looking at the right investment settings in Queensland.

I think there's a lot of dialogue happening with government around what's the right setting that producers need to bring projects like Eagle Downs along given that we have a very benign royalty regime. And obviously, we're always going to be looking at M&A as well as growth options against greenfield development. So I think all those are going to be taken into consideration when we make a decision or not to bring Eagle Downs into development.

Brett McKay: It all makes sense. I'll leave it there for today. Thanks, guys.

Operator: Your next question comes from Tim Elder from Ord Minnett. Please go ahead.

Tim Elder: Good morning, Marcelo and Shane. Thanks for taking my question. Just on the production uplift at South Walker Creek in calendar year '26, you talked to like annualising the upgraded capacity in the prep plant. I'm just wondering if there's productivity benefits as well from the Golding fleet?

Marcelo Matos: Yes. We are getting brand-new trucks. There's a fleet of 31 brand-new trucks. Some of them are already operating, some are still arriving. So yes, definitely, there is an expectation for us to get better productivity with that fleet. We have new diggers as well. So I think it's all very positive. They are part of the plan for sure. We are targeting optimisation with the new fleets with the new gear.

We have a mining services contract with Golding that we think will drive more aligned incentives towards productivity and production as well relatively to the previous contract. So I think, yes, I think it's all pretty positive and so far, so good.

Tim Elder: Yes, thanks for that. And then just on your resources and reserves. Just wondering if you can talk through some of the changes there at Isaac Plains with the inclusion of the extension? And then obviously, if there's been any change around kind of that existing operation at Isaac Downs?



Marcelo Matos: No significant change in Isaac Downs, just formal depletion, just economic limits haven't changed. What we've done is basically adjusted to reflect the expansion project. So yes, I think it's pretty much it, Tim.

Tim Elder: And then just one more, just on your lease liabilities in calendar year '26. It looks like the current liability in your accounts for that has come in pretty low, like \$90 million or so. Is that a useful benchmark thinking about how those costs are going to roll off? Or are they going to be more consistent with calendar year '25?

Shane Young: Yes, Tim, it's Shane here. Yes, I think that is a good reference point to use. I mean we've seen a change in the makeup of some of the lease accounting around those lease liabilities that with the renewal of the Goldings contract, for example, that pushed some into noncurrent rather than current as we reestablished lease accounting around that contract. And also the lease structures we put in place for the new trucks, as Marcelo mentioned earlier. So yes, I think that's something that can be used as a reference point.

Tim Elder: Thank you.

Operator: Thank you. Once again, if you would like to ask a question, please press star one on your telephone and wait for your name to be announced. Your next question comes from Glyn Lawcock from Barrenjoey. Please go ahead.

Glyn Lawcock: Good morning, Marcelo. Just wondering if you could help unpack the cost a little bit. Isaac Plains 94 for the year. First half was 101. So it suggests they fell below 90 in the back half. Is that just accounting? Or is something else going on?

And then if you could maybe help me understand what's happening sort of on a qualitative or quantitative basis at your 3 mines? I know you've given us the guidance for the company at a whole, 93 to 97. But I was just wondering if you could maybe provide some colour around which direction the 3 mines are heading? Thanks.

Marcelo Matos: Glyn, Isaac was mostly just volume. I think that Isaac did a very low first half last year, a very strong second half and a very strong fourth quarter. That's basically the key driver. We got a big chunk of coal core flow in the fourth quarter with a lot of the coal from Pit 5. Pit 5 North was a small pit.

So the timing between stripping and coal, I think we had batches of coal during the year and a large portion of those batches were in the second half and especially on the fourth quarter. They were basically the key drivers.

As for 2026, I think Isaac will see a gradual slowdown. So we're going to still be set up with a larger number of fleets in the first half, okay, especially because of recovery and catching up with some of the weather events. Actually, we were planning to start parking down some of those fleets a little earlier at the moment, as things stand, we should be doing that by midyear.

So we're going to move from 4 fleets down to a single excavator fleet and focusing a lot on dragline waste on Isaac, and that's going to be the new steady state. So that's a big cost driver for Isaac for sure. I think that's going to allow us as well to roll in on Isaac Plains without a significant strip ratio increase, by just slowing down a bit the pace, as I said before, focusing on cash preservation for the last 2 or 3 years of mine life.

Poitrel, there are no major changes. I think Poitrel is a rollover year-on-year, no significant changes. We are doing a truck rebuild campaign. We are finishing our tailings pumping project, which is going to allow us to save a bit of cost on the haulage of tailings now that we're going to pump tailings in the southern pits of the mine.

And just a natural, as I said in previous calls, the natural normalisation of volumes as we transition the mining intensity to the northern part of the mine. South Walker, is a natural gradual expansion of volume towards capacity, but with the optionality to focus mining in the next few years in the southern part, especially the MRA area where we have higher margin volumes.

That may have a trade-off against maximising volumes. But I mean, depending on market conditions and mining intensity in the second -- in the southern part of the mine, I think that those are decisions we're going to have to take if we want to maximise margins by looking at some of those lower strip ratio areas. I think that's basically summates what we expect for the next -- or for the short-term.

Glyn Lawcock:

Okay. So if we look at your guidance, which is up 7%, which is FX and inflation, is that sort of -- you'd expect 7% across all the mines? Or is it going to be --

Isaac's going to see an even bigger jump and the others a little bit less when you think about it's the one with the big volume cut?

Marcelo Matos:

Look, if you look at the same approach that Shane explained previously, what we've done is we have assumed general CPI increase is uncontrollable. As you know, we have rising fall formulas. We have EA amendments and labour cost increases, which are preset.

So we just plug a general CPI adjustment as an assumption, to this waterfall. And then we also did a similar adjustment to FX, given that it's uncontrollable. And that rebases what would be the forecast for 2026.

And from there, we then say there's a volume movement here for Isaac, which is kind of controllable, but is a conscious decision to set it up with the right cost base. But then we were able to identify cost improvements or other improvements to be able to offset some of those impacts, okay?

So obviously, the volume impact is mostly an Isaac Plains impact. There's a small Poitrel volume impact, but that's mostly Isaac. And as for FX and the CPI assumption, this was just a general assumption for all assets with a lot of the improvements being spread amongst them.

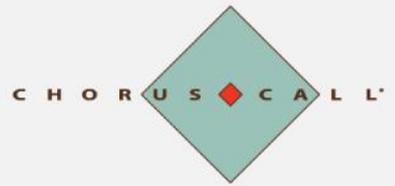
Glyn Lawcock:

Yes. Understood. Maybe just jumping to Isaac Downs Extension quickly. You're saying late next year, calendar '27 for the approval. If you get it then, is there much of a gap between Isaac Downs and the extension. Can you avoid a gap? Or is that too late to avoid a gap between the 2 mines?

Marcelo Matos:

Unfortunately, that's one that's hard to control because I think the key risk for the extension project is on approvals and potential land court objections having to start a land court process. So we are working hard to avoid that, working closely with the Queensland government to make sure that we go as smooth as possible.

If all goes well, we should be able to have a back-to-back ramp-up. That's what we are assuming now, and that's what we are hoping to achieve. But there will be a natural ramp down and ramp up, Glyn. So it's not going to be like a flat profile because we are already ramping down, as you see. And when we are down now to a single fleet, I think that's going to be a natural trend and then ramping up again from late 2028 onwards.



Glyn Lawcock: All right. Understood. And then maybe just squeeze the last one in. Just any update you can give us on the Anglo sales process? I know it was only 4 weeks ago since I last asked that question. I was wondering if it's made any headway?

Marcelo Matos: Unfortunately not. I can't give an update. You know that I can't comment on that. There's a process going on, and we always look at opportunities, as you know.

Glyn Lawcock: All right. So it's still ongoing and you're still in the mix?

Marcelo Matos: Those are your words.

Glyn Lawcock: No worries. Thanks, Marcelo.

Operator: Thank you. There are no further questions at this time. I'll now hand back to Mr. Matos for any closing remarks.

Marcelo Matos: Thank you for your questions and your time on today's call. As always, I would like to thank our employees, our contractors and the ongoing support of our investors. We look forward to connecting with all of you in the coming weeks. Thanks again. Good day.

Operator: That does conclude our conference for today. Thank you for participating. You may now disconnect.

[END OF TRANSCRIPT]