1 Fifth Supplementary Bidder's Statement

1.1 Introduction

This document is a supplementary bidder's statement given pursuant to Division 4 of Part 6.5 of the *Corporations Act 2001* (Cth) (**Corporations Act**) in compliance with the requirements of section 643 of the Corporations Act by Golden Investments (Australia) Pte. Ltd. (**Golden Investments**), a company owned by Golden Energy and Resources Limited and Ascend Global Investment Fund SPC, in relation to its off-market takeover offer to acquire all of the ordinary shares in Stanmore Coal Limited ABN 27 131 920 968 (**Stanmore Coal**).

It is the fifth supplementary bidder's statement (**Fifth Supplementary Bidder's Statement**) issued by Golden Investments to the bidder's statement dated 19 November 2018 issued by Golden Investments (**Original Bidder's Statement**). This Fifth Supplementary Bidder's Statement supplements and is to be read together with the Original Bidder's Statement, the first supplementary bidder's statement dated 14 December 2018 (**First Supplementary Bidder's Statement**), the second supplementary bidder's statement dated 27 December 2018 (**Second Supplementary Bidder's Statement**), the third supplementary bidder's statement, dated 15 January 2019 (**Third Supplementary Bidder's Statement**) and the fourth supplementary bidder's statement, dated 16 January 2019 (**Fourth Supplementary Bidder's Statement**). This document prevails in the event of any inconsistency with the Original Bidder's Statement, the First Supplementary Bidder's Statement, the Second Supplementary Bidder's Statement, the Third Supplementary Bidder's Statement and the Fourth Supplementary Bidder's Statement.

1.2 Important notices

This Fifth Supplementary Bidder's Statement is dated 18 January 2019, which is the date on which it was lodged with the Australian Securities and Investments Commission (**ASIC**). Neither ASIC nor its officers take any responsibility for the contents of this Fifth Supplementary Bidder's Statement.

1.3 Defined terms and interpretation

Unless the context otherwise requires, capitalised terms in this Fifth Supplementary Bidder's Statement have the same meaning given to them in Section 13.1 of the Original Bidder's Statement. The rules of interpretation set out in Section 13.2 of the Original Bidder's Statement also apply to this Fifth Supplementary Bidder's Statement, unless the context otherwise requires.

2 Response to Stanmore Coal's announcement of corporate action

Golden Investments notes Stanmore Coal's Fifth Supplementary Target's Statement dated and lodged with ASX on 18 January 2019, in which the board of Stanmore Coal announced an interim dividend and an on-market share buy-back (**Proposed Corporate Actions**). With the Offer due to expire on 22 January 2019, and the price of Stanmore Coal Shares now trading at or very close to the Offer Price, Golden Investments has serious concerns in relation to the board's rationale for the Proposed Corporate Actions, especially in the context of the board's contemporaneous consideration of its response to the Offer and the Offer's imminent expiry.

The Proposed Corporate Actions (including the proposed buy-back) are so short term in nature that they may be indicative of limited confidence in the potential level of ordinary equity market support for the Stanmore Coal share price after the removal of the price support currently being provided by the Offer.

2.1 **Why is Stanmore Coal undertaking a share buy-back at this time?**

- *Buy-back announced three Business Days before Closing Date of Offer* - The timing of the proposed on-market buy-back raises obvious questions. Why was it necessary for the board of Stanmore Coal to announce this buy-back just days before the end of the Offer Period?

- *Cash applied to capital management which could be applied to development and exploration* - The board of Stanmore Coal advised in Stanmore Coal's Target's Statement that Stanmore Coal has a high quality portfolio of development projects and exploration assets. This raises the question as to why the board is nevertheless diverting funds away from asset development to fund capital management initiatives. This is especially so, in light of the current uncertain outlook affecting the commodities markets and the global economy to which Stanmore Coal is exposed which may impact the availability (and cost) of other capital markets funding sources for development and/or exploration.

- *Buy-back is only for up to 10% of Stanmore Coal and there is no certainty that any particular Shareholder's shareholding will be bought either at all or in its entirety* - Golden Investments notes that the on-market buy-back will only commence on or about 4 February 2019 and is only for up to 10% of Stanmore Coal's Shares over a period of up to 12 months. Whether any particular Shareholder were to be successful in selling any Stanmore Coal Shares (let alone all of their shares) cannot be predicted with any confidence and will be a function not only of any particular Shareholder's behaviour, but also the behaviour of other potential selling Shareholders, as well as the volume which Stanmore Coal may elect to buy (or not) at any particular time or price. By the time the buy-back commences, the Offer will have already expired[1] and, with it, the opportunity to sell 100% of Shareholders' Stanmore Coal shares under the Offer.

- *Buy-back may be suspended or terminated at any time over the 12 months* - There is also no certainty that the on-market buy-back will continue to be available (or if so, for how long) beyond its proposed start of 4 February 2019. Stanmore Coal has reserved the right to suspend or terminate the buy-back at any time and for any reason. It has also expressly noted that there is no commitment or guarantee that it will even purchase the full 10%.

- *Buy-back price is currently unknown and could be below the Offer Price* - This on-market buy-back, unlike the certain Offer Price under the Offer, gives absolutely no price certainty. In accordance with the ASX Listing Rules, the price paid for any Stanmore Coal Shares purchased under the buy-back from time to time can be no more than 5% above the five-day volume weighted average price of Stanmore Coal Shares immediately prior to the date of the purchase and indeed can be done at a lower price. Moreover, upon expiry of the Offer, the Offer Price will no longer be providing price support to Stanmore Coal's share price and the buy-back may be at a price below the Offer Price.

[1] This remains subject to a competing proposal and also an extension in accordance with the Corporations Act, if the Closing Date is automatically extended by 14 days if Golden Investments' Voting Power increases to more than 50% or if a competing proposal is announced and the Offer Price is increased within the last 7 days of the Offer Period.

- *Directors' views on the value of Stanmore Coal Shares* - Stanmore Coal announced today that the proposed on-market buy-back "demonstrates the board's strong belief in the underlying value of the Company's assets…". Despite such strong beliefs, with the exception of one director who acquired Stanmore Coal shares totalling approximately $6,000, none of the other directors acquired Stanmore Coal Shares through the Dividend Reinvestment Plan approved by Shareholders on 26 October 2018 at the then much lower price of $0.8798 per Stanmore Coal Share.

Unlike the Proposed Corporate Actions, the Offer provides an unconditional, certain exit for 100% to each and every Stanmore Coal Shareholder and delivers to all validly accepting Shareholders a quick, complete exit that is available only until 7pm (Sydney time) on 22 January 2019[2], with the benefit of an accelerated payment process whereby all accepting Shareholders will receive their monies no later than 5 February 2019.

2.2 Rushed timing of announcement of interim dividend ahead of interim earnings

Golden Investments again notes that Stanmore Coal has not released its December half-year financial results, but has nevertheless declared an interim dividend.

Without finalised and auditor reviewed half yearly financial accounts, from which such dividends may be paid, Golden Investments questions the necessity for, and prudence of, this declaration of a specific commitment to a specific amount of dividend at this time, especially given that Stanmore Coal had already signalled its general intention to pay interim dividends in its Fourth Supplementary Target's Statement.

2.3 Competing proposal remains highly unlikely

As noted in Golden Investment's Third Supplementary Bidder's Statement, the prospect of a competing offer or proposal emerging at this time is remote. Golden Investment's considers that the Proposed Corporate Actions indirectly support this view. In effect, Stanmore Coal is using the Shareholders' own funds to fund the only alternate proposal that the board has been able to make available for Shareholders.

3 Consent

This Fifth Supplementary Bidder's Statement contains statements made, or based on statements made, in the Target's Statement, First Supplementary Target's Statement, Third Supplementary Target's Statement, Fourth Supplementary Target's Statement and Fifth Supplementary Target's Statement or in other announcements made by Stanmore Coal to the ASX. Under the terms of ASIC Class Order 13/521, the persons making those statements are not required to consent, and have not consented to the inclusion of those statements or of statements based on those statements in this Fifth Supplementary Bidder's Statement.

Stanmore Coal Shareholders who would like to receive a copy of the Target's Statement or any documents referred to in accordance with Class Order 13/521 (or relevant extracts from those documents) may obtain a copy free of charge by contacting the Offer Information Line on 1300 349 217 (callers in Australia) or +61 3 9415 4186 (callers outside Australia) between 8:30am and 5:00pm (Sydney time) on Business Days.

[2] This remains subject to a competing proposal and also an extension in accordance with the Corporations Act, if the Closing Date is automatically extended by 14 days if Golden Investments' Voting Power increases to more than 50% or if a competing proposal is announced and the Offer Price is increased within the last 7 days of the Offer Period..

4 Next Steps

Golden Investments encourages Stanmore Coal Shareholders to accept the Offer as soon as possible. The Offer will remain open for acceptance until 7:00pm (Sydney time) on 22 January 2019 (unless extended under the Corporations Act). Full details of how to accept the Offer are contained in Annexure A of the Original Bidder's Statement.

If you have any questions or would like another copy of the Original Bidder's Statement and/or the Acceptance Form, please contact the Offer Information Line on 1300 349 217 (callers within Australia) or +61 3 9415 4186 (callers outside Australia) between 8:30am and 5:00pm (Sydney time) on Business Days.

5 Authorisation

This Fifth Supplementary Bidder's Statement has been approved by a resolution passed by the directors of Golden Investments.

Signed for and on behalf of Golden Investments:





Mark Zhou
Director
Golden Investments

Mulyadi Tjandra
Director
Golden Investments