



Ms Mary Cawood,
Berrima Residents Association
Post Office,
Berrima NSW
Australia 2577

29 February 2016

Dear Ms Cawood,

Re: Correspondence dated 4th December, 2015

Firstly, Ms Cawood, I would like to acknowledge receipt of your letter in which you outline some concerns of local residents in relation to POSCO's proposed Hume Coal Project.

Secondly, I am replying to your letter on behalf POSCO's CEO, Dr Oh-Joon Kwon.

POSCO is a substantial investor in Australia's resource sector having investments in 9 projects across range of commodities, including coal and iron ore, to the value of approximately \$1.5 billion. Additionally, POSCO purchases a range of commodities from Australia annually to the value of \$7 billion.

POSCO is aware that the Australian and New South Wales governments have in place some of the most stringent regulatory environments in the world for evaluation and approval of mining projects. Hume Coal has recently commenced the statutory approval process for its project and expects the proposal will undergo rigorous evaluation in which a number of issues will be considered as part of the process.

In view of the fact that the issues raised by yourself are very specific locally, I recommend that you discuss these issues directly with the Hume Coal Project Team, in particular, the Project Director Mr Greig Duncan.

POSCO, via its wholly owned Hume Coal Project, looks forward to working with yourself and other residents of Berrima to resolve any outstanding issues as the project progress through the statutory approval process.

Yours faithfully,

A handwritten signature in black ink, appearing to read "S W Yoon", written in a cursive style.

Sungwon Yoon
Managing Director
POSCO Australia Pty Ltd