

South32 Illawarra Metallurgical Coal PO Box 514 Unanderra NSW 2526 T +61 2 4286 3000

south32.net



Dendrobium Mine Extension Project

You may be aware South32 Illawarra Metallurgical Coal's (South32) Dendrobium Mine Extension Project was recently declared State Significant Infrastructure (SSI) by the State Government.

This provides South32 a pathway for the submission of an alternate mine plan that considers the feedback from the previous assessment. The alternate mine plan is included in the update enclosed.

The submission will follow a formal approvals process which includes an Environmental Impact Statement (EIS) and opportunity for public comment. We have commenced preparing the EIS and have directly contacted members of the local community for input, however if you wish to provide comment please contact us on the details below by 20 January 2022.

Further opportunity for community feedback on the Project will be available at Community Information Sessions planned for the first half of 2022. Dates will be shared when available.

For more information or to sign up to our regular Project email, please visit our website: https://www.south32.net/our-business/australia/illawarra-metallurgical-coal/dendrobium-mine

To get in touch, email our Community Team at illawarracommunity@south32.net or call 1800 102 210.

We are looking forward to working with you as we move forward to continue to supply metallurgical coal and support local jobs, investment and the community.

Yours Sincerely,

Peter Baker

Vice President Operations Illawarra Metallurgical Coal **DENDROBIUM NEWS** | EDITION 1



CARE IN CLEAN UP

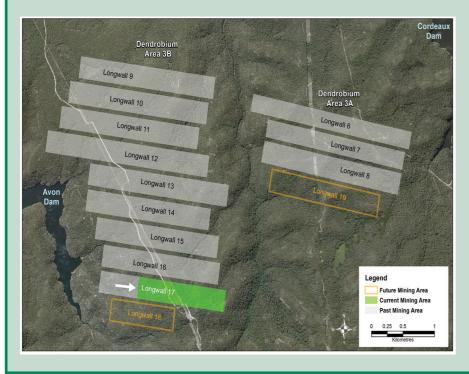
Some of our team from Dendrobium and our Regional Operations Centre donned gloves to contribute to Clean Up Australia Day by picking up rubbish around our operations. We are proud to be a part of the community.

Left: Steve Whitehead and Amy Bradbury.

Right: Chris Schultz, Amanda Blunt and Alex Szalla



OPERATIONAL UPDATE



We are continuing extraction of Longwall 17, which is expected to be completed by the end of 2021.

Longwall 16 End of Panel Report has been finalised and submitted to government. The report provides a comprehensive summary of measured and observed impacts during the extraction of the Longwall, and presents monitoring results and analyses compared to relevant impact assessment criteria and predictions outlined in the approved Subsidence Management Plan (SMP).

In other news, Longwall 19 SMP application has recently been approved by the Department of Planning, Industry and Environment. Details of the approval can be found on our website at www. south32.net.

We are continuing production through Longwall 17, which is expected to be completed by the end of 2021.

Longwall 19 has recently been approved.



DENDROBIUM NEWS

Illawarra Metallurgical Coal

EDITION 1 - 2021

Introducing Anna-May Fauconnier, General Manager, Dendrobium Mine

With 25 years' experience, Anna-May joined Illawarra Metallurgical Coal (IMC) as General Manager at Dendrobium Mine at the beginning of 2021.

Anna-May brings a wealth of knowledge from her previous role as Vice President Operations at South32's TEMCO operation, located in Tasmania. An expert in her field, she has experience in mining and processing in South Africa and Australia, having worked for Anglo Platinum, BHP Billiton and South32. Anna-May holds a Bachelor of Chemical Engineering and a Masters in Business Administration and has performed several senior roles in Production, Logistics, Business Improvement and Corporate Strategy.

Since commencing with Dendrobium Mine and IMC, Anna-May has already made great groundwork in systems and processes while fostering a culture of care, inclusivity, trust and accountability. Anna-May says she attributes success to creating mutually beneficial and inclusive relationships with all stakeholders that provide opportunities for everyone to prosper.

"I am looking forward to leading a team of highly talented people on the next phase of the Dendrobium journey while working determinedly to meet the needs of our Dendrobium and greater IMC teams and our host communities", Anna-May said.

On behalf of everyone at IMC, we are very pleased to have Anna-May as part of our team.



DENDROBIUM EXTENSION PROJECT UPDATE

As you may know, the Independent Planning Commission refused approval of the Dendrobium Mine Extension Project in February this year.

We are continuing to engage with internal and external stakeholders, and have a dedicated team working through the options available to us. We will continue to engage with the community and keep you informed.

COMMUNITY CALL LINE

Residents who have questions, concerns or complaints about Illawarra Metallurgical Coal's activities are encouraged to contact us through our Community Call Line on 1800 102 210.

You can also email the community email at illawarracommunity@south32.net.

CONTINUING RELATIONSHIPS WITH OUR COMMUNITY

In response to some community inquiries and concerns with rail noise, over the last 18 months, we have spent approximately \$500,000 on track improvements to mitigate noise along our railway line.

During this time, we have undertaken a rail survey, rail tamping, rail grinding and we have implemented a new rail noise monitor, all of which contribute to improvements in the way we work. To continue this work, we are going to make instalments that will help to minimise noise and engage an independent expert to review the effectiveness of the recommended changes.

At Dendrobium Pit Top, we've also invested in real time directional noise monitoring equipment to minimise noisy activities to limit impacts on residents located close to the Mine. The equipment has been received and is expected to be installed in April.

We are also in the process of updating the Dendrobium Mine Traffic Management Plan (TMP) as part of the triannual review. The TMP addresses the management of road traffic movements associated with the operation of the mine and associated infrastructure in accordance with the Dendrobium Development Consent. As part of the review process, we've consulted with key stakeholders including the Mount Kembla Public School, Wollongong City Council and the Dendrobium Community Consultative Committee (DCCC). A revised version of the TMP will be available on our website in the coming months.

In other news, the DCCC met recently to discuss

matters relating to the mine's operations, environmental performance and community-related activities. Some of the items discussed included the results of the Independent Environmental Audit, quarterly noise monitoring results, community complaints, recent community support and funding initiatives and the Dendrobium Mine Extension Project. Meeting minutes are available on our website at www.south32.net

DENDROBIUM COMMUNITY ENHANCEMENT PROGRAM

We are calling for funding applications! South32 is committed to creating shared value and making a positive contribution to the quality of life of the communities, regions and countries where we operate.

Illawarra Coal's Dendrobium Community
Enhancement Program (DCEP) is committed to
making contributions towards the sustainable
development of the local area surrounding
South32 Illawarra Coal's Dendrobium Operations.
The DCEP is administered by a committee of
members from the local community and the
Company, and is chaired by an independent
Chairperson.

For more information or to apply, email lCenquiries@south32.net or go to lcenquiries@south32.net or go to www.south32.net/our-business/australia/illawarra-metallurgical-coal/documents/1

CONTINUED SUPPORT FOR WOMEN IN RUGBY LEAGUE

We are proud to announce our continued sponsorship of the Illawarra Women's Rugby League tournament for the 2021 season.

Vice President Operations Wayne Bull is really proud of the partnership.

"We are passionate about supporting the communities where we live, and we have a strong partnership with the Illawarra Rugby League, having previously sponsored its junior and senior men's competitions."

With the number of women in Rugby

League growing significantly in the area, we are proud to play our part in contributing to the success of these young athletes.

"On behalf of South32 Illawarra Metallurgical Coal, I would like to wish all the competing teams a successful, safe and injury-free season in 2021. I look forward to seeing the region's young female rugby league stars pursing their sporting ambitions into the future". Wayne said.

The season will commence mid-May.



IMC's Vice President Operations Wayne Bull, Former Jillaroo Julie McGuffie and External Affairs Manager Amber Cleary.



IMC's Amanda Blunt, Lucy Formosa, Nicola Curtis, Kimberly Murdoch, Abby Moroney, Siri Schlebaum and Franka Jansen.

#CHOOSINGTOCHALLENGE AT IMC

This month, we celebrated International Women's Day by asking our people to talk about what the day means to; individuals, groups, the company, to society.

South32 hosted a virtual event where a panel of people across the global South32 team came together virtually for a conversation on inclusion and diversity, raising awareness against gender bias and taking meaningful action for equality.

As part of the celebrations, some women from IMC attended the AusIMM Women's Day Luncheon in Sydney, sparking conversations on diversity, inclusion and work/ life balance. We also hosted a morning tea across our sites and tuned into a virtual event with special guests; CEO of OzHarvest Ronni Khan, Actor Miranda Tapsell and the Honourable Julie Bishop.









Above: South32 hosted a virtual forum with (LTR) South32's Hillside Casthouse Manager Ellie Moshoane, South32 Board Chair Karen Wood, South32 Chief Human Resources and Commercial Officer Brendan Harris, Manager HSE and Risk Yogen Chetty, facilitator and Group Manager Communications Hayley Cardy and Dendrobium Mine's General Manager Anna-May Fauconnier.

Left: Dendrobium's Siri Schlebaum and Lara Mathewson #ChoosingtoChallenge.

FY21 In Review – Dendrobium Community Enhancement Program

In FY21, we supported a number of initiatives, committing nearly \$250,000 to projects including:

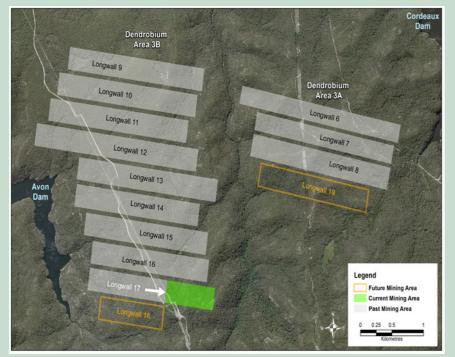
- Essential equipment for the Farmborough Heights Brigade
- Water bubbler at the Mount Kembla pathway
- Ryan Park Playground
- A three-year agreement with Life Education
- Western Suburbs pool cover
- Wollongong Heritage Collection for Yesterday Stories
- Maintenance materials for the Mount Kembla Pathway Group

One of the projects we are really proud of is our commitment to a new pool shade for the Western Suburbs pool in Unanderra. Australia has one of the highest rates of skin cancer in the world. The provision of the shade is one of the five ways it is recommended to stayed protected from skin cancer.

The new shade will complement the existing shade currently available at the pool around the 50-metre pool and over the toddler pool. This will be installed over the coming months and will be ready for next season, keeping people protected from the sun.

We would like to welcome our newest Dendrobium Community Consultative Committee (DCCC) member Anita Mulrooney! It is great to have Anita on the Committee and we look forward to working together to support the local community.

OPERATIONAL UPDATE



- We are continuing extraction of Longwall 17, which is expected to be completed by the end of 2021.
- To reduce the traffic volume through the Mt Kembla village, we have increased the number of buses to site to minimise the total amount of vehicles traveling at shiftchange times.



Illawarra Metallurgical Coal

EDITION 2 - 2021

We're looking for a new member for the Dendrobium Community Enhancement Committee!

We are currently looking for local residents who would like to represent their community on the Dendrobium Community Enhancement Committee (DCEC).

South32 Illawarra Metallurgical Coal (IMC) is committed to creating shared value and making a positive contribution to the quality of life of the communities, regions and countries where we operate. IMC's Dendrobium Community Enhancement Program (DCEP) is committed to making contributions towards the sustainable development of the local area surrounding our operations.

The DCEP supports worthwhile local initiatives that will provide lasting benefit to the communities surrounding our Dendrobium Mine. The Program is funded by 4 cents per saleable tonne of coal from Dendrobium's operations.

The DCEC, comprised of community and Illawarra Metallurgical Coal representatives, reviews applications and decides where funding will be directed in the local community. Our local community volunteers who sit on the DCEC ensure the allocation of funds is a community-based decision.

DCEC meetings are held bi-monthly at our Regional Operations Centre in North Wollongong.

If you are interested in joining the DCEC, please contact the Illawarra Metallurgical Coal Community Call Line on 1800 102 210 or email icenquiries@south32.net.



Community representative Emma Ivic, Principal Community Amanda Silarski and Community representative Franca Facci at the Ryan Park Playground.



Dendrobium Extension Project Update

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Smoking ceremony at our head office and new totem poles at our Project Office with Commaditchie artwork and our company Values; Care, Trust, Togetherness, Excellence

Taking action for Reconciliation

To support South32's Reconciliation Action Plan (RAP) and celebrate National Reconciliation Week held last month, we had a number of activities across our sites. At our head office, Glen Ella shared stories about his life and his thoughts on reconciliation. The team participated in a smoking ceremony and enjoyed some traditional Aboriginal food.

In addition, we have erected new totem poles and signage at Dendrobium Mine site and all IMC operations, acknowledging the traditional owners of the land on which we operate, the Dharawal people.

We worked with the Illawarra Local Aboriginal Land Council (ILALL) on the wording for the sign and purchased traditional artwork from local organisation Coomaditchie. Thanks to Coomaditchie and the ILALL for their support throughout this process.

For more information on Coomaditchie and our Reconciliation Action Plan, go to www.south32.net/reconciliation.





Meet Mel Lett, Supervisor Rehabilitation and Reporting and local resident in Mount Kembla

What do you do for Illawarra Metallurgical Coal?

I have worked at IMC for 9 years, based primarily in the Exploration Team at Cordeaux Mine Site. My current role is in Rehabilitation and Reporting, essentially meaning that I track and report on our compliance for all of our exploration and subsequent rehabilitation activities.

How does IMC support the local community from your perspective?

I see IMC as being proactive in providing regular business updates to the community. I also think that IMC's Matched Giving program and investment into schools, facilities and events are great examples of supporting the local community.

What is your favourite part about your role?

I enjoy the role I play in maintaining our exploration licences, which are critical to our operations. I am fortunate to gain broad exposure in my role; from understanding longer-term planning objectives through to short-term daily operations.

How do you and your family utilise the support from IMC (playgrounds etc)?

I have two young children who love using the local playgrounds, shared walking pathway and local day-care facility.



Mel pictured with Antony Leone, Principal Corporate Affairs at our Cordeaux site.

New Noise Monitoring System supports community interests

This year, we installed a directional noise monitoring system (DNMS) at Dendrobium Mine. The DNMS is comprised of five loggers that provide coverage of the pit top entrance.

Superintendent Environment Chris Schultz is pleased with the installation. "The installation will help us understand noise levels and ensure we are working responsibly". We have worked hard to identify noise trigger levels, meaning that when the trigger levels are reached, a notification is provided to the control room personnel. This allows the control room to identify noisy equipment or activities that are contributing to higher noise levels and take immediate action to reduce noise on site.

This system will enable us to work more effectively and cooperatively with the community.

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DENDROBIUM MINE EXTENSION PROJECT





OVERVIEW

Dendrobium Mine Extension Project

South32 Illawarra Metallurgical Coal preparing a new Project Application.

To be assessed under the State Significant Infrastructure (SSI) process.

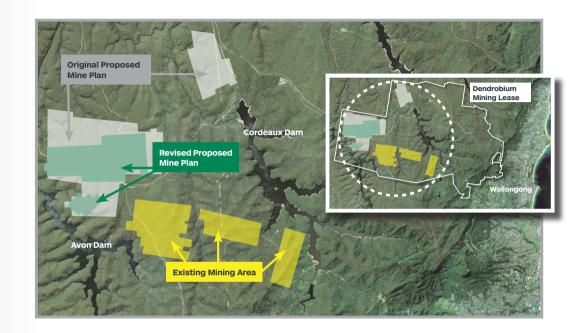
Focus on sustainable development of State's resources maintaining long term security of our water supply.

Revised mine plan and approvals

New application will incorporate IPC feedback.

Revised mine plan significantly reduces environment and cultural heritage impacts.

EIS preparation underway.



Illawarra
Metallurgical
Coal submit
a new Project
Application

Department sets requireme<u>nts</u> Illawarra Metallurgical Coal prepare and submit EIS

Department exhibits EIS and seeks community submissions Illawarra Metallurgical Coal responds to submissions Department assess the Project and NSW Planning Minister determines application

CONSIDERING IPC FEEDBACK

Economics





Aboriginal Cultural Heritage



The revised mine plan:

Will create more than 100 project construction jobs.

Secures ongoing employment of about 1,800 direct local jobs, 90 per cent living locally. Will generate \$6.4b into the local economy including:

\$244m annually in direct spend with local Illawarra business.

\$230m in royalties and taxes to the NSW government for the life of the Project. No longwall mining under identified high significance Aboriginal Heritage Sites.



CONSIDERING IPC FEEDBACK

Special Catchment Area and Mining





Water and Biodiversity



The revised mine plan:

Avoids key streams and swamps.

Is setback 400 metres from key rivers and streams.

Is set back at least 1,000 metres from dam walls.

Significantly reduces surface water loss by 78 per cent.

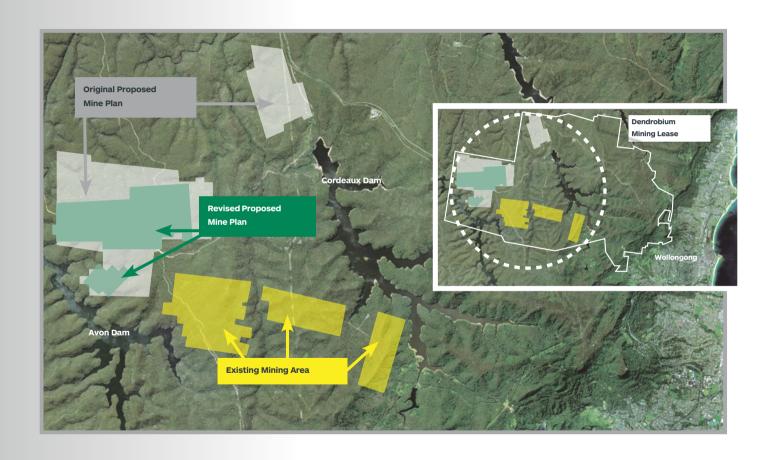
Reduces swamps (listed as threatened) mined beneath by about 40 per cent.

Includes reduced longwall height to increase depth of cover and reduce surface and groundwater impacts.

Surface water offset remains.



REVISED MINE PLAN





Illawarra Metallurgical Coal