Appin Mine Ventilation and Access Project

SOUTH32
Illawarra Metallurgical Coal

PROJECT UPDATE TWO **FEBRUARY 2021**

WHO WE ARE AND WHAT WE DO

South32 Illawarra Metallurgical Coal operates in the Illawarra and Wollondilly regions of NSW, producing metallurgical coal for steelmaking.

In the Wollondilly region we operate the Appin Mine, which is currently in the Douglas Park and Menangle area. We are a proud local company, directly employing more than 1,800 people and have been operating in the region for over 85 years.

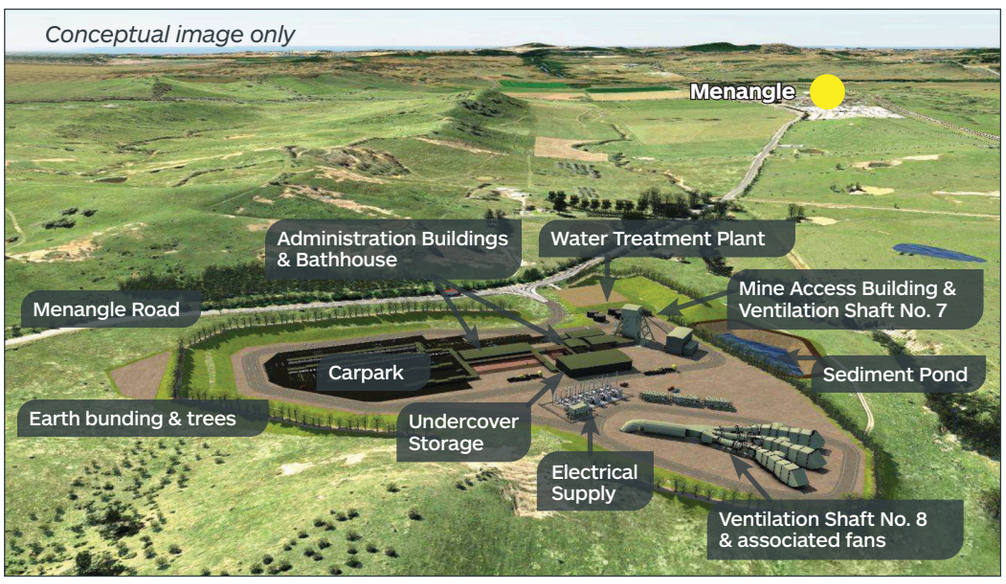
Our metallurgical coal is used by the Port Kembla steelworks right here in NSW and is part of countless products – from seat belt buckles that provide safer car journeys to the Colourbond® roofs that keep us warm and dry.

ABOUT THE PROPOSED PROJECT

An integral requirement of underground mining is adequate ventilation and mine access, to ensure a safe and efficient working environment for our people.

Last year we shared our concept plans for infrastructure to support Appin Mine as it moves further from existing infrastructure located in the Appin and Douglas Park areas. The proposed project, known as the Appin Mine Ventilation and Access Project, includes two ventilation shafts and mine access facilities. It is proposed to be located at 345 Menangle Road, Menangle.

The proposed ventilation shafts are known as Ventilation Shaft No. 7 (a downcast shaft that draws air into the mine) and Ventilation Shaft No. 8 (an upcast shaft that draws air out of the mine) and are required by 2025. The proposed mine access facilities will support access to the mine for some of our workforce. No coal handling infrastructure is proposed for the site.



COMMUNITY ENGAGEMENT

Last year we commenced community engagement on the proposed Appin Mine Ventilation and Access Project.

We have received feedback from some community members which has been shared with the project team for consideration.

We are establishing the Menangle Advisory Panel to enable two-way communication between the community and Illawarra Metallurgical Coal. This Panel will comprise of 6-8 community representatives, Illawarra Metallurgical Coal representatives and an Independent Chairperson. Subject matter experts relating to the proposed project will be invited to attend where necessary.

The first Panel meeting will be held in March 2021 and all meeting minutes will be made available on the South32 website: https://www.south32.net/our-business/australia/illawarra-metallurgical-coal/documents.

If you would like more information about the Panel or to register an Expression of Interest to join, please email the Independent Chairperson, Kate Kernaghan of Factotum Communications, kate.k@factotumteam.com.au.

TREE SCREENING

In our last update we advised tree screening along the property boundary to Menangle Road would occur to assist in screening activities associated with the proposed project.

On-ground preparations for the tree screening have commenced and we anticipate trees will be planted in Autumn when the weather is more favourable.

The trees to be planted will vary in height and consist of Australian natives. A watering program will commence at the time of planting to provide the trees with the best start.

ASSESSMENT PROGRESS

We have commenced engineering and environmental assessments to confirm the proposed site design and project scope.

These assessments are completed by technical experts. When complete, the assessments will assist to inform the construction and operation of the proposed facilities. More information on the assessments will be shared in mid-2021.

These assessments include:

- Geotechnical drilling and test pits
- Biodiversity surveys
- Air quality studies
- Traffic studies
- Noise studies
- Aboriginal Cultural Heritage Assessment and European Heritage studies

We would like to thank the community for its ongoing support and patience during these assessment activities, particularly where there has been activity at the property.



Niche Environment and Heritage archaeologists excavating test pits as part of the Aboriginal Cultural Heritage Assessment.



Kirsty Lee, Cubbitch Barta representative, sieving excavated material as part of the Aboriginal Cultural Heritage Assessment.

NEXT STEPS

Activity on the property will continue for the remainder of the year as we work to establish tree screening along the Menangle Road boundary, and complete geotechnical assessments and environment and heritage studies.

We will commence our engagement with the Menangle Advisory Panel on the proposed project to ensure community feedback is captured in designs where practical.

The next project update will be shared mid-2021.

CONTACT US

If you would like to speak with us about our activities, call our free Community Call Line 1800 102 210 or email illawarracommunity@south32.net.

NSW GOVERNMENT MODIFICATION PROCESS

The proposed Appin Mine Ventilation and Access Project is following a comprehensive approvals process through the NSW State Government.

We will be seeking a modification to our existing Bulli Seam Operations Project Approval (08_0150) as part of the process. Typical steps in the modification process are outlined below.

To date we have engaged the Department of Planning, Industry and Environment (DPIE) on the proposed modification and received the assessment requirements to be addressed in the modification application. Documents relating to the modification application will be published by DPIE on the NSW Government Major Projects website during the application process.

1. Illawarra Metallurgical Coal consults with the Department on proposed modification
2. The Department issues assessment requirements
3. **Illawarra Metallurgical Coal prepares and submits Modification Report to the Department**
4. The Department places the Modification Report on exhibition and seeks submissions
5. Illawarra Metallurgical Coal responds to submissions
6. The Department completes its assessment