

ANNUAL COMMUNITY CONSULTATION REPORT

for

EXPLORATION LICENCE NO. 6169 (Mining Act, 1992)

| Project Name | Wilpinjong Coal Mine |
|------------------|--|
| Location | 1434 Ulan – Wollar Road, Wilpinjong NSW 2850 |
| Operator | Wilpinjong Coal Propriety Limited |
| EL Grant Date | 22 December 2003 |
| EL Expiry Date | 28/11/2022 – Renewal lodged and pending grant with MEG |
| Reporting Period | 22 December 2021 - 21 December 2022 |

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EXECUTIVE SUMMARY

The Wilpinjong Coal Mine (the Mine) is owned by Wilpinjong Coal Pty Limited (WCPL), a wholly-owned subsidiary of Peabody Energy Australia Pty Ltd (Peabody). The Mine is located approximately 40 kilometres north-east of Mudgee, near the Village of Wollar, within the Mid-Western Regional Local Government Area, in central New South Wales.

Exploration Licence 6169 was originally granted on 22 December 2003. This licence expired on 28 November 2022 and an application for renewal was submitted to NSW Department Mining, Exploration & Geoscience on 13 November 2017. The department issued a Notice of proposed decision to review EL 6169 with a draft Instrument of Renewal on 26 June 2019. At the time of writing, the grant of EL 6169 renewal is still pending with the department as part of the Ageing Dealings Project and pursuant to S117 of the Mining Act 1992, the authority will remain in effect until the renewal application has been approved and will commence from the determination date.

As per the Community Consultation Condition of the previous licence, an annual report detailing consultation undertaken during the reporting period is to be compiled and provided to the Department of Regional NSW – Resources Regulator (NSW-RR).

This report provides a summary of the community consultation undertaken as per the *Guideline for community consultation requirements for exploration Version 2.1 (10 May 2016)*, for the reporting period 22 December 2021 - 21 December 2022. Key consultation undertaken during the reporting period includes:

- Face to face meeting with the Acting Manager Regulatory Operations and Regional Operations
 Officer NSW Environment Protection Authority, Wilpinjong NSW, 13 September 2022.
- Wilpinjong Coal Mine Community Consultative Committee (CCC) meeting updates relating to the current and future drilling program.
- Aboriginal consultation via the Registered Aboriginal Parties Consultation Committee (RAPCC) and Cultural Heritage Liaison Sub-Committee (CHLSC).
- Monthly informal 'Have a Chat' community consultation (face to face 'drop-in' sessions).

During the reporting period, key stakeholders and the broader community were informed about current and future exploration activities, including:

- Exploration Applications
- Approval status
- Planned drilling program
- Location of drill rigs
- · Timing of works,
- · COVID and weather-related impacts
- Rehabilitation works

No issues of concern or complaints relating to exploration and/or drilling activities were received by the Wilpinjong Coal Environment and Community department during the reporting period.

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1.0 INTRODUCTION

The Wilpinjong Coal Mine (the Mine) is owned by Wilpinjong Coal Pty Limited (WCPL), a wholly-owned subsidiary of Peabody Energy Australia Pty Ltd (Peabody). The Mine is an existing open cut coal mine situated approximately 40 kilometres north-east of Mudgee, near the Village of Wollar, within the Mid-Western Regional Local Government Area, in central New South Wales. The mine produces thermal coal products which are transported by rail to domestic customers for use in electricity generation and to the Port of Newcastle for export. Open cut mining operations and associated mobile equipment movements are undertaken 24 hours per day, seven days a week.

On 22 December 2003, then Minister for Mineral Resources granted Exploration Licence (EL) 6169 to WCPL under the *NSW Mining Act*, 1992. This licence expired on 28 November 2016. An application for renewal was submitted to the NSW Department of Planning and Environment (DPE), Division of Resources and Geoscience's, Titles Services, on 13 of November 2017 by Wilpinjong Coal Mine. The department issued a Notice of proposed decision to review EL 6169 with a draft Instrument of Renewal on 26 June 2019. At the time of writing, the grant of EL 6169 renewal is still pending with the department as part of the Ageing Dealings Project and pursuant to S117 of the Mining Act 1992, the authority will remain in effect until the renewal application has been approved and will commence from the determination date.

In the absence of a renewal notice, this report will address the conditions contained within the previous EL 6169 Licence approval.

Project Approval (05-0021) was granted by then Minister for Planning under Part 3A of the *NSW Environmental Planning and Assessment Act, 1979* on 1 February 2006, following submission of the Wilpinjong Coal Project Environmental Impact Statement in May 2005. Since the original approval was granted, this Project Approval has been modified six times. Mining Lease (ML) 1573 was subsequently granted by the Minister for Primary Industries, on 8 February 2006.

On 8 January 2016, Wilpinjong Coal submitted an Environmental Impact Statement (EIS) for the Wilpinjong Extension Project (WEP) to the NSW DPE. The EIS was prepared to accompany a Development Application made for the WEP as a State Significant Development (SSD), in accordance with Part 4 of the NSW Environmental Planning and Assessment Act, 1979. On 24 April 2017, the NSW Planning Assessment Commission, granted approval, subject to the conditions of consent to SSD 6764. PA (05-0021) is currently in the process of being surrendered. WCPL is therefore operating in accordance with SSD 6764. Mining Lease (ML) 1779 was granted by the Minister for Resources, on 20 December 2018 and Mining Lease (ML) 1795 was granted by the Minister Administering the Mining Act 1992, on 27 September 2019. Both Mining Leases were granted over sections of the former Exploration Lease (EL) 6169. Please refer to Figure 1 for further detail.

Condition 7 of EL 6169 states – 'An annual report on Community Consultation must be submitted to the department within 28 days of the anniversary being granted'. Therefore, this report details the relevant community consultation undertaken from 22 December 2021 to 21 December 2022. This report has also been prepared as a requirement of the Exploration code of practice: community consultation Version 1.1 (NSW Department of Industry – Resources & Energy, 2016) and in accordance with the Guideline for community consultation requirements for exploration Version 2.1 (10 May 2016).

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Figure 1 illustrates the areas subject to the relevant mining leases, together with land ownership details. More detailed information regarding land ownership in the Village of Wollar is available upon request. Since its acquisition of the Wilpinjong Coal Mine in 2006, Peabody has also acquired a range of adjacent rural properties and lands to the east and south-east of the mine. As shown, the major landowner of the areas subject to this EL is Peabody.

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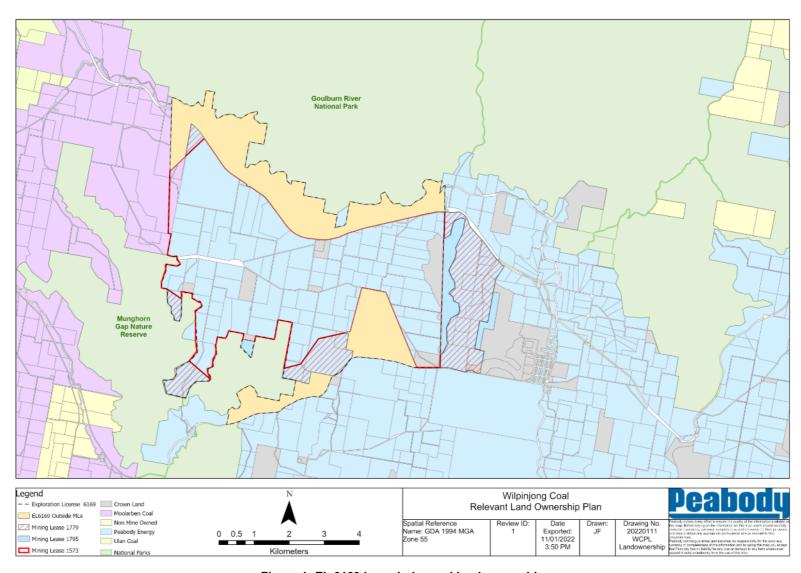


Figure 1: EL 6169 boundaries and land ownership

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2.0 CONSULTATION UNDERTAKEN

WCPL continues to undertake a targeted approach to stakeholder engagement relating to exploration and operational matters – including exploration activities associated with EL 6169. In general accordance with the WCPL's *Community Consultation Plan for EL 6169*, the following consultation was undertaken with key landholders and community representatives during the reporting period.

2.1 Agency Consultation

2.1.1 NSW Environment Protection Authority

Consultation was undertaken with the Acting Manager Regulatory Operations and the Regional Operations Officer NSW Environment Protection Authority, Wilpinjong NSW, 13 September 2022. Whilst not directly related to EL6169, proposed exploration activities within EL 9399 where discussed including:

- EL 9399 tenement approval update
- 253 planned drill sites proposed to be divided into two stages
- Assessable Prospecting Operations (APO) for first stage (89 drilling locations) approved 2 August 2022
- On ground works will commence for first stage once all preparatory conditions and requirements of the APO are met targeting 19 September 2022.
- Separate APO application to be lodged for second stage 164 drilling locations

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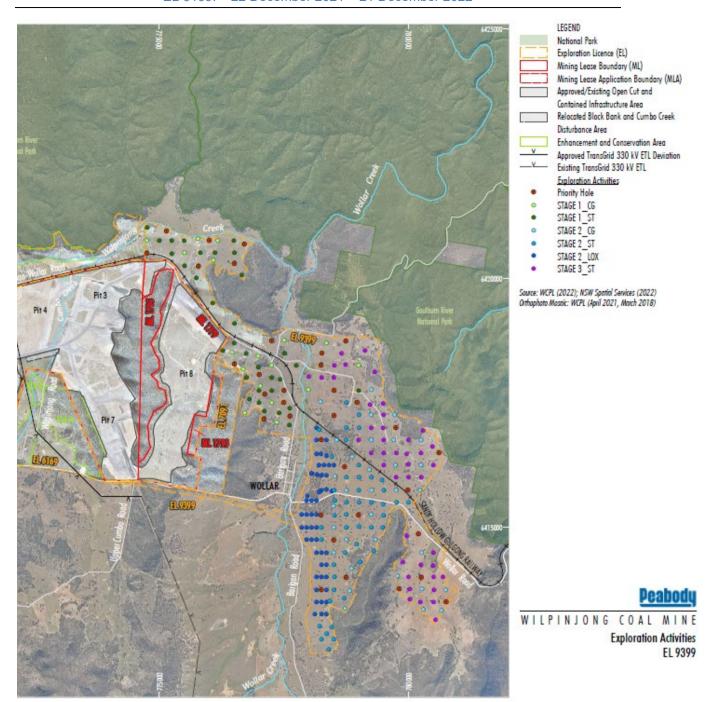


Figure 2 WCPL EL 9399 proposed exploration activities

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2.2 Community Consultation Committee (CCC)

In accordance with Condition 7, Schedule 5 of Development Consent SSD-6764, WCPL established a Community Consultation Committee (CCC) to the satisfaction of the Director-General in 2006. The CCC continues to operate as per the SSD and the recently released Community Consultative Committee Guidelines – State Significant Projects (NSW Department of Planning, November 2016). The WCPL CCC comprises an independent chairperson, representatives of the Mid-Western Regional Council (MWRC) and members of the local community.

Current community representative are:

- Chair approved by Director General of DP&E, funded by Peabody Australia;
- Community member (resident);
- Community member (former resident);
- Community member (lessee of Peabody pastoral land and former resident);
- Community member and lessee of Wollar General Store;
- National Parks & Wildlife;
- NSW NPS Goulburn River & Munghorn Ranger
- Community member
- · Community member (resident); and
- MWRC Councillor

WCPL representatives are:

- · General Manager;
- Environment & Community Manager;
- Manager Project Development and Approvals;
- Compliance Manager, Wilpinjong Coal
- Senior Environmental Advisor; and
- Environmental Advisor.

As indicated above, the WCPL CCC consists of a cross-section of the local community.

This committee is the primary mechanism by which exploration information is provided to the local community for awareness, updating and discussion.

The following table provides a summary of information provided to CCC members regarding exploration activities during meetings held throughout the reporting period.

It should be noted that information provided to CCC members during these meetings was related to the entire exploration drilling program across the Mining Leases, EL 6169, EL 7091 and EL 9399, and not specifically to EL 6169.

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Table 1: Exploration Information provided to WCPL CCC

| CCC Meeting Date | Exploration Summary |
|---------------------|--|
| 7 March 2022 | No Exploration drilling program in 2022 for EL 6169 or EL 7019 Cementing of boreholes and drill site rehabilitation drilled in 2021 have commenced, expected to be completed by end of March 2022. Cementing of boreholes and drill site rehabilitation delayed due to wet weather (wet ground conditions) and to COVID restrictions |
| | ELA 6415 status |
| | Application lodged 17 December 2021 Advertised in the Mudgee Guardian (local) and The Land (State) newspaper as required |
| | Public comment period from 21 January 2022 (date of initial advertisement) to 24 February 2022 WCPL response to comments provided to NSW Mining, Exploration |
| | WCPL response to comments provided to NSW Mining, Exploration and Geoscience 1 March 2022 Community questions regarding the mines intent to drill both Exploration |
| 6 June 2022 | No Exploration drilling program in 2022 for EL 6169 or EL 7019 |
| | Map of 2021 exploration holes presented. |
| | Cementing of boreholes in Pit 8 has been completed Cementing of boreholes in Pit 6 and drill site rehabilitation are delayed due to wet weather (wet ground conditions) |
| | EL 9399 |
| | Approved 4 May 2022 |
| | Covers 1670 ha |
| | anticipate drilling commencing end of August 2022 |
| | 2 - 3 rigs; 7 days a week~250 holes |
| | ~250 holes~3-year program |
| | All holes drilled with above ground sumps |
| | Map of the exploration licence area presented |
| 5 September | EL 9399 |
| 2022 | Assessable Prospecting Operations (APO) Approved 2 August 2022 |
| | Covers 89 holes |
| | Up to 3 drill rigs – only 1 rig confirmed at this stage |
| | Drilling 6.30am to 6.30pm – 7 days Drilling to commone 10 September 2022 |
| | Drilling to commence 19 September 2022 Each rig supported by a light vehicle and 2 light trucks |
| | Approx. 12-month program |
| | All holes drilled with above ground sumps |
| | Working on next APO for the remaining holes, approximately 160. |

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| CCC Meeting Date | Exploration Summary | |
|---------------------|---|--|
| 28 November 2022 | Commenced drilling on 19th September 2022 Completed 6 drill holes to date Significantly behind on drill schedule Wet weather/site access Only 1 rig in operation not 2 as scheduled Looking at options to commence with 2nd rig early 2023 – pending rig availability Working on next APO for the remaining approx. 160 holes All sites pegged and pre-drill photos captured Baseline studies BSAL soil testing commenced Aquatic ecology conducted Biodiversity assessments commenced Assessment process to continue concurrently with exploration | |

2.3 Mid-Western Regional Council

Information relating to exploration drilling was provided to the Mid-Western Regional Council during the CCC meetings (See Table 1).

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2.4 Registered Aboriginal Parties Consultative Committee

In accordance with the project approved Aboriginal Cultural Heritage Management Plan, and site Aboriginal Consultation protocol WCPL continues to hold a Registered Aboriginal Parties Consultation Committee (RAPCC) meeting every six months (or more frequently if necessary). The purpose of the RAPCC meetings is to discuss operational cultural heritage issues at WCPL over the preceding year, and proposed works that will have cultural heritage implications for the Mine for the upcoming year.

This committee is comprised of one representative from each of the Registered Aboriginal Parties (RAPs) WCPL Environment and Community Manager and the Project Approval Manager. In addition, a WCPL provides administrative support for the purpose of keeping the minutes of the meetings.

RAPCC meeting during the reporting period where held on:

- 11 March 2022
- 20 June 2022
- 19 September 2022
- 5 December 2022.

Information relating to exploration provided to RAPCC was identical to the information provided to CCC members. No additional issues of concern relating to exploration activities were raised by members during these meetings.

2.5 Cultural Heritage Liaison Sub-Committee

The Cultural Heritage Liaison Sub Committee (CHLSC) was formed as a means by which WCPL could consult with members of the Aboriginal community who are party to the existing Ancillary Agreement. The CHLSC will continue to operate in order to deal with cultural heritage matters as specified in the terms of the Ancillary Agreement. In accordance with the "Ancillary Agreement", all matters associated with the implementation of the Agreement will remain confidential between the parties to the Ancillary Agreement. The CHLSC will convene in accordance with the Ancillary Agreement to discuss cultural heritage issues at the Mine over the preceding year, and proposed works that will have cultural heritage implications for the Mine for the upcoming year.

CHLSC meetings during the reporting period where held on:

- 15 March 2022
- 21 June 2022
- 29 September 2022
- 13 December 2022.

Information relating to exploration provided to CHLSC was identical to the information provided to CCC members. No additional issues of concern relating to exploration activities were raised by members during these meetings.

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2.6 Landholder Communication

During the reporting period, landholder consultation was undertaken with following lease holders:

- Leasee 1- 7th June 2022 and 2nd & 6th September 2022; and
- Leasee 2 7th June 2022, 2nd & 6th September 2022

Both lease holders were provided with information regarding:

- · Exploration program commencement;
- Site location, access and preparation activities;
- Type of exploration activities;
- Number of drill rigs and operational times; and
- Duration of program

An example of the communication to the lease holder has been provided in Appendix 1.

2.7 'Have a Chat' - informal meetings

WCPL provides the local community with an opportunity to discuss operational and exploration (all mining) activities on a monthly basis. These 'Have a Chat' sessions are held on a one-on-one basis at the local Wollar General Store. The community is advised about 'Have a Chat' sessions via the WCPL website, during CCC meetings, and via posters at the Wollar General Store.

3.0 OUTCOMES OF CONSULTATION

During the reporting period, stakeholders were consulted about current and future exploration activities – noting no exploration activities undertaken in EL 6169. Information provided and discussed related to exploration activities in ML 1573, ML 1779, ML 1795 & EL 9399 and included:

- Location of drill rigs
- Timing of works,
- Types of drill holes
- Contractors utilised.
- COVID and weather-related impacts
- Rehabilitation works

Questions raised by community members during Exploration consultation related to:

- Wilpinjong Coal's intent to drill on two Exploration Licences concurrently
- Potential Project extensions
- Required land access agreements
- · Community notifications for new drilling activities
- Planned length of Exploration drill program
- Infrastructure relocation/realignment requirements in Exploration Licence areas

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No issues of concern or complaints relating to exploration activities were received by WCPL.

During the reporting period no issues of concern or feedback regarding the exploration activities relating to EL 6169 were raised by members of the public or Government Departments.

During community consultation WCPL requested feedback from both community groups and Government Regulators regarding the method of consultation for exploration activities. Neither party had any issues with the current consultation format.

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3.1 Proposed Future Consultation

WCPL proposes to continue to inform the local community and landholders/leasees about exploration and operational matters via the current avenues, namely, quarterly CCC meetings, WCPL website and targeted stakeholder communication. Community members are also able to communicate issues or concerns to WCPL staff during the monthly Wollar 'Have a Chat' sessions or via the 1300 community enquiries line at any time.

WCPL proposes to continue providing updated exploration activities on the company website. (http://www.peabodyenergy.com/content/427/Australia-Mining/New-South-Wales/Wilpinjong-Mine/)

Regarding government agency consultation, WCPL will continue to prepare and submit all appropriate documentation to the relevant agencies for approval. This includes the appropriate Activity Approvals for Exploration and notice of intent to undertake exploration drilling.

WCPL will continue to review and update the Community Consultation Strategy and Plan as required during 2023.

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4.0 ENQUIRIES & COMPLAINTS

A protocol for the management and reporting of complaints has been developed as a component of the Mine Environmental Management System (EMS). In accordance with Condition M6.1 of Environmental Protection Licence (EPL 12425), a dedicated telephone number for the provision of comments or complaints is maintained by WCPL. This number is 1300 606 625.

In accordance with Condition M6.2 of the WCPL's EPL (12425), this telephone number is advertised in local newspapers quarterly, via the Wilpinjong community newsletter and on the Peabody website.

WCPL has developed a Complaint Response Protocol to ensure community concerns – including concerns regarding exploration – are appropriately managed and addressed. The response protocol is outlined below:

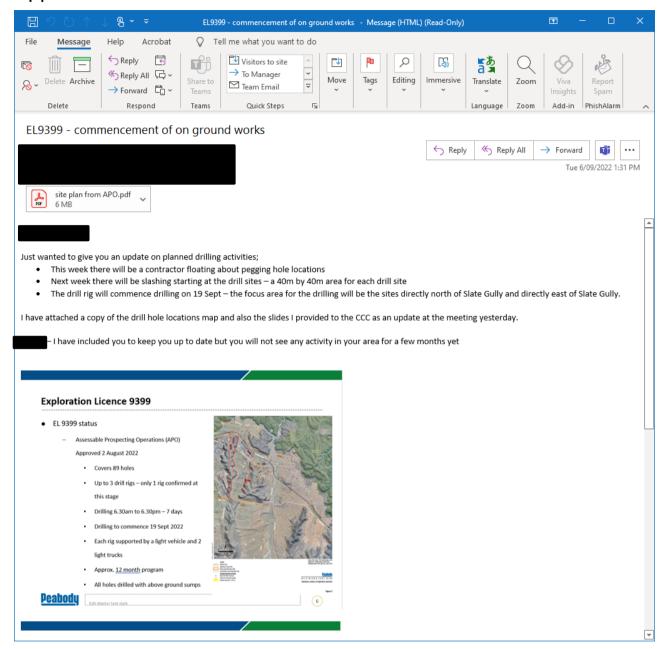
- 1. Accurately recording all relevant details regarding the complaint in a Complaints Register, including:
 - The date and time of the complaint;
 - The method by which the complaint was made; (e.g. phone, email);
 - Any personal details provided by the complainant (e.g. name and address) or, if no such details were provided, a note to that effect;
 - The nature of the complaint;
 - The action taken by the WCPL in relation to the complaint, including any follow-up contact with the complainant; (See also, steps 2-4) and
 - If no action was taken by the licensee, the reasons why no action was taken.
- Undertaking investigations into the likely cause of the complaint using relevant information including meteorological conditions, activities occurring related to exploration and the time of the complaint;
- 3. Assessing and implementing additional control measures, if required; and
- 4. Monitoring and assessing the effectiveness of the additional controls.

WCPL records and responds to all complaints and maintains a complaints register on its website. The complaints are managed in accordance with the WCPL Complaints Management Protocol.

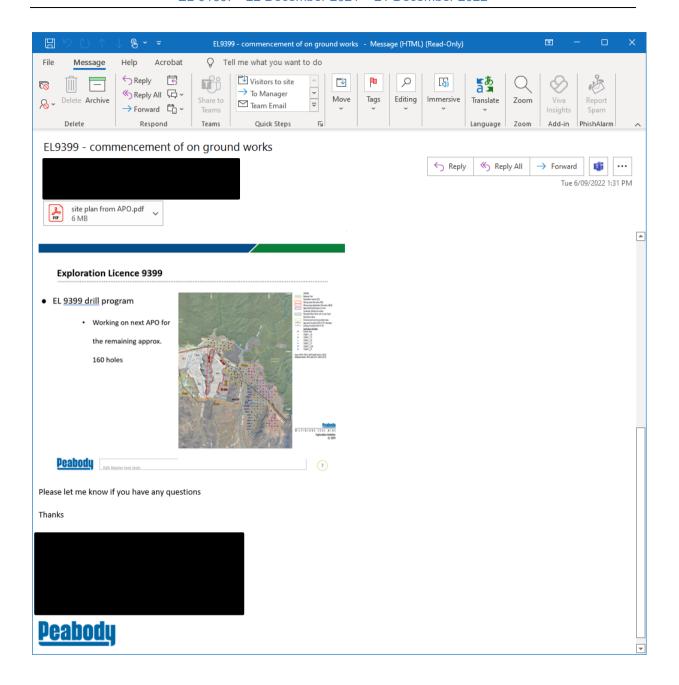
During the reporting period, no complaints or enquires relating to exploration activities relating to EL 6169 were received by WCPL.

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Appendix 1 – Leaseholder communication.



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