

NEWS RELEASE

31 May 2018

Response to Social Impacts from Gibihi Road closure

Anglo American today announced a \$1 million Moura community fund and other measures to respond to the impacts of the closure of Gibihi Road on the local community.

General Manager of Dawson Mine, Clarence Robertson, said: “We understand the closure of a section of Gibihi Road has impacted the Moura community and our employees in a range of ways. We appointed Ernst & Young to engage with community members and help us to understand these social impacts in detail so that we could consider ways to respond.”

Ernst & Young engaged with over 250 stakeholders, representing impacted employees, farmers and graziers, education, local government, emergency services, health, businesses and other community members and groups in the region surrounding the Dawson mine.

Clarence Robertson said the primary way of addressing the social impacts is to restore safe public access through the mine site as quickly as possible. Adding: “We are working closely with Banana Shire Council to finalise plans for a new road to be built in the vicinity of the old Three Chain Road.

“The replacement road will be a significant piece of critical infrastructure for the region for decades to come. We have also made a commitment to the community to maximise local procurement during the road project to ensure that economic benefits flow to the Moura region.”

In the meantime, to address the temporary impact on other local roads, Anglo American has been working with Banana Shire Council to upgrade and maintain the standard of the Kianga diversion road and undertake repair work on the Theodore Highway.

In addition to ensuring an alternative road is established and existing diversion roads are upgraded and maintained to account for the additional traffic, Anglo American announced the following measures to address social impacts:

- Individual discussions have commenced with directly impacted landholders to understand costs that may be incurred due to the road closure
- In recognition of the impacts the closure of Gibihi Road has had on our employees, and in response to the potential impact on some local businesses, Anglo American employees who travel from Moura to work will receive a \$750 gift card to spend only in the Moura region. Anglo American will immediately be engaging with local businesses to discuss their involvement
- Buses are also currently running from Moura to the mine site to reduce traffic on the roads at peak times and to reduce costs for our employees. We will continue to review the effectiveness of the bus service in consultation with our employees
- \$1 million will be provided over two years (2018-19) to the Moura community in recognition of social impacts. This funding will be available for projects to immediately provide economic stimulus or enhance the amenity of Moura. Note: the \$1 million funding is over and above existing community commitments and Dawson mine’s ongoing community program.
- The Dawson Community Reference Forum will be established as a mechanism to improve our ongoing engagement with the local community. As its first priority, the Forum will be asked to make recommendations to Dawson mine on local projects to be funded from the \$1 million Moura Community Fund. A commitments register will also

be created and regularly reported on to the Forum to ensure that any commitments made by Dawson mine are enduring. Responding to feedback from the community and following a recommendation made at the first meeting of the Forum this week, \$150,000 from the Moura Community Fund will be provided to enable the completion of the Moura Memorial.

Clarence Robertson said: “Our social impact package draws on consultations with the community to address direct impacts and target economic stimulus for Moura. We are excited to be able to address the funding shortfall to finish the Moura Memorial and contribute to other projects of value to the community.”

Clarence Robertson also reiterated some of the commitments and actions made to the community over the past couple of months:

- The establishment of a shopfront in Moura to ensure Dawson mine is accessible to the community to improve engagement and information flows
- A focus on encouraging local procurement opportunities and a commitment to increase our local spend from \$4 million in 2017. A discussion with the local Chamber of Commerce was held with a range of follow up actions and initiatives underway. Regular meetings with the Chamber of Commerce will be held to ensure an ongoing dialogue about business opportunities
- Payment of a \$150 per week rental subsidy for employees to live locally.
- A review of Dawson mine’s accommodation strategy, including camps and housing in Moura, is underway and further communication about this will occur over coming months.

Clarence Robertson said: “We recognise the need to continue to build good relationships with the community of Moura and demonstrate our ongoing commitment to the region. I look forward to working with the members of our new community forum to assess options to fund local projects and engage about our future mine plans.”

Anglo American will further develop details of the Forum’s operation and membership and continue to keep the community updated.

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Notes to editors:

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As a responsible miner – of diamonds (through De Beers), copper, platinum and other precious metals, iron ore, coal and nickel – we are the custodians of what are precious natural resources. We work together with our key partners and stakeholders to unlock the sustainable value that

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those resources represent for our shareholders, the communities and countries in which we operate and for society at large. Anglo American is re-imagining mining to improve people's lives.
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