



Byerwen Coal Project

2019 Annual Report to Coordinator General





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Abbreviations

Abbreviation	Description
ATSI	Aboriginal and Torres Strait Islander
Byerwen	Byerwen Coal Pty Ltd
CHPP	Coal Handling Processing Plant
DIG	Development Industry Group
EIS	Environmental Impact Statement
FBF	Financial Basics Foundation
IRC	Isaac Regional Council
MRC	Mackay Regional Council
Project	Byerwen Project
QCoal	QCoal Pty Ltd
QRC	Queensland Resource Council
RFDS	Royal Flying Doctor Service
SIA	Social Impact Assessment
SIAAP	Social Impact Assessment Action Plan
SSRC Act	<i>Strong and Sustainable Resource Communities Act 2017 (Qld)</i>
WRC	Whitsunday Regional Council

1 Introduction

In compliance with the Queensland Coordinator General's approval conditions, Byerwen is pleased to provide this fourth annual progress report on the SIAAP and management of social impacts for the Project. The reporting period is for twelve months from 17 December 2018 to 16 December 2019.

The report details progress on the SIAAP; Project impacts over the reporting period and initiatives to mitigate any identified negative impacts; and stakeholder engagement activities. The report also describes the Project's continued contribution to the local community, the region and the State of Queensland more broadly. Despite softening of the coal market through 2019, the Project has progressed with planned expansion and the construction of the second CHPP. This has resulted in continued strong demand for the supply of goods and services from regional and Queensland businesses.

Byerwen has maintained its committed to driving economically, environmentally and socially responsible operations. QCoal Group's values of safety and environment; integrity; innovation; trust; and pragmatism have provided solid foundations to guide the way business is conducted, and a rigorous framework under which we operate. This approach has been the driver and foundation of QCoal Group's outcomes for the Project and the Northern Hub operations south of Collinsville, and will continue to shape the development and operation of the business' assets into the future.

2 About Byerwen Coal

Byerwen is a joint venture between QCoal (85%) and JFE Steel (15%).

QCoal is a privately-owned Queensland company based in Brisbane and has been active in the Queensland coal exploration and mining industry for over 25 years. QCoal has discovered and developed the Sonoma, Cows, Drake and Jax Mines, collectively the Northern Hub.

JFE Steel is a subsidiary of the JFE Group of Japan. The JFE Group is Queensland's largest exporter customer and JFE Steel one of the largest customers of Queensland sourced coking coal.

The Project is located 20 kilometres west of Glenden in Queensland's Northern Bowen Basin, within both IRC and WRC areas. Once fully operational, the Byerwen Mine will produce up to 10 million tonnes of hard coking coal per year. Coal from the Byerwen Mine is railed to Abbot Point Coal Terminal for export.

Since approvals in 2014 and grant of the first 3 mining leases by 2017, the Project has moved through to completion of the first stages of construction and mining operations for the South Phase in accordance with the mine plan and approvals.

Four leases remain in application for the North Phase, and Byerwen has progressed these through the required statutory approvals process. A decision of the Land Court of Queensland on landholder compensation was handed down in December 2018.

The SIAAP, which was approved as part of the EIS, was informed by the SIA prepared for the Project by Coffey Environments (2013). Since this time the coal mining industry has experienced significant instability. The downward market pressure, prior to the commencement of the Project, has impacted on the sustainability of many mining communities throughout Queensland. While market conditions have stabilised recently, the Project's host community has never fully recovered from the downturn experienced in the years from 2015. This has been exacerbated by the gradual closure of Glencore Coal's Newlands Mine. In that context, and as has been highlighted over the last three reports, impacts of the Project on Glenden have not materialised as anticipated, and the social context at the time the SIA was developed remains vastly different to what has transpired. Glenden continues to experience similar issues as in previous reports, particularly as they relate to sustainability of local businesses and town amenities; access to services; and maintenance of a permanent residential town population. With Glencore Coal formally announcing the commencement of their Newlands Mine Closure Strategy in 2020, residents' priorities are likely to fluctuate and Byerwen is committed to responding accordingly.

The SIAAP focuses on the following key areas:

- Housing and accommodation
- Workforce management and local business and industry content
- Health and community wellbeing.

Within each key area impacts were identified and classified, as positive or negative. Changes in the community contextual environment have resulted in anticipated impacts either not materialising or having a differing outcome. This will be addressed specifically later in this report.

3 Project update

The Project has received all relevant State and Federal approvals, and has had three of seven mining leases (MLs 70434, 70435 and 70436) granted. The grant of these leases has facilitated the development of the South Phase as per Project approvals. The grant of the remaining mining leases for the North Phase have been progressed through the relevant statutory.

During 2019, Byerwen continued construction activities for the completion of infrastructure across the site, including:

- Civil works
- Various water infrastructure facilities
- Construction and commissioning of the second 4mtpa ROM CHPP
- Establishment of quarrying facilities

Operational mining activities in 2019 saw:

- Continued mining of the North Pit
- Preparation for mining in the South Pit

During peak construction and operations for the reporting period, there were over 870 people working on the Project. This number includes 'off-swing' operational workforce crews and does not reflect the actual workforce number on site at any one time. The majority of the workforce was accommodated in the on-site camp facility, with overflow into Glenden in houses secured by Byerwen Coal and the Glenden Motel. The camp facility is located adjacent to the mine for health and safety reasons to mitigate worker fatigue from commuting.

Construction of the second CHPP on site commenced in 2019 and is expected to be commissioned in the first half of 2020. Currently, mining activities are producing 6.5 mtpa ROM Coal. Expansion plans into early 2020 will see a second pit opened to the south on ML 70435, and the construction of associated infrastructure.

4 Economic impact assessment

The Project has grown and maintained supply of Queensland high quality coking and thermal coal to established and emerging markets, confirming QCoal as a significant international supplier. QCoal's resilience, the quality of product and its strong reputation has facilitated the operation and continued development of the Project, in turn sustaining positive impacts to the local region, the State and Australia. The Project has made a demonstrated economic impact during the reporting period, and is moving towards becoming one of the long-term contributors to future regional sustainability, by ensuring Queensland continues to:

- meet ongoing global demand for high quality coal;
- realise future export revenue and coal royalties; and
- create employment and business opportunities for local and regional communities.

At the time the Project EIS was developed and submitted for assessment, coal prices were at peak and the industry in a boom climate. Since that time, the industry has experienced substantial volatility to the current relative stability. These fluctuating conditions have had an adverse impact on state and regional economies, and on mining communities. Many mining communities in the Bowen Basin have struggled to remain sustainable through this time, with many not recovering to levels anywhere near peak market conditions. QCoal Groups' mining communities appear to have recovered sufficiently, due in part to stability in coking coal prices, and the ability of QCoal Groups' assets to continue with significant investment in consolidation and expansion plans to support existing and future operations. As a consequence, and as highlighted in all previous reports, the social and economic impacts on local and regional communities of the upper Bowen Basin have not emerged as anticipated in the Project EIS, the SIA or the SIAAP. Information in those documents continues to lack relevance for the reporting period or has materially changed.

Against this background some of the impacts and associated mitigation actions described in the SIAAP are irrelevant; have not materialised; or require review in order to take into account the current status of communities and their shift in priorities, housing and accommodation availability and local services.

5 Social impact assessment

The SIA identified potential social impacts of the Project and proposed measures to enhance, mitigate and manage those impacts through the construction, operation and decommissioning phases.

During the reporting period, the Project:

- commenced and completed construction of initial aspects of the South Phase in accordance with the approvals and mine plans; and
- ramped up mining activities to mining operations to 10mtpa of ROM coal.

As the Project continues with the South Phase expansion, including construction of additional mining facilities and the opening and mining of a second pit, impacts identified in the SIAAP will continue to emerge. Impacts identified in this annual report pertain only to those relating to mining operations for the first stage of the South Phase (as identified in the EIS), and the commencement of mine expansion plans.

The township of Glenden continues to be the primary social area of influence for the Project. Over the last 12 months, Glenden has continued to experience impacts associated with operational changes at Glencore Coal's Newlands Mine, including the implementation of the town normalisation process and the Newlands Mine Closure Plan 2023. It was anticipated that the acquisition by Glencore Coal of the Hail Creek Mine may have translated into positive impacts on the town's population, businesses and the provision of services. Community forum discussions suggest there has not been a large migration of Hail Creek personnel as permanent residents to the town, although this may change over the life of that project. More broadly, in addition to the Project, the Newlands and Hail Creek Mines, the proposed Hillalong Coal Mine continues to be progressed through the EIS process.

In that regard, impacts on the town of Glenden moving forward should be considered as potentially a consequence of multiple operations within the immediate vicinity. IRC continues to play an active role within the town of Glenden, supporting the community and maintaining a proactive approach to current community concerns regarding the closure of businesses, facilities and the need to maintain services. IRC representatives regularly attend the Glenden DIG meetings to keep members and the broader community informed of the actions they are taking to assist Glenden to become sustainable.

Byerwen has worked collaboratively with the Glenden community and local industry since 2015, when the Glenden DIG was established. Since that time, Byerwen, with the facilitation assistance of the Department of State Development, Mackay Isaac Whitsunday Regional Office, has convened the Glenden DIG approximately quarterly, with an open community forum held

annually. In collaboration with the Glenden DIG, Byerwen has engaged regularly with IRC and the Member of Parliament around local and regional issues, the Project and impacts identified in the SIA.

The DIG forum's membership includes other mining companies, mine operators, IRC representatives, the school, local emergency services, local businesses and community groups. Independently chaired, the format of the DIG meetings allows for organisations and individuals to provide quarterly updates and raise any issues for discussion with participants. This open and participatory approach often leads to whole-of-forum collaboration on issues or local events, maximising available resources to leverage outcomes that benefit the community. Byerwen is open to adapting management and mitigation strategies in order to address and facilitate positive outcomes for the community where possible.

A clear example of this approach is the continued efforts by all the Glenden DIG members to facilitate an outcome in response to the childcare crisis in Glenden, mostly impacting workers from the Newlands Mine. In 2019, the Glenden DIG and industry continued to work together with IRC and the local community association to explore further options to find a solution to the childcare issue and find a childcare services operator willing to open an operation in the existing council facility. IRC conducted a further public EoI process for operators for the Glenden Day Care Centre, which was successful with DBS Child Care Services the successful tenderer. With operations in Middlemount and Tieri, DBS will be well placed to service the needs of the Glenden community.

The Glenden DIG is also currently exploring other ways to support the community to maintain community spirit alive through regular town activities. Byerwen representatives continue to be the main organisers for the yearly community forum and have initiated more interaction between the Glenden and Collinsville DIG forums for Collinsville to share its experiences of driving and realising economic diversification initiatives, particularly in tourism. The DIG forum continues as a community-led, participatory and collaborative forum, working with available resources and networks to leverage positive outcomes for the town and its residents in direct response to the priorities and needs of the community. 2020 will see the Glenden DIG work with IRC to undertake a SWOT analysis workshop and develop an action plan for the town's future sustainability.

The Glenden State School Principal has indicated school leavers and enrolment numbers for 2020 remain stable, with a total school population of approximately 87.

Byerwen has secured a number of additional houses in Glenden, taking the total available housing to site personnel to sixteen. The acquisition of these houses is consistent with Byerwen's commitment to provide workers with accommodation options. The houses are currently occupied by both residential and non-residential personnel, and also camp overflow during peak occupation.

2019 has seen a number of Glenden business close permanently and or continue to operate on reduced hours. In addition, a number of the town facilities have also closed, with the Glenden Town Club due to reopen in early 2020. Byerwen and its construction and operations contractors continue to support many locally owned and operated business through the supply chain, from mechanical, property maintenance and other services, to supply of hardware and materials. Site local supply initiatives saw over \$620,000 in procurement directly from Glenden businesses. The Project will continue to work collaboratively with site contractors to respond positively to local business concerns for sustainability; drive initiatives for the participation of Glenden businesses in the supply chain; provide opportunities where possible; and monitor outcomes through existing monthly reporting.

The focus for Glenden residents continues to be sustainability of local services, businesses and facilities to the town, and of the permanent population generally. Through the DIG forum IRC, business, residents and industry, will support Glenden to explore options for the future of the town, including economic diversification and population growth. The SWOT process being facilitated by IRC will potentially present the members with a framework for an action plan for Glenden and focus the town’s sustainability initiatives. In relation to the potential project impacts included in the SIA, **Table 1** below provides a general update of local conditions.

Table 1: Project Impacts and Current Status

SIA (Aug / Sept 2011)	Current Status (Dec 2019)
Increased temporary and permanent housing and accommodation requirements	<p>The Project has moved into a steady operational state and continued construction works for site expansion. Currently there is a mix of housing options for site personnel, including on-site camp and secured housing in Glenden, with overflow during the reporting period seeing workers accommodated at the Glenden Motel, Collinsville and Nebo. Accommodation requirements have largely been met by existing available accommodation in Glenden. Also see section 5.1.</p> <p>Byerwen has secured twelve privately available houses and continues to progress an application for the development of a mixed-housing facility in the town. This mixed housing and accommodation strategy has not impacted the current town housing stock and aims to mitigate any possible future housing pressures on the town.</p>
Increased demand on existing social infrastructure, facilities and services as a result of population growth	The Project has not impacted town’s existing social infrastructure, facilities and services.

	<p>The mix of permanent operations and temporary construction workforces have not increased service demands on the town and site has established infrastructure and services to alleviate any potential for stress on local services.</p> <p>Glenden continues to experience the effects of a decrease from peak resident numbers, and the anticipated demand on existing social infrastructure, facilities and services has not occurred.</p> <p>In terms of services, particularly medical and emergency, the Project has onsite paramedic services, which mitigate any likely impact on local service providers.</p>
<p>Road safety concerns due to increased traffic on local roads and highways</p>	<p>Construction and mining operation works have not significantly increased traffic levels.</p>
<p>Contribution to the regional skills shortage and the potential labour market drain into the mining industry</p>	<p>This reporting period has seen some shortage of trades for specific construction projects, such as the build and commission of the CHPP, and there is an increased demand of experienced personnel in the industry and region generally due to the increased activity in coal mining.</p> <p>The Project continues to achieve positive local, regional and indigenous employment outcomes (see section 5.2).</p> <p>In December 2019, pursuant with Nearby Communities definition within the SSRC Act, Byerwen Coal had 72.5% of the workforce live within a 125km radius of the project, with outside region reduced to 27.5%.</p> <p>The Project achieved over 50% local and regional employment on adjusted permanent workforce figures throughout the reporting period.</p>
<p>Health and safety concerns associated with commuting and shift work and the real or perceived deterioration of safety in Glenden</p>	<p>All continuing construction and mining operations have been successfully managed under Byerwen Coal's Safety and Health and Management System. Commuting has been kept to a minimum and community and public safety has not been compromised. Most operations and construction workers are now accommodated at the on-site accommodation village, minimising impacts on Glenden.</p>
<p>Engagement with the local community</p>	<p>Byerwen and contractor engagement with the local community has continued through the reporting period. The Glenden community has been actively engaged through the DIG and community</p>

	<p>events, and the Project continues to contribute to the local economy.</p> <p>The General Manager, Byerwen Mine, regularly attends DIG meetings to maintain local relationships and is largely responsible for driving economic participation initiatives for local businesses.</p> <p>The community has access to Byerwen personnel at all times through the Community Contact telephone number. There were no complaints and or grievances reported through the Community Contact telephone number during the reporting period.</p>
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The local community is updated on the Project and project impacts through DIG meetings and direct engagement with key community stakeholders. This has generated a direct and open dialogue between Byerwen and the local community and has given Byerwen personnel good insight and oversight of the town and issues as they arise. This localised approach, and the size of the company, continues to foster opportunities for the change in community priorities, emerging issues and or opportunities to influence internal decision-making and to adapt mitigation and management strategies to the local environment.

Each of the key areas is addressed individually below.

5.1 Housing and accommodation

The utilisation of existing social infrastructure and contribution to the community of Glenden have been the key drivers of Byerwen’s approach to providing choice of housing and accommodation for Project personnel during the reporting period.

Through 2019, Byerwen maximised the use of the temporary on-site accommodation facility to house both a temporary construction and permanent operations workforce. In addition, Byerwen secured access to approximately twelve houses in Glenden, which have been used as overflow for the onsite camp and the permanent housing of site personnel.

The relocation of Project personnel to permanent housing in Glenden is having a positive impact on site personnel whose preference is not to live in camp accommodation, as well as a positive social impact on the town. The strategy to provide permanent workforce personnel with choice, the establishment of mixed accommodation options and the future development of an accommodation facility should add to the fabric of the Glenden community and go some way towards addressing the community’s main priority of attracting residential workers to town.

The on-site, off-lease temporary workers camp on Wollombi Station, the Broлга Village, was extensively utilised in 2019. Often during the year, the camp reached capacity and personnel overflow were accommodated in Glenden, Collinsville and Nebo. Maximised occupancy, along with safety policies, has highlighted the need to progress both the Development Application for a multiple dwelling facility and a plan for the expansion and permanent dedication of the camp accommodation. Both of these are being progressed through the approval process with IRC. The approach is in accordance with the mixed accommodation options set out in the Workforce Accommodation Strategy and provides choice for construction and operational workforce personnel, as well as mitigating the potential for negative impacts on Glenden's existing housing and social infrastructure.

The collection and analysis of a full year of workforce data has provided the Project with some good insight into the percentage of residential, local and regional workforce, which is discussed in more detail below. These figures can be loosely correlated into a percentage residential / DIDO / BIBO and FIFO workforce.

In the month of December 2019, Byerwen Coal requested additional data from our site contractors to align local / regional workforce data to the definition of a Nearby Regional Community pursuant to the SSRC Act. The expanded data saw workforce personnel live within a 125km radius of the project rise to 72.5%¹ of the workforce, with outside region reduced to 27.5%.

On adjusted figures (excluding the temporary CHPP construction workforce), the total local and regional workforce is 50%. Of this, the following can be assumed:

- 1.5% residential (Glenden);
- 50% within region / DIDO (IRC, MRC, WRC); and
- 48.5% outside region / DIDO and FIFO.

Workforce data suggests many workers living outside the region are DIDO workers. These workforce personnel predominantly reside in the broader regions, located outside the local government areas used to define within region (see above), and nearly all are Queensland residents.

¹ Data is captured on a postcode basis. To date, Byerwen's reporting framework has been based on LGA postcodes. Postcodes within the 125km radius were also used for the additional December data. A number of the towns captured within the 125km radius share the same postcode as Mackay, and the Mackay and surround data is also included here. Our reporting framework cannot distinguish the data.

This correlates with the assumptions made in previous reports that the majority DIDO workforce lives predominantly within the region and is a testament to the establishment and implementation of a strong local and regional workforce strategy by Byerwen and its contractors.

Byerwen will continue to implement the Workforce Accommodation Strategy during expansion plans, and to consult and receive feedback from the IRC and local community regarding current and future impacts on the town of Glenden, and the region more broadly.

The Glenden Urban Design Master Plan has not been developed, as it is not required in the current environment where accommodation availability is not in issue. Where there are significant changes to the status quo, Byerwen will engage with IRC and the Glenden community to ensure the plan addresses and mitigates anticipated impacts.

Providing a permanent workforce with choice of attractive, locally based accommodation options will continue to be the main focus for Byerwen and as the Project moves into the next stage of the South Phase expansion and operations.

5.2 Workforce management

Byerwen is committed to achieving local and regional employment outcomes on the Project. This is consistent with the QCoal Group's approach across all its projects in the Bowen Basin. Local employment, as a proportion of the workforce, is tracked and reported by all contractors on all QCoal Group mines on a monthly basis.

Currently across QCoal Group operations (include temporary construction personnel for works on Northern Hub and Byerwen):

- an average of 54.4% of workforce personnel live locally and within the region; and
- 5% of the total workforce identifies as ATSI (51 personnel).

Figure 1: Local Workforce % QCoal Group

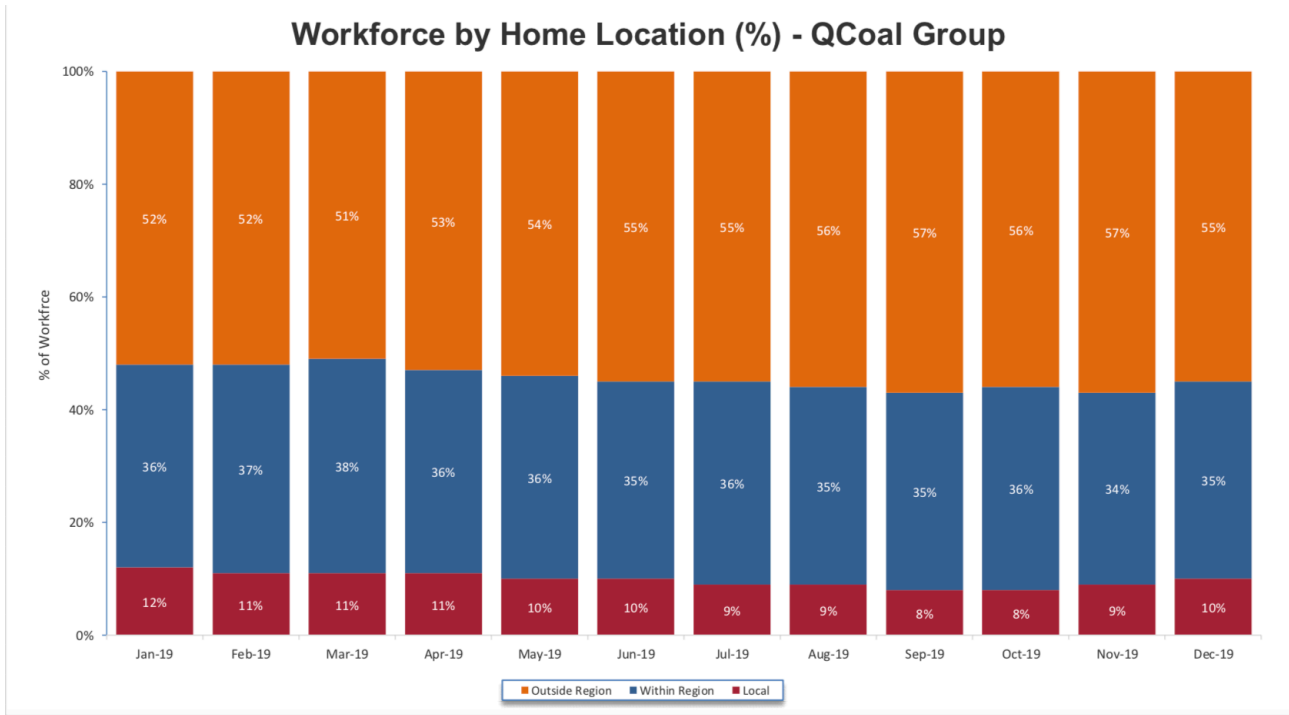
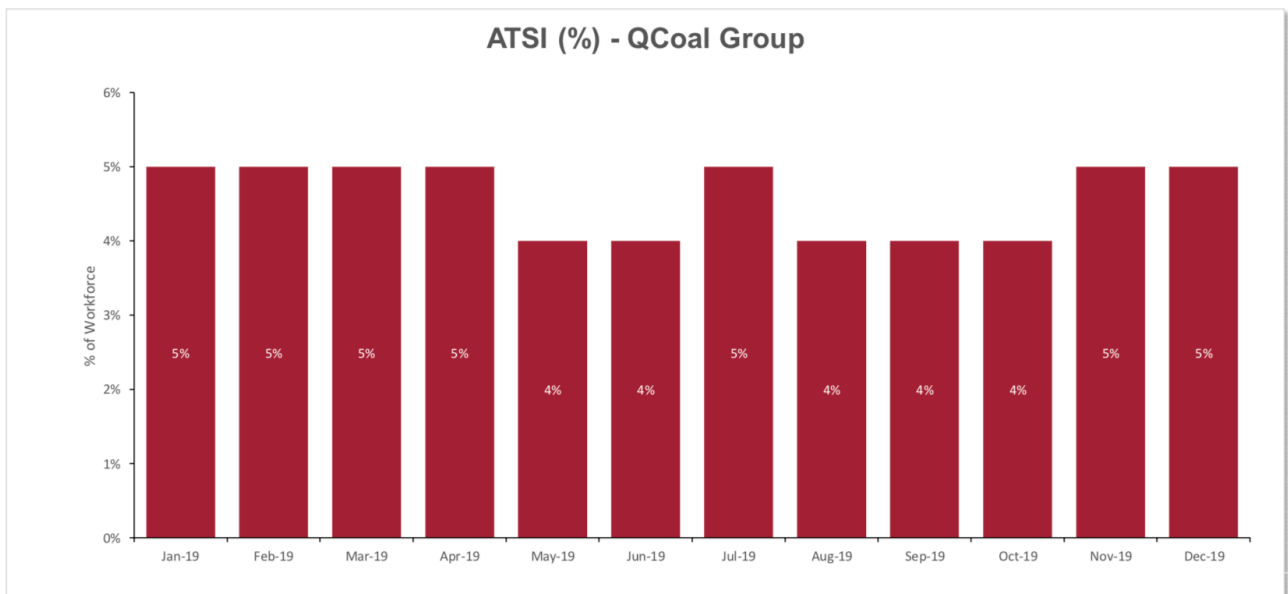


Figure 2: ATSI Workforce % QCoal Group



ATSI participation as a percentage across QCoal Group sites has remained relatively stable since the last reporting period at an average of 4.5%. On adjusted workforce figures for the Project only (excluding temporary construction workforce) the number has increased from 5% for the last reporting period, to 6.75% of the permanent operational workforce. Our largest contractors, Macmahon Holdings and Sodexo are sitting at an average of 7% and 9% of total ATSI percentage personnel, which is significantly above the industry average of 4% (ABS Mining Qld) and above national parity. These outcomes are the result of Byerwen working closely with all relevant stakeholders and managing programs and initiatives for site.

Throughout the reporting period, QCoal continued to work closely with its Traditional Owner representatives to deliver and facilitate intensive pre-vocational training, site required certification courses and mentoring programs to consolidate experienced personnel in operational roles; build a pipeline of skilled personnel; and identify suitable candidates for trainee and 'cleanskin' roles on the Project.

For a number of years, the Project has supported Jangga Operations to develop and deliver their pre-vocational program, Thida Bullaroo. This six-week course prepares long-term unemployed, or new to industry, for full-time employment and, more specifically, working in the resource sector. The program includes individual cognitive capacity-testing, skills identification and career planning, and financial literacy education. In 2018 this program was recognised at the Queensland Resources Council Indigenous Awards, receiving the Best Company Indigenous Employment and Training Initiative Award, and nationally at the Aboriginal Enterprises in Mining Energy and Exploration (AEMEE) awards receiving the 2019 Resource Sector Collaboration Award.

As a progression from the Thida Bullaroo program, in late 2019, the Project worked with the Jangga People and Macmahon Holdings to develop and implement a 32 ATSI new to industry training program. The first intake of trainees commenced on site in December 2019, with a second group commencing in January 2020. Over the course of the next nine months, this initiative will see 32 ATSI trainees commence and complete operator training on site and move straight into permanent operational roles.

Implementation of the Indigenous Workforce Training and Employment Strategy has been consolidated across site with all relevant stakeholders. The Project numbers equally reflect the success of the strategy, with 41 ATSI identified permanent workforce personnel across operational and facilities maintenance roles. The strategy remains fluid and responsive to the availability of suitably qualified ATSI personnel, and the labour force requirements of site contractors. The priority moving forward is to successfully integrate trainees into the permanent operational workforce; increase mentoring and support infrastructure for ATSI personnel; increase and maintain cultural competency across site, particularly at supervision and management levels; ensure opportunities continue to be afforded to Traditional Owners and ATSI personnel through

appropriate notification processes; and the creation of professional development pathways to allow progression of current personnel into more senior positions where appropriate.

As an established mining town, the unemployment rate in Glenden continues to be lower than the Queensland average. Most residents have permanent local employment, whether in established nearby mines, businesses or services. As a consequence, the pool of available skilled local labour remains limited.

Including the temporary construction workforce for the CHPP, which has required extensive specialist trades and services, the following provides a breakdown of the average workforce composition for the Project:

- Local 1.5% (Glenden residents);
- Regional 30.5% (IRC, MRC, WRC
- Outside region 68% (all other postcodes).

As noted previously, the adjusted percentage of permanent workforce personnel is 51.5% local and regional, and 48.5% outside region. This figure increases significantly on the revised Nearby Regional Community definition (see 5.1 above).

Byerwen has utilised local and regional networks to promote business and employment opportunities for the Project, including through:

- ‘Meet the Buyer’ events facilitated by the QRC MoU to Increase Indigenous Participation in the Queensland Resources Sector partnership;
- Membership of and participation in QRC committees;
- Bowen Basin Mining Club events;
- Glenden DIG forums; and
- through established networks.

All Project suppliers have submitted Local and Indigenous Participation Plans, which form part of their contractual obligations. Outcomes are reported monthly and assessed against previous months, years and industry averages to determine overall performance. Where there is opportunity for improved outcomes for the Project, Byerwen engages directly with supplier procurement and HR teams to develop and implement strategies aimed at increasing local and indigenous participation. Direct engagement between suppliers and the local community are facilitated through the quarterly DIG meetings, by a local presence of senior management and through direct contractor meetings on a

quarterly basis. Further, regular Project information and opportunities continued to be notified through monthly local newsletters where appropriate.

Future capacity operational workforce numbers have yet to be determined as the Project continues second stage expansion of South Phase through 2020.

FIFO Workforce Approach and Management

Byerwen's approach continues to be to provide choice for workforce personnel, as well as being actively committed to providing employment opportunities locally and to the wider region.

To date, the Project and its contractors have been able to combine a DIDO / FIFO construction and operations workforce with local employment and indigenous employment outcomes. Local employment recruitment initiatives have been embedded on site for some years now, allowing for skilled workers within the immediate and broader regions to be employed on the Project. Adjusted figures for December 2019 to align with the SSRC sees the DIDO workforce within region increase to over 70%, being over 380 of the total permanent operational workforce. This data also correlates with data suggesting the FIFO workforce is negligible by comparison, and a small proportion of the 30% of the workforce coming outside the SSRC Act areas. As mining operations ramp up, and contractors commence workforce reporting in line with the SSRC Act, we anticipate the DIDO workforce numbers to increase significantly and later stabilise as expanded mining operations also stabilise on site.

The DIDO / FIFO workers have been largely accommodated in the off-lease on-site temporary camp facility, with overflow into secured Glenden housing (see above). The ability to house workers on site has mitigated any anticipated pressures on the town's population and infrastructure. This has been balanced by offering choice for permanent workforce to live in Glenden, thereby contributing to the social, cultural and economic sustainability of the town. With the proposed development of an additional multi-use residential facility for the permanent workforce, it is anticipated that more site personnel may choose to live in Glenden. In that regard, concerns from local residents that a permanent on-site accommodation facility will reduce the potential positive impacts of an increased population, should be alleviated. This management strategy will continue to be rigorously monitored by the company and its contractors.

During the reporting period, there was an increased presence of workforce personnel in the town as the on-site accommodation facility was used to capacity. Existing secured housing was maximised, and the Glenden Motel was also used to house overflow personnel. In total, the Project booked and used 4,231 bed nights at the Glenden Motel in 2019, bringing personnel and spend into Glenden. Generally, the presence of workforce personnel in town has largely been positive, with

- continued support for local businesses and services, contributing to the sustainability of the local economy; and
- participation in community events, including DIG and local fundraising initiatives.

All Project personnel living and or visiting Glenden, continue to be respectful of the community's values and understand the importance of safety to the town.

During the reporting period, the presence of a DIDO / FIFO workforce has continued to be well managed by Byerwen and its contractors and has had a positive impact on Glenden.

The priority for the Byerwen moving forward will be to find a balance for the management of the predominantly DIDO workforce to ensure that the resident and permanent workforce personnel living in town continue to contribute positively to Glenden and the town can become sustainable into the future.

As Byerwen moves into a new stage of expanded operations, the residential / DIDO / FIFO workforce will continue to be managed in accordance with the Workforce Management Strategy. Byerwen will also continue to engage with the local Glenden community to closely monitor impacts of the Project workforce on the town, and that positive outcomes for local business and the community are maintained as a result of the workforce presence.

5.3 Health and community wellbeing

Byerwen is committed to working together with the Glenden and broader communities, local and state governments, and industry to strengthen the communities in which we operate, and to mitigate any negative impacts that our operations may have on community safety and amenity.

Through the SIA consultation, the Glenden community identified the need to maintain three key community values:

- a distinct community identity;
- a cohesive and stable community with a strong sense of community; and
- to maintain a rural lifestyle highly valued by residents.

The Glenden DIG and the DIG charter continues to administer the Glenden community's values for the town and informs Byerwen's engagement and participation approach with the community. The Glenden community nominated the following values as of most importance to them:

- Community spirit
- Connectivity
- Safety and Environment
- Sustainability employment / business development opportunities.

Through consistent local engagement (see section 5.4), Byerwen and its contractors have continued observe these values, and manage any Project impacts proactively. Byerwen has focused resources supporting the maintenance of these important values and the community of Glenden through its social investment initiatives, and by encouraging the Project workforce to participate in community activities and support local businesses.

The Glenden DIGs and annual community forum continue to be an important focus for Byerwen to gather information, hear community concerns and identify community-led initiatives. This approach facilitates the community identifying priorities and projects to focus the work of the DIG members and the broader community. This led to the successful EoI and tender for the operation of the childcare centre, bringing a positive outcome to an issue that had been plaguing community for a number of years. In December Byerwen started working with the Glenden Community Group about supporting some initiatives to bring community together through regular monthly activities. We will continue to work with the group to realise their project, aimed at nurturing and maintaining a connected community and maintain liveability.

Community investment initiatives and grant schemes are managed through the QCoal Foundation, which has been established to support a range of community-led initiatives focused on three broad support areas of Health, Liveability and Education.

Since 2008, the QCoal Foundation has delivered \$4,900,000 in grants through the Community Grants Program. In Glenden, the QCoal Foundation has supported local fundraising events and supported education grants. The QCoal Foundation will continue to expand the Community Grants Program as the Project moves into the next phase and in response to community identified priorities and initiatives.

Education grants are made by way of the QCoal Foundation Scholarship for James Cook University Students and a bursary program for the Native Title Holders for the area of the South Phase. Four QCoal Foundation Scholarships have been awarded since 2016, with recipients generally being within the region. Each scholarship is for a value of up to \$30,000 over three years, supporting students in science-based studies.

The indigenous bursary program has been in place since 2012, during which time over 100 community members have benefitted from a range of pre-vocational, certificate, TAFE and higher education support, achieving a range of outcomes including:

- numerous university and TAFE graduates;
- assisting long-term unemployed and women and return to work; and
- over 50 men and women being supported through various certificate and training programs to gain entry qualifications for work on mine sites. As a direct result of this collaborate initiative, a number of participants secured full-time employment across QCoal operations. In addition, this support has facilitated indigenous candidates to work on other mine sites and gain meaningful long-term employment (see 5.2 above).

More broadly, the QCoal Group remains a principal sponsor of the RFDS (Queensland), which is helping to address the increasing demand for quality health care services in regional and remote areas.

In 2017 the QCoal Foundation partnered with Financial Basics Community Foundation to address the community need for increased financial capability and to support the development of financially resilient communities. Specifically, the partnership has developed the Ca\$hEd Up program that delivers life-skills based financial capability education to high school students.

Research has identified that over 60% of Australian adults are facing financial stress and vulnerability. Younger people are typically more likely to experience severe financial stress than older people, and financial stress is a key factor in many areas of mental health, family violence, and poverty across Australia. Research also supports the view that the Australian population is most vulnerable in the area of financial knowledge and behaviour, with almost half the population identifying themselves as having low to very low financial knowledge.

The Ca\$hEd Up program trial has continued to expand, with over 1,500 Queensland students participating in the program in 2019. In 2020 the trial will expand nationwide and over 2,500 students will participate.

Byerwen continues to provide its workforce and their families with access to a range of support services to promote workforce health and wellbeing, including access to a corporate health plan.

Our contractors have been important supporters and partners in workforce health and wellbeing initiatives. The on-site camp has a fully equipped 24hr gym, outdoor recreation areas and a purposed designed walking track to encourage workforce personnel to walk from the camp to on-site offices.

Mental health continues to be a closely monitored issue, with site contractors placing an emphasis to check in regularly with the workforce. Our mining contractors Macmahons have a focus on mental health with their 'Strong Minds, Strong Mines' initiative, which has continued to be rolled out on site. This comprehensive awareness and suicide prevention program is a company-wide initiative encouraging workers to look after their mental and physical health.

Camp operators, Sodexo, continue to offer healthy choice meals to maintain good nutrition for site workers. The camp mess offers a comprehensive range of fresh on-site prepared food, with a large variety of fresh fruit and vegetables for all meal times.

Through the continued implementation of our Safety and Health Management System, Byerwen will ensure all contractors engage the workforce through effective and thorough induction processes, and regular toolbox talks to promote our expectations and recommendations for a range of practices including work operations, road safety, fatigue management, health, wellbeing and personal conduct. In addition, and as part of the SHMS, Byerwen and all site contractors provide personnel access to Employee Assistance Programs.

Safety and respect for the Glenden community's values, and QCoal Group's values, will continue to drive the business into the future.

5.4 Community and stakeholder engagement

The QCoal Group acknowledges that our relationships with the communities in which we operate, and our stakeholders, are of fundamental importance to sustainable long-term operations and the business as a whole.

At its Northern Hub operations, the QCoal Group has developed and implemented a comprehensive stakeholder engagement program which has facilitated the establishment of a positive relationship with the local Collinsville community since the Sonoma Mine began construction in late 2006. Through innovative community-led and participatory engagement opportunities, the QCoal Group enjoys strong community support and reputation for delivering positive and beneficial outcomes. It is this experience and history that has framed the community and stakeholder engagement and approach for the Project.

Byerwen continues to play a key role in the consistent delivery of the Development and Industry Group (**DIG**) model in Collinsville and Glenden. DIG is a membership group of community, industry and government representatives selected through a nomination process.

The Glenden DIG aims to identify community priorities and objectives and to work collaboratively to promote and achieve these objectives. The Mackay Isaac Whitsunday Regional Office of Regional Economic Development, Department of State Development, continues to support and coordinates the Glenden DIG, which is independently chaired under an agreed charter, and maintains the secretariat function. The Glenden DIG meets quarterly, including the annual open community forum, and held its first meeting in April 2015. Outside the DIG forum, senior site managers and community relations personnel maintain regular contact with key local representatives, business owners and state agencies throughout the year, and manage the Community Concern system.

Table 2: Engagement Activities

Engagement	Stakeholders	Activity in 2019
Glenden DIG	Community groups and individuals, Local and State Government, industry representatives, local business owners	Quarterly meetings and open community forum with four meetings held in the reporting period
Industry briefings	Government, local suppliers and businesses	Participation in Bowen Basin Mining Club events; participation in the QRC 'Meet the Buyer' forum for Indigenous-owned businesses; and participation in various other QRC forums and initiatives
Local and State Government	Local and State governments	Regular meetings held with Local and State government representatives throughout the year
Site tours	Government, joint venture partners and investors	Several site visits were conducted during the reporting period, including the official Byerwen Mine opening. This was attended by Federal and State Ministers, local government representatives, JV partners, traditional owners, contractors and other stakeholders. All visitors were invited and participated in a comprehensive site tour.
Cultural Heritage Committee	Indigenous stakeholders	Bi-monthly meetings including regular updates on status of project and employment and business opportunities
Contractor meetings	Industry and local community	Regular meetings with contractors regarding local economic participation opportunities. Introduction of contractors

		to local community through DIG forum, Supplier Forum and industry events
Local Landholder Advisors	Affected landholders and agistees	Regular meetings held with landholders and agistees throughout the year
Community Concern Number	All stakeholders	Number well publicised No calls received
Online	All stakeholders	No data available

5.5 Local business and industry content

The QCoal Group is committed to maximising local participation in all aspects of project development and operations. Contractors have been appointed based on capability, value proposition, ability to meet required standards and a demonstrated commitment to QCoal’s philosophy of supporting local communities and businesses where possible.

Our contractors also give preference to suppliers of Australian-manufactured equipment that is competitively priced and complies with the relevant standards and specifications.

As a result of significant investment in supply chain and procurement activities in 2017, Byerwen and its contractors have established a strong network of local suppliers throughout the region. Local spend data is tracked and reported to senior management on a monthly basis for all QCoal Group projects.

For the reporting period, Byerwen and its contractors continued to create local subcontracting opportunities and maximise the use of local suppliers for the Project. These targeted initiatives resulted in the three main contractors on site achieving 35% local and regional supply of their Project spend. More broadly, on adjusted operation spend costs only, Project contractors achieved over 77% supply from Queensland-based businesses.

Byerwen will continue to maintain its comprehensive networks with local suppliers and will to engage with potential and successful contractors on local participation initiatives as construction and operations continue into future stable and expanded activities.