Dendrobium is currently mining Longwall 13 in its Area 3B operations, which is expected to be completed in early to mid-2018.

Dendrobium is proud to announce its contribution to the Dendrobium Community Enhancement Program (DCEP) Trust for the 2017 Financial Year totalled $146,215.63. This figure is based on Illawarra Coal’s contribution of 3 cents (plus CPI) per saleable tonne of coal to the DCEP Trust.

The Annual Review (formerly the Annual Environmental Management Report or AEMR) for FY17 has been completed and submitted to government for review. The document is now available on the South32 website, which can be accessed at www.south32.net/illawarra-coal-documents.

Recently, the company completed a rail noise study, including the review and testing of a number of aspects relating to the braking of trains. Modifications were made to brake shoes on one wagon and wayside noise monitoring was conducting on more than 100 train movements of both modified and unmodified trains. The results identified only 3 per cent of wagons with modified brake shoes presented wheel squeal compared to 42 per cent of unmodified wagons. All trains and wagons have now been fitted with modified brake shoes. Illawarra Coal hosts a rail noise working group which will continue to examine opportunities to monitor and improve the performance of our trains along the rail line.

**OPERATIONAL UPDATE**

**WHO IS SOUTH32?**

Many of you told us through our Community Perception Survey in late 2016 that you knew little about South32. South32 was founded in May 2015, with the demerging of our operations from the BHP Billiton Group of companies. Illawarra Coal is one of the operations to transfer to South32.

South32 has operations in Australia (New South Wales, Queensland, Western Australia, the Northern Territory and Tasmania, Southern Africa and South America). These operations extract and produce bauxite, alumina, aluminium, energy and metallurgical coal, manganese, nickel, silver, lead and zinc.

Illawarra Coal is a proud local company who has been mining metallurgical coal for steelmaking for over 80 years. While our brand and name has changed, our commitments to the communities in which we operate and our responsibilities in relation to legislation and government consent requirements remain the same.

If you’d like to know more about South32, check out the Company’s website at www.south32.net.

**GETTING OUR HANDS DIRTY WITH LANDCARE**

South32 in partnership with Landcare Australia is working with schools in our communities to help students learn about protecting and restoring the local environment.

The South32 Junior Landcare Grants program has provided up to $5,000 for five schools in the Illawarra and Wollondilly regions to encourage hands-on outdoor activities that improve the biodiversity of the surrounding environment.

Unanderra Public School will use the funding to replace overgrown and degraded areas within the school grounds with native gardens, engaging all students in the planting and ongoing care, and providing an outdoor classroom for learning.

Figtree High School will use the grant to establish a habitat for local birdlife and a plot of native plants with edible companion plants. The program is designed to help students see, feel and touch their footprint on the natural environment, and understand how to support flora and fauna within our region.

The year saw a 4% increase in Metallurgical Coal sales.

**SOUTH32 RELEASES FY17 ANNUAL RESULTS**

South32 released its annual results for the 2017 Financial Year in August.

Despite a challenging year at some of our operations, the company finished the year in a strong position.

Our Dendrobium Mine performed extremely well throughout the year, achieving a record run-of-mine (raw coal prior to processing) performance in FY17.

At Illawarra Coal, our total sales revenue decreased by 18% to 7.1Mt in FY17, as challenging ground conditions in Appin Longwall 903 and two extended outages at Appin significantly impacted our performance. However, the year saw a 4% increase in Metallurgical Coal sales.

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Cedars Christian College will initiate a project where students play a central role in the research, planning and planting of a native vegetation area to create a nature trail and wildlife corridor. The project is designed to give students an appreciation of local biodiversity and foster an interest in protecting and maintaining the local environment.

South32 Specialist Community Amanda Blunt said the grants provide a number of benefits for the schools, including enhancing the schools’ surrounding environment; and allowing students to spend more time outdoors participating in educational initiatives.

“Schools will have the opportunity to work with local Landcare volunteers on the projects and students will be the driving force behind how the projects are undertaken,” Amanda said.

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Unanderra Public School students Phoenix and Olivia with South32’s Amber Cleary and Landcare Australia representative Reeva Badhwar.
CONNECTING WITH KOALAS

The Mount Kembla community has taken the opportunity to gain a deeper understanding of its local koala population, thanks to funding from the Dendrobium Community Enhancement Program.

Conservation Volunteers received funding to conduct workshops, information sessions and field days to enable the local community to take part in the investigation of the local koala population.

The presence of eight koalas has recently been recorded by the NSW Office of Environment and Heritage in an area just west of Mt Kembla, where koalas have not been seen for more than 70 years. Three evening koala spotlighting sessions were held in July and August along Cordeaux Road to help determine the extent of the koala population in the area. Forty-five community members attended the sessions, and experienced some of the amazing wildlife this area has to offer.

While no koalas were spotted during the sessions, the attendees did see a Boobook Owl, Ringtail Possums, Sugar Gliders and Greater Gliders.

If you do spot a koala in the Mt Kembla area, please get in touch with Conservation Volunteers at wollongong@cva.org.au.

DENDROBIUM CEC UPDATE

The Dendrobium Community Enhancement Committee (DCCC) continues to meet regularly to discuss operational, environmental and community matters associated with our Dendrobium Mine.

In recent meetings, the group discussed a range of issues including surface impacts associated with Longwall 13, including soil cracks, rock fractures, and water quality triggers; monitoring data in relation to swamps; information relating to the rail noise study being undertaken; community complaints; recent community investment initiatives; and updates relating to the Dendrobium Mine Plan for the Future Project.

The Dendrobium Longwall 12 End of Panel Report was presented to the group recently, which is available on the South32 website. The Report outlines the measured and observed impacts during the extraction of Longwall 12 and analyses the monitoring results against relevant impact assessment criteria and predictions in the Subsidence Management Plan (SMP).

Overall, impacts to built and natural features observed during monitoring of Longwall 12 are within the performance measures for Dendrobium Mine. Monitoring will continue in accordance with the SMP and as outlined in the End of Panel Report. For a copy of the full report, visit www.south32.net/illawarra-coal-documents.

The Dendrobium Community Consultative Committee meets every second month at the Dendrobium Mine, and includes representation from the local community, environmental group representatives, Wollongong City Council and Wollondilly Shire Council.

The DCCC is also meeting every alternate month to discuss the submission for Dendrobium Mine’s Plan for the Future. For more information please refer to the insert included in this newsletter.

If you're interested to find out more about the committee, please contact our Community Call Line on 1800 102 210 or email ICEnquiries@south32.net.

DENDROBIUM CEC UPDATE

The Dendrobium Community Enhancement Committee continues to award funding to a range of worthwhile projects to enhance the local communities surrounding Dendrobium’s operations.

Recently, the DCCC has approved funding to a number of worthwhile projects, including:

- Life Education has received DCEC funding to continue subsidised visits of its Mobile Education Van to local schools.
- Darian Zam will use DCEC funds to produce a special edition of his sellout ‘Coal Faces’ book.
- Rental assistance for Mt Kembla identities for donation to local organisations, charities and schools.
- The Committee also recently approved funding for Unanderra Public School’s Recreational Sports Program, to provide an affordable way for students to access fun and healthy activities and maintain an active lifestyle including roller skating, trampolining, swimming and a multisport program.

If you are interested in booking a marquee, please contact our Illawarra Coal Community Team on 1800 102 210 or at ICEnquiries@south32.net.

ILLAWARRA COAL COMMUNITY CALL LINE

If you have an outdoor community event coming up, why not hire an Illawarra Coal marquee to provide some much-needed shelter and protection?

We have two small marquees (3 metres x 3 metres) available for free loan to community members for community events. The marquees are easy to use and can be booked individually or as a pair for short periods of time (e.g. weekends).

The marquees feature an easy-to-use pop-up design and come complete with pegs, ropes and a wheelable carry-bag.

If you are interested in booking a marquee, please contact our Community Team on 1800 102 210 or email ICEnquiries@south32.net.