

*Trees growing on rehabilitated land from 2019 seedlings*



## OUR STRATEGY

Malabar recognises the need to transition to a low carbon economy which is why we have developed a unique strategy by employing less intrusive underground mining methods, focusing on metallurgical coal, developing large scale renewable energy, and rehabilitating previously mined areas for sustainable activities including renewables and agriculture.

Malabar is supporting the transition of industries in the Upper Hunter region.

## BOARD OF DIRECTORS

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**Tony Haggarty**

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Independent Non-executive  
Director

**Lindi-May Lochner**

Company Secretary

Malabar Resources Limited  
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## Update for the quarter ended 30 June 2022 and subsequent significant events.

- ✳ The funding for the construction of the Maxwell Underground mine has been secured.
- ✳ Construction has commenced.
- ✳ Advertising and appointment of key roles underway.

# Maxwell Underground Mine

## Health and Safety

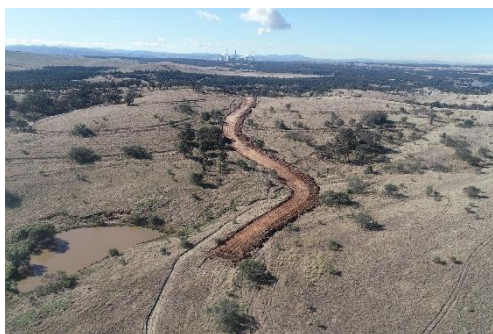
Malabar is committed to the health and safety of its people and achieving zero harm. No notifiable incidents recorded to date for the 2022 calendar year. There has been minimal disruption at site due to COVID-19.

## Project activity

The Maxwell Underground Mine is being developed in two stages:

- **Stage 1** consists of the “Whynot” Bord & Pillar operation and a 145m wide longwall operation targeting combined annual sales of +3.5 million tonnes,
- Then in late 2025, **Stage 2** work commences to expand the longwall to 300m wide with sales increasing to 5.5 - 6.5Mtpa.

## Construction of the mine has commenced.



*Construction of access road to the underground mine entry area.*

First sales are forecast to occur in the first quarter of CY 2023 from the Whynot seam, and first longwall coal from the Woodlands Hill seam in late 2024.

## Workforce

Advertising and appointment of the immediately required key roles has commenced. The mine will ultimately employ c. 350.

# Spur Hill Underground Project

Malabar holds Exploration Licence (EL) 7429.

2D seismic will be undertaken to better define a geological feature called the “Eastern Boundary Fault” which separates the Maxwell coal reserves from those in the Spur Hill EL.

This work has been delayed due to Covid and then, more recently, adverse weather.

The fieldwork is forecast to be completed this year.

## Malabar Renewables

Studies continue in partnership with EDF Renewables (EDF-R) to determine the development parameters and strategy for large-scale solar generation.

## Environment

A total of 5,000 trees were planted in May 2022. Since taking ownership of the site we have planted over 95,000 trees in our woodland corridor with the total trees planted at site exceeding 300,000.

Key land management activities such as weed spraying and feral animal management continue on site and within biodiversity offset areas.

## Community Engagement

### Community Consultative Committees (CCC)

Malabar held three Community Information Sessions were held in May 2022 at the Muswellbrook Library. These sessions provided an updated on the progress of the Maxwell Underground Mine and commencement of construction activities.

### Community Sponsorships

Malabar is an active participant in the local community continues to support a wide range of local groups, businesses and charities. Sponsorships over the last quarter included:

- Continued support for local junior sport by sponsoring the Denman Swimming Club Annual Presentation.
- Donation towards the Westpac Rescue Helicopter Service who provide emergency aeromedical services 24-7 for the people of Northern NSW.
- Funding for the installation of the bicentennial display cabinet for the Jerrys Plains School of Arts Hall.



## Community Support

Malabar also maintains a 24-hour community hotline (1800 653 960) for any issues or enquiries related to our operations or our plans for the local area. To date no complaints have been registered.

## Corporate Activities

Full funding has been secured to develop the Maxwell Underground Mine, comprising;

- ~\$250 million Senior and Subordinated Debt Facilities, and;
- ~\$250 million equity.

The equity raising was conducted at an issue price of \$1.25 per share.

Malabar was pleased of the support of existing shareholders and welcomes new shareholders to the company.