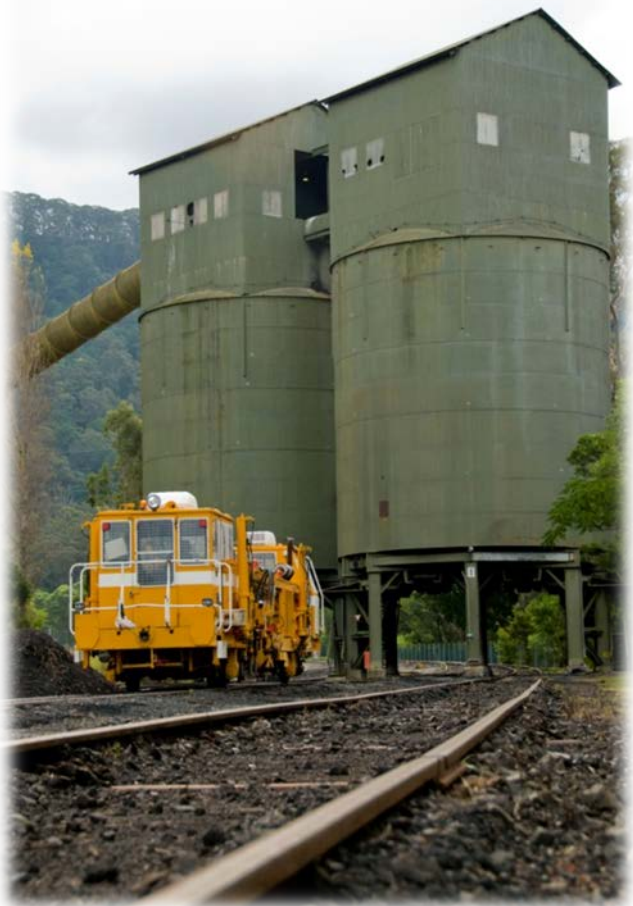


Quarterly Report

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Wollongong Coal – Executive summary

One Lost Time Injury accident with a slip / trip fall at Russell Vale mine in February.

There was no environmental incidents. However, one report was made in relation to a heavy rain period and muddy water near the golf course in February with the breaking of the drought in NSW.

Our efforts to respond to the Coronavirus 19 alerts and advise to all personnel were in timely manner. Employees and changes to workplace to keep the business functioning was planned and evolved. No persons have contracted the virus and families are protected as well as possible from workplace infections.

The submissions for all Underground Expansion Plan (UEP) reports were completed in mid-January and we continue to work with the Department of Planning, Industry and Environment (DPIE). The expected date for the IPC to convene for our application is in May.

Additional work has now been completed for the Mod 4 application that was started in 2012 on the Russell Vale water management design to control some flood events from the Bellambi Creek through our leases. Meetings have been conducted with the DPIE and final agreement will see work started in late 2020.

A five month investigation into the Bulli Seam workings through to No 4 Shaft operations was finalised in March. This has resulted in a discussion with the Regulators that will see the No4 Shaft shut down and secured, Bulli Seam entrances blocked off and eventually power stopped off the main supplier. The beneficial impacts for the business will be improved safety for the mine and our people, lower costs to maintain roads and infrastructure over the next 8-10 years and recovery of some equipment to be taken back to Russell Vale.

Russell Vale work has been about ensuring compliance and ongoing preparations are completed by the approval time.

Wongawilli mine will now seal two old portal entries under discussion with the Regulators in March. Additional clean-up of old scrap around the surface areas and sale of surplus equipment that are obsolete continue.

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Production and Sales

	Russell Vale Colliery		Wongawilli Colliery		WCL Totals	
	Oct – Dec 2019	Jan - Mar 2020	Oct – Dec 2019	Jan - Mar 2020	Oct – Dec 2019	Jan - Mar 2020
ROM Production	-	-	-	-	-	-
Saleable Production	-	-	-	-	-	-
Sales	-	-	-	-	-	-

Russell Vale Colliery

The Russell Vale Colliery remains on Care and Maintenance. The application process to restart mining activity continued in the quarter. Work has continued to address the surface and underground mine assets in preparation for the restart work program, which will commence following the government approvals. The decommissioning of the Bulli Seam workings and targeted catchment assets commenced in this quarter.

Wongawilli Colliery

The mine remains on Care and Maintenance. Sealing of old sections of the mine was planned for the first quarter of 2020. This has been delayed as further environmental issues are examined. This relates to bats who were found to be inhabiting the portal roadways. The work will be progressed in the next quarter. Work continues on the surface to address redundant equipment and maintain site facilities. Round the clock security is in place at the eastern mine pit head facility.

Work commenced in January 2020 to prepare an application to extend the current approval period for the New Mine Entries (NW Mains) from December 2020 for a five year period.

Health, Safety, Environment & Community

Health & Safety



Russell Vale Colliery

- There was one lost time injury in the quarter, where a workman slipped and fell in the underground workings.

Wongawilli Colliery

- There were no notifiable incidents in the quarter.

Site Security

Russell Vale Colliery

Additional work continued with National Parks Authority and Wollongong Council on nature trails and bush bike trials leading to our property which is an active mining lease. Signage, fencing and gates have been reviewed.

Wongawilli Colliery

Ongoing incidents with trespassers, theft and children at holiday periods has increased our security measures and coverage at Wongawilli. Police have been notified of several incidents.

We have moved from the site all spare items and equipment that is not used to keep the mine in a care and maintenance state.

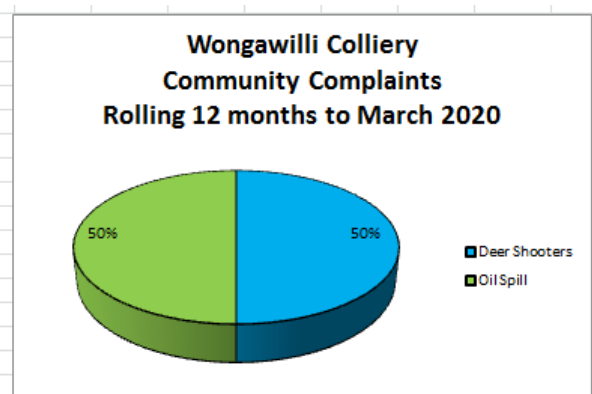
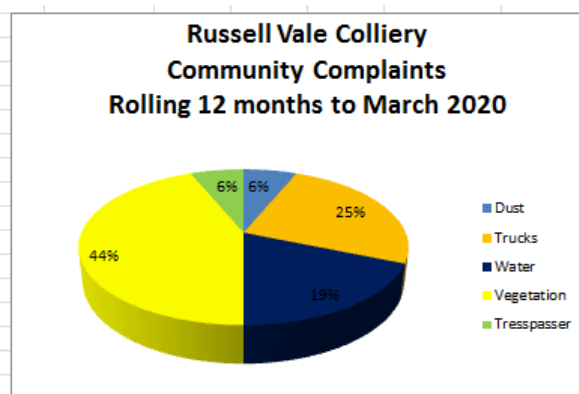
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Environment & Community

Community Complaints

Community Complaints	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Total
Russell Vale Colliery	1	5	1	1	0	2	1	0	1	2	1	1	16
Wongawilli Colliery	0	0	0	0	0	0	0	0	0	0	1	1	2
Total	1	5	1	1	0	2	1	0	1	2	2	2	18

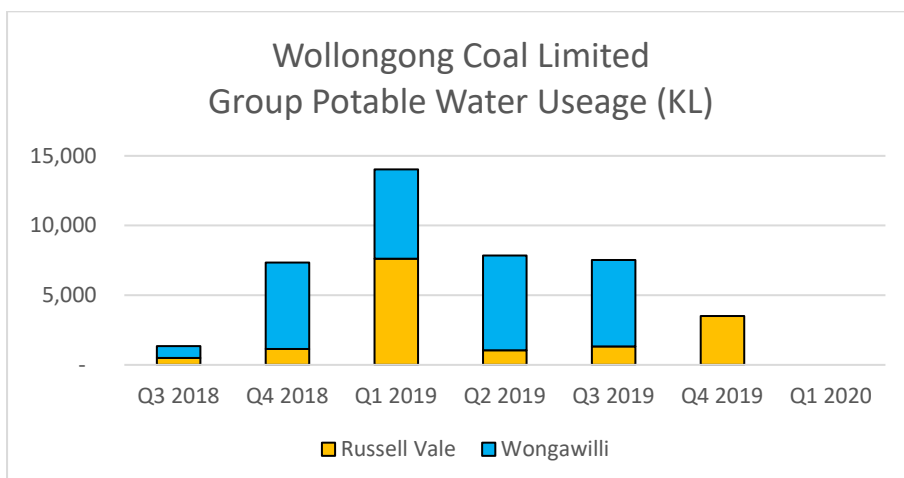
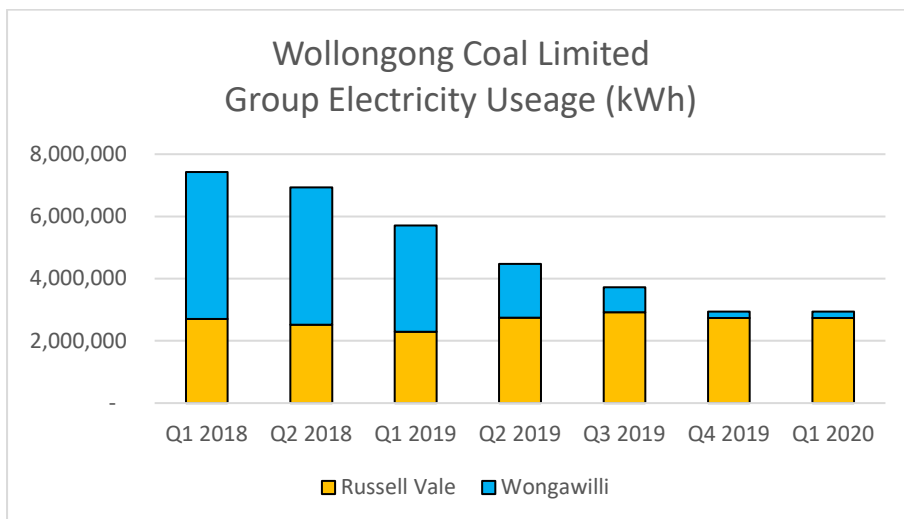
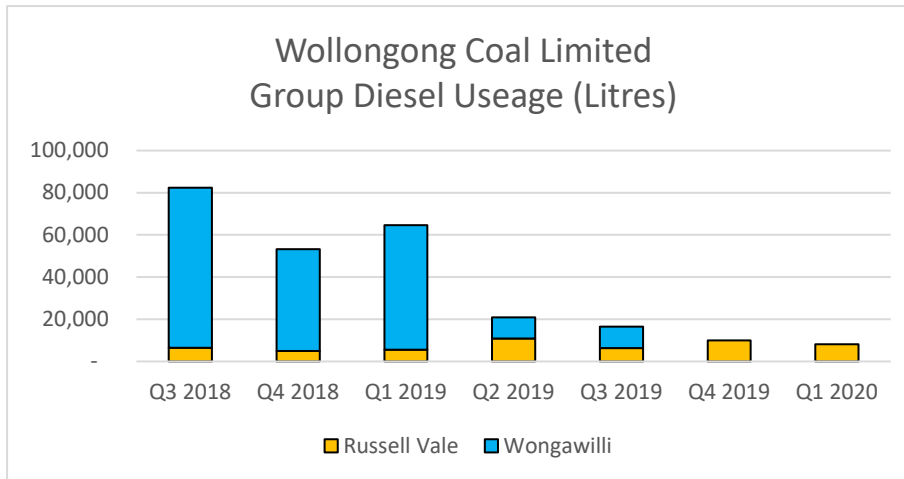


Environmental Incidents

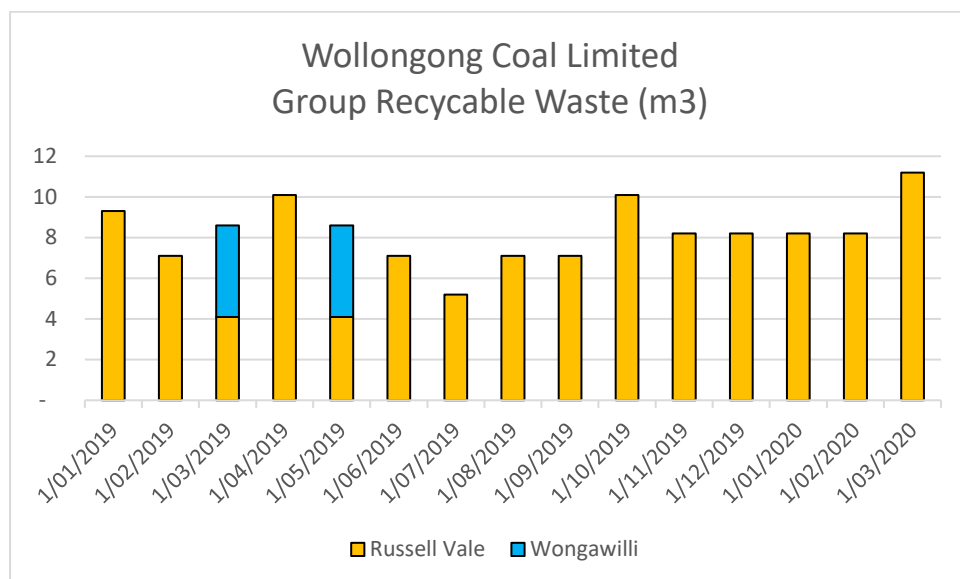
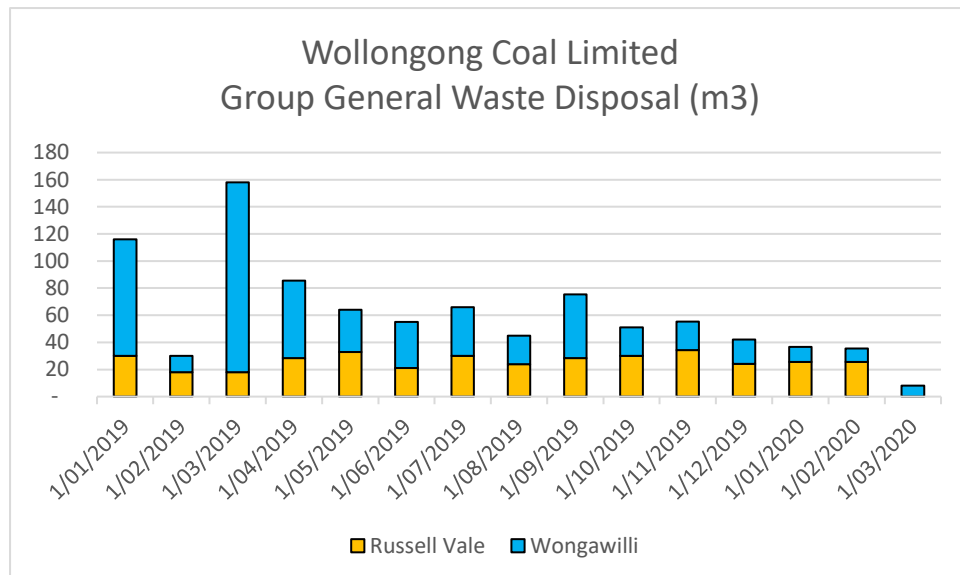
Environmental Incidents	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Total
Russell Vale Colliery	0	0	0	0	0	1	0	0	0	0	1		2
Wongawilli Colliery	0	0	0	0	0	0	0	0	0	0	1	1	2
Total	0	0	0	0	0	1	0	0	0	0	2	1	4

	Environmental No Environmental Harm No Remediation Required	Environmental Short Term Impact Minor Remediation Required	Environmental Medium Term Impact Medium Remediation Required	Environmental Significant Impact Remediation Required	Environmental Major Impact Permanent Damage Remediation Required
Rolling 12 Months - March 2020	Category 1	Category 2	Category 3	Category 4	Category 5
Russell Vale Colliery	2	0	0	0	0
Wongawilli Colliery	2	0	0	0	0
Total	4	0	0	0	0

Group Energy and Potable Water Usage



Group Waste Disposal and Recycling



Russell Vale Colliery

The Community Consultative Committee (CCC) meeting during the Quarter on was held 10 February 2020.

The Independent Compliance Audit was completed on 24 January 2020. Compliance with conditions of consent and environmental licences was 92%.

The Mod 4 application to the project approval regarding Bellambi Gully Creek stormwater works is being assessed by the DPIE.

The UEP for a 5 year extension using first workings place change mining methods is with the DPIE and at the assessment phase.

The Russell Vale Reject Emplacement Area (RVREA) Implementation Plan and Stormwater Management Plan was submitted to Wollongong City Council and the DPIE. Additional flood modelling and reporting has been requested by the Council, prior to rehabilitation works commencing.

Wongawilli Colliery

The CCC meeting was held during the Quarter on 11 March 2020.

The Independent Compliance Audit was completed on 31 January 2020. Compliance with conditions of consent and environmental licences was 79%.

Environmental site clean-up and scrap metal removal continued during the Quarter.

Management of contaminated soil from the Nebo and Wonga shaft incident is continuing with soil sample results showing positive results indicating that the soil remediation methodology is working effectively.

Proposed Modification 2 to extent the time limitation on the NW Mains development for a further 5 years is progressing with application proposed to be submitted to DPIE during Q3 2020.

Exploration Operations

No exploration activities were undertaken during the reporting period at Russell Vale Colliery or Wongawilli Colliery.

Corporate & Financial

Cash Advances Facility Agreement

On 6 April 2020, the Cash Advance Facility limit has increased to \$550 million and validity been extended up to 31 Dec 2021. The limit was increased to accommodate some large repayments of to the secured lenders as part of the proposed restructuring. To date, \$435.29 million has been drawn.

In addition, the Company has received around \$38.21 million from Jindal Steel and Power (Australia) Pty Ltd, wholly owned subsidiary of JSPML as a short-term loan.

Schemes of Arrangement

As announced on 3 April 2020, the creditor schemes of arrangement between each of the Company and Jindal Steel and Power (Australia) Pty Ltd (together, the Scheme Companies) and the lenders under certain secured loan facilities (Schemes Creditors) approved by the NSW Supreme Court on 14 February 2020 (the Schemes) have terminated according to their terms.

The completion of the Schemes was subject to a number of conditions being satisfied or waived. Certain conditions which required payments from the Scheme Companies to the Scheme Creditors and their advisers were not satisfied. The Scheme Companies sought waivers of those conditions from the requisite majority of Scheme Creditors and, while those waivers were forthcoming and have since been obtained, they were not received by the Scheme Companies within the timeframe required by the Schemes.

On 29 April 2020, the NSW Supreme Court granted the relief sought by the Company and JSPAL and made orders that the CP Satisfaction Long Stop Date in the Schemes be extended to 1 April 2020; and the Settlement Long Stop Date in the Schemes be extended to the date that is 7 days after the entry by the Court of the Court's orders made in respect of Application, namely 6 May 2020. The extensions ordered operate retrospectively from the time the orders approving the Schemes on 14 February 2020 were made.

Update on litigation

Dispute with PCL Shipping

On 5 March 2020, the Supreme Court of New South Wales dismissed an action by PCL (Shipping) Pte Ltd action to recover freight charges of up to US \$3.2 million it alleged were owed by Wollongong Coal. The freight charges date back to 2013 when Wollongong Coal was a subsidiary of Gujarat NRE Coke Limited and part of Gujarat NRE Group. The dispute concerned the Illawarra Fortune, a ship that Gujarat NRE Coke Limited chartered from PCL for a shipment of coal from Port Kembla. The Court is yet to determine the issue of costs. PCL has served a notice of intention to appeal.

Dispute with Gujarat NRE Properties, Arun Kumar Jagatramka and Mona Jagatramka

On 13 March 2020, the Supreme Court of New South Wales delivered judgment in Wollongong Coal's proceedings against Gujarat NRE Properties, Arun Kumar Jagatramka and his wife Mona Jagatramka. The proceedings relate to a residential property (at 64 Cliff Road, Wollongong) acquired by the company in 2008 when Mr Jagatramka was a director and the Executive Chairman of Wollongong Coal and Mrs Jagatramka was one of the directors.

The Court found that Mr and Mrs Jagatramka, as directors of the company, breached their duties to act for a proper purpose and to avoid a conflict of interest and that they failed to disclose their real interest was to use the property as their personal residence. The Court gave judgment in favour of Wollongong Coal and against Mr and Mrs Jagatramka in the sum of \$12,081,742.99. The Court has also ordered Mr and Mrs Jagatramka to pay the company's costs of the proceedings. The likelihood of recovering the judgment sum is unclear at this stage. Mr and Mrs Jagatramka have served a notice of intention to appeal.

Mr Jagatramka's cross claim against the two directors and secretary (together, cross defendants) was dismissed with an order that Mr Jagatramka should pay the costs of the cross defendants.

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Russell Vale Enterprise Agreement 2011

On 7 April 2020, the Fair Work Commission dismissed Wollongong Coal's application under section 225 of the Fair Work Act 2009 (Cth) to terminate the NRE No 1 Colliery Workplace Agreement 2011.

The application was made on 7 June 2018 to the Fair Work Commission to terminate the enterprise agreement after the Russell Vale Colliery was placed in care and maintenance in September 2015, and after the Company ceased to employ employees covered by the enterprise agreement from that time.

Capital Structure as on 31 March 2020

Shares on issue	9,366,977,256
Unlisted options	240,000

Board of Directors

Mr Milind K Oza –	Executive Chairman
Dr Andrew Firek –	Non-executive director
Mr Sanjay K Srivastava -	Non-executive director
Mr Dipen Rughani -	Non-executive director

For Further information

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Fax: + 61 (2) 4283 7449

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