



Resource Generation Limited ACN 059 950 337

Environmental Policy

Policy Statement

Resource Generation Limited and its South African subsidiaries (collectively the Group) operating as an emerging coal producer in the Waterberg district, commits to have the environment protected for the benefit of present and future generations

Introduction

The Group has commenced development of the Boikarabelo Coal Mine in the Limpopo Provinces Waterberg region. This development is proposed on the basis of establishing a leading coal mine which co-exists with the surrounding natural environment through minimising potentially adverse impacts, whilst enhancing the positive impacts throughout the life of mine.

The Boikarabelo Coal Mine falls within an ecologically diverse environment and therefore the Group is committed to undertake its coal mining activities in an environmentally responsible manner. The Group believes that its mining operation and concern for the environment can remain mutually compatible to ensure sustainable development.

The mining industry in South Africa is governed by the *Mineral and Petroleum Resources Development Act, 2002* and its legislative obligations including the Mining Charter 2010.

Objectives

We will comply with all applicable laws, regulations, and requirements related to mining and environmental management in South Africa as well as to observe International Finance Corporation Performance Standards on Social and Environmental Sustainability. We will identify, monitor and control activities which may potentially result in an adverse impact on the surrounding natural environment.

We will seek to achieve best practice in environmental management as the benchmark for our performance.

We will use Management Systems to set environmental objectives and goals to achieve positive outcomes and we will constantly review our potential environmental risks and adopt appropriate procedures and practices to prevent, or otherwise minimise, mitigate and remediate, any harmful effects from our operations.

We will progressively rehabilitate lands disturbed by our operations to an approved standard which will provide, wherever practicable, a viable self-sustaining ecosystem that is compatible with a healthy environment and associated human activity.

We will achieve these objectives through:

- Communicating this policy to all employees, contractors and surrounding communities of the Boikarabelo Coal Mine.
- Conducting environmental audits to evaluate performance to ensure the continued improvement of environmental management and performance.
- Undertaking continued environmental awareness campaigns in order to encourage responsible environmental behaviour of all employees, contractors and the surrounding community.
- Applying proven management measures to prevent pollution or other environmental impacts and to minimise and to mitigate our impact caused by mining operations.
- Participating at International, National and Local level and with any other interested parties to develop a mutual understanding of environmental issues within the region.
- Ensuring all levels of employees at Boikarabelo Coal Mine understand, maintain and support the environmental management system.
- We will provide specific training for all of our employees so that they are equipped to perform their environmental responsibilities under this Policy.

Related Policies

This policy is underpinned by the following related policies or procedures of the Group including Ledjadja Coal (Pty) Ltd:

1. Biodiversity Policy

Reviewed and approved by the Board: 21 November 2017