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1. Executive summary

This Social Impact Management Plan (SIMP) provides an outline of key risks and opportunities identified in the Social Impact Assessment (SIA) for KGL Resources' Jervois Base Metal Project. It is intended to be a stand-alone document to guide the company’s social performance for the life of the Jervois Base Metal Project, including mitigation of negative impacts and enhancement of potential opportunities. It outlines how these will be monitored and managed and sets up a framework for reporting against commitments made. It includes indicators by which management can track changes in the baseline conditions outlined in the SIA and any emerging issues, and a grievance procedure so the community can continue to raise issues.

The project will be located on an existing mining lease that has a history of mining and exploration activity since 1929. Some of the existing infrastructure is planned to be repurposed for the Jervois Base Metal Project. As there is a long history of mining activity, some of the social impacts are lower than if it was a new mine site.

The key opportunities identified from the project are the opportunities for jobs and training for local Indigenous people (as long as expectations remain realistic about the likely take-up rates), jobs for local Alice Springs residents, and local procurement of goods and services.

Key negative impacts identified include increased industrial traffic on unsealed roads, which has implications for the tourism industry, pastoral productivity, other road users and road safety for both mine workers and the public. On the other hand, any upgrading of local infrastructure such as roads will deliver social and economic benefits. A fear of the impact to water resources has also been identified as a key negative impact, particularly because of the recent decision regarding fracking in the Northern Territory which has escalated public debate about mining activity and its impacts on water resources in an arid environment.

This assessment finds a total of nine opportunities of significance and 30 potentially negative risks, although many of those negative risks have a LOW rating.

Of the negative potential risks, there were none with an overall EXTREME rating, two with a HIGH rating, 11 had a MODERATE risk rating and 17 were assessed as LOW.

The high ratings were for increased trauma on local roads due to project traffic (#1) and increased road trauma for workers (#2), both of which are closely linked.

The 11 moderate ratings were:

- fears of impacts to water resources (#7 and #36)
- reduced community or social cohesion (#8)
- not meeting expectations of local Indigenous jobs (#18)
- reduction in tourist activity in the region due to project traffic (#20)
- local content targets not met due to lack of capacity or skills (#22)
- not meeting expectations of a boost to local and/or regional economy (#25)
- project recruitment draws good workers away from existing jobs in the region which are hard to back-fill (#27)
- workplace deaths or injuries (#31)
• increased road safety risk due to degradation of the dirt roads (Plenty Highway and local roads) (#34)
• cumulative impacts of the five major minerals projects in Central Australia (#38).

This SIMP lists all social risks and opportunities, their residual risk ratings and suggested mitigation and ongoing management measures, including commitments by KGL Resources in relation to its ongoing social performance.

2. Project outline

KGL Resources (KGL or the company) is an Australian-based mineral exploration company listed on the Australian Securities Exchange. KGL is focused on the Jervois Base Metal Project (the project) which it acquired in 2011.

The Jervois mine site has a long history, with numerous mining and mineral exploration companies operating at the site since 1929. KGL Resources proposes to reopen and develop the Jervois Base Metal Project.
KGL Resources proposes to develop a copper, zinc and lead mine and processing plant at the site, 380 kilometres north-east of Alice Springs, off the Plenty Highway in the Northern Territory. The project is on the Jervois Pastoral Lease close to the Bonya Indigenous community, and the Jervois and Lucy Creek pastoral stations.

The project will involve open-cut and underground mining to extract high grade copper, silver, gold lead and zinc, and onsite processing of these minerals. The base metal concentrate will then be trucked along the Plenty and Stuart Highways to Alice Springs, and transported by rail to Darwin or Adelaide.

It is estimated that the mining workforce will peak at approximately 360 staff during construction, reducing to 300 personnel when operational. These figures include all contractors, sub-contractors, offsite support, supply, fabrication and engineering support personnel employed directly and indirectly by the project. Workers will operate on a bus-in-bus-out or fly-in-fly-out basis depending on where they are located and will be housed in on-site accommodation.

This SIMP covers construction of the mine and supporting infrastructure, then the extraction, processing and transport of concentrate by road to Alice Springs and rail to Darwin or Adelaide. It includes initial construction and workforce traffic along the Plenty Highway and Lucy Creek Road, workers’ accommodation on the project site near the proposed mine, and associated mine buildings and infrastructure.

3. Plan

This Social Impact Management Plan (SIMP) is intended as a stand-alone document that summarises significant impacts and opportunities of the project and outlines management plans to guide the company’s long-term social performance. In essence, it covers impacts and opportunities from the perspective of the people whose lives, livelihoods and lifestyles are affected by the project.

The plan summarises key findings of the Social Impact Assessment (SIA) and outlines the management measures KGL Resources will take to avoid or minimise negative impacts and enhance potential benefits of the project.

The SIMP assumes:

- ongoing community input to the company’s social performance, such as through a local liaison committee involving traditional owners, local government, government, pastoralists and other local people where community stakeholders can raise issues
- ongoing measurement against key indicators so progress can be monitored on issues such as local content and jobs, incidents involving worker behaviour, pressure on government services such as health, implementation of commitments programs, and operation of grievance procedures
- annual public reporting to both the community and KGL Resources’ Board against these indicators in a simple format, such as an annual report card or sustainability report

- management will be held accountable for the company’s ongoing social performance, by reporting to KGL Resources’ Board against agreed management plans and commitments and associated key performance criteria.

The SIMP is intended to be a practical, succinct and readable document. It allows for a flexible, adaptive approach to identify and respond to emerging issues and considers long-term legacies of the project over the life cycle of the mine.

3.1 Methodology

Scoping for the SIA informed a risk and opportunities workshop, adopting methodology in line with the AS/NZS ISO 31000:2009 Risk Management – Principles and guidelines, with ratings further refined after fieldwork.

The SIA profiled the communities affected by the project, gathered baseline data, then used qualitative data from interviews to complete the picture of the project’s social context and predict likely impacts and opportunities. The impacts are both positive and negative, direct and indirect and long and short-term. Some impacts may be unintended or difficult to manage. Ratings are higher where there is uncertainty or potential loss of life.

Based on an initial issues analysis, potential impacts were categorised using the International Association for Impact Assessment (IAIA) Principles’ (Vanclay, 2003) and Guidelines’ (Vanclay et al., 2015) description of social impacts as those that impact on:

- **people’s way of life**: how they live, work, play and interact with each other
- **their culture**, or shared beliefs, customs, values, language or dialect
- **their political systems**, or the extent to which people can participate in decisions that affect their lives
- **their environment**, including the quality of air and water, food, the level of hazard, dust and noise, physical safety and access to natural resources
- **their health and wellbeing**, which is a state of complete physical, mental, social and spiritual wellbeing and not merely the absence of disease or infirmity
- **their personal and property rights**, including a violation of their civil liberties
- **their fears and aspirations**, including perceptions of safety, fears about the future of their community and aspirations for their future and the future of their children.
3.2 The concept of social sustainability

The concept of social sustainability is based on ensuring a positive legacy beyond the life of a project. For a project to be ‘sustainable’ it must be economically, technically, environmentally and socially beneficial for both the company and the community, taking particular account of impacts on vulnerable or disadvantaged peoples.

3.3 Community consultation

The community consultation program ran from 23 February to 22 March 2018 with most of the interviews and briefings taking place between 16 and 22 March in Alice Springs, Harts Range (Atitjere), Bonya, and at the Jervois project site.

Consultation was guided by a community consultation and communication strategy and materials that helped explain elements of the project to diverse audiences. (See Community Consultation Report for more detail.)

3.4 Requirements of the Northern Territory Environment Protection Authority

The Northern Territory Environment Protection Authority’s (NTEPA) guidelines for preparing an Economic and Social Impact Management Plan states that a SIMP establishes the roles and responsibilities of the proponent, government, stakeholders and the community in mitigating and managing impacts and making the most of opportunities through the life of a project. At a minimum the plan should:

- include a summary of the SIMP
- include an outline of current and proposed stakeholder engagement strategies
- prioritise potential social impacts predicted in the SIA
- outline mitigation and management strategies for identified risks, including a register of agreed activities and commitments
- incorporate monitoring, reporting and review mechanisms, and mechanisms to resolve new and emerging issues as they transpire and to amend the SIA
- include a communication strategy.
4. Key findings

KGL Resources is reopening and developing a mining project on an existing mine site with a long history of mining activity. Some of the social impacts are therefore likely to have a lower impact than if it were a new mining project.

The SIA identifies the key opportunities from the project as being the opportunities for jobs and training for local Indigenous people (as long as expectations remain realistic about the likely take-up rates), jobs for local Alice Springs residents, and local procurement of goods and services.

Key negative impacts identified include increased industrial traffic on unsealed roads, which has implications for the tourism industry, pastoral productivity, other road users and road safety for both mine workers and the public. On the other hand, any upgrading of local infrastructure such as roads will deliver social and economic benefits. A fear of the impact to water resources has also been identified as a key negative impact, particularly because of the recent decision regarding fracking in the Northern Territory, which has escalated public debate about mining activity and its impacts on water resources in an arid environment.

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+ local content targets not met due to lack of capacity or skills (#22)
+ not meeting expectations of a boost to local and/or regional economy (#25)
+ project recruitment draws good workers away from existing jobs in the region which are hard to back-fill (#27)
+ workplace deaths or injuries (#31)
+ increased road safety risk due to degradation of the dirt roads (Plenty Highway and local roads) (#34)
+ cumulative impacts of the five major minerals projects in Central Australia (#38).

For those negative impacts considered unlikely, risk ratings may remain high simply because of the consequences of them occurring, particularly where there is loss of life or sacred sites.

Many impacts are intangible and hard to control, with the level of uncertainty reflected in some ratings.
## Impacts and opportunities for people and communities

<table>
<thead>
<tr>
<th>Impacts and opportunities</th>
<th>#</th>
<th>Residual rating</th>
<th>Mitigation or enhancement</th>
<th>Indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increased road trauma on local roads due to project traffic</td>
<td>1</td>
<td>High</td>
<td>Regulations around truck movements/times.</td>
<td>Number of road trauma incidents involving property damage, death or injury.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Traffic Management Plan.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Road safety initiatives and traffic management procedures.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Community liaison; stakeholder engagement; good communication.</td>
<td></td>
</tr>
<tr>
<td>Increased road trauma for workers</td>
<td>2</td>
<td>High</td>
<td>Traffic management plan; OH&amp;S plans.</td>
<td>Number of incidents involving death or injury of workers while in transit.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Strict guidelines and codes of behaviour for bus drivers transporting workers.</td>
<td></td>
</tr>
<tr>
<td>Dust and reduced amenity for nearby communities and residents due to project traffic</td>
<td>3</td>
<td>Low</td>
<td>Traffic Management Plan to include speed limits, road watering.</td>
<td>Number of complaints on amenity issues; Level of community concern (survey).</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Community liaison; stakeholder engagement; good communication.</td>
<td></td>
</tr>
<tr>
<td>Mine/mine workers not adhering to terms of MOU with nearby community (Bonya)</td>
<td>4</td>
<td>Low</td>
<td>Worker code of conduct.</td>
<td>Number of complaints from community. Level of community concern (as measured in a survey).</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Cross-cultural training as part of induction.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Culture and Heritage Plan.</td>
<td></td>
</tr>
<tr>
<td>Honeypot' effect - Influx of Indigenous people back to communities for work/royalties</td>
<td>5</td>
<td>Low</td>
<td>Good communication to manage expectations.</td>
<td>Demographic data and trends.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Community liaison.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Worker code of conduct covering offsite activities.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Liaison with community to understand what access is important.</td>
<td></td>
</tr>
<tr>
<td>Fears of impacts to water resources</td>
<td>7</td>
<td>Moderate</td>
<td>Environmental Management Plan.</td>
<td>Concerns about project’s use of water (survey).</td>
</tr>
</tbody>
</table>

*Jervois Project Social Impact Management Plan*
4.1.1  **Key findings relating to people and communities**

- The impacts from project traffic are mainly because the Plenty Highway is mostly unsealed from Jervois to the Stuart Highway. Although KGL Resources has mitigation measures in place, successful lobbying of the Northern Territory Government for early sealing of the Plenty Highway between Jervois station and the Stuart Highway will significantly reduce those negative impacts.

- A key health, safety and wellbeing risk is likely to arise from road trauma because of poor roads, the likely volume and mix of traffic and the consequences of any incident.
• The risk also applies to workers travelling by bus from Alice Springs and while on site. The likelihood of trauma to workers is reduced through restricting workers from driving to site however an incident involving vehicles transporting workers to and from site is still possible. The risk remains high due to the consequence of any incident.

• KGL Resources and Bonya community have developed a Memorandum of Understanding (MOU) to ensure good relations between the mine and the community. The MOU stipulates an alcohol-free project site, which KGL Resources has supported, however all new employees will need to understand the significance of the MOU with the community.

• There could be an in-migration of families to Bonya or Atitjere to access jobs and benefits from the project, given the high level of mobility and the connections of people dispersed across the region, which could generate friction between families.

• The fears about use of water resources may arise due to the scarcity of water in the arid environment and recent public debate about fracking in the Northern Territory.

• Community benefits distributions could improve community infrastructure, but the extent of investment is largely a matter for agreement-making with traditional owners, which is confidential.

4.1.2 Management and mitigation

• Traffic management plan and road safety initiatives, regular maintenance of the unsealed roads (noting that the Northern Territory Government is responsible for public road maintenance) and liaison with stakeholders around optimum times for truck movements.

• A worker code of behaviour for all onsite employees to include any specifics relating to the MOU to ensure employees adhere to the terms of the agreement. This will be strengthened with cross-cultural training for all employees to build awareness and understanding of the culture of the Arrernte and East Arrernte people of Bonya, Atitjere and the surrounding area.

• Whilst at the project site, employees will be required to remain onsite at all times when not working to avoid trespassing on culturally significant areas or interfering with pastoral activity.

• Communicating openly with pastoralists, Bonya and Atitjere residents and Arid Lands Environment Centre about water use and sources, and providing updates on the water monitoring results will help to reduce fears about water use.
• Limiting cash payments and working with the CLC to distribute royalty money in the form of investment in community development and social infrastructure and education.
• Developing a sponsorship plan and communicating with the local community about KGL’s initiatives to support the local community and events.
• Good communication to manage expectations about jobs and ‘money’ matters.

4.2 Impacts on services and infrastructure

<table>
<thead>
<tr>
<th>Key risks and opportunities for infrastructure and social services</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Risks and opportunities</strong></td>
</tr>
<tr>
<td>-----------------------------------</td>
</tr>
<tr>
<td>Pressure on local services (health, police)</td>
</tr>
<tr>
<td>Increased pressure on emergency response capabilities</td>
</tr>
<tr>
<td>Project activity justifies improved infrastructure</td>
</tr>
</tbody>
</table>

4.2.1 Key findings relating to services and infrastructure

• There is likely to be minimal impact on health services as KGL will provide its own, and there is expected to be minimal increased demand for education services from families moving back to Bonya and Atitjere.
• Demand for police services may increase slightly as a result of alcohol abuse in communities, however police believe they have the capacity to absorb this.
• The condition of local roads and potential for increased road trauma would put pressure on local emergency response capacity, while the incidence of bushfires is unlikely to increase given firebreaks and careful controls.
• The project could contribute positively to social infrastructure, particularly early upgrades to the Plenty Highway that would provide social, safety and economic benefits to other users including pastoralists, the community, tourists, government services and workers visiting communities. Other improvements to local infrastructure includes upgrades to the Bonya airstrip by KGL.

4.2.2 Management and mitigation

• Work with the Northern Territory Government to seek approval for early sealing of the remaining approximate 200 kilometres of the Plenty Highway between Jervois and the Stuart Highway.
• KGL to ensure regular health checks of workers and have first response medical capability to reduce pressure on local health clinics.
• KGL to have trained emergency response teams on site.
• KGL to install appropriate firebreaks and safety precautions.

4.3 Education and employment

### Risks and opportunities for employment and education

<table>
<thead>
<tr>
<th>Risks and opportunities</th>
<th>Residual rating</th>
<th>Mitigation or enhancement</th>
<th>Indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expectations of local jobs not met</td>
<td>Low</td>
<td>Local employment and training plan. Work with local employment and training providers. If expectations are not met, good communication will be required.</td>
<td>Number of locals who win jobs. Number of unsuccessful local applicants. Number of training courses attended by local people. Retention rates for local workers. Proportion of workforce that is local.</td>
</tr>
<tr>
<td>Low take up of jobs by local Indigenous people due to lack of work-readiness, structural and cultural issues.</td>
<td>Moderate</td>
<td>Indigenous employment and training plan. Work with local employment and training providers. Workforce planning to address barriers to employment. Support structures for</td>
<td>Number of local Indigenous people who win jobs. Number of unsuccessful local Indigenous applicants. Retention rates for local Indigenous workers. Proportion of workforce that is local Indigenous.</td>
</tr>
</tbody>
</table>
| Improved educational outcomes for local Indigenous people | 14 | Moderate | Indigenous employment and training plan.  
Work with local employment and training providers.  
Collaborate with other major resource projects in the region on training and education programs. | Number of relevant training courses attended by local Indigenous people.  
Employment and retention rates of local Indigenous people.  
Number of local Indigenous people in paid employment compared to previously. |
| Opportunities for direct and indirect jobs and training for local Indigenous people | 15 | Opportunity High | Indigenous employment and training plan.  
Work with local employment and training providers to provide advance notice of jobs.  
Communication with other major resource projects in the region to employ Indigenous workers as project phases end.  
Workforce planning that reduces structural and cultural barriers to work. | Number of locals who win jobs.  
Retention rates for local workers.  
Local Indigenous proportion of workforce. |
| Opportunities for jobs for people in Alice Springs | 16 | Moderate | Local employment and training plan.  
Work with local employment and training providers. | Number of Alice Springs residents who win jobs.  
Retention rates for Alice Springs workers.  
Alice Springs proportion of workforce. |
4.3.1 Key findings relating to employment and education

- Three Bonya residents are employed at the project site and there is a sense of enthusiasm and anticipation about future job opportunities on the project in Bonya. A willingness to work will need to be matched with the necessary work-ready skills to ensure successful employment of local community residents.

- There are high levels of unemployment and disengagement among Indigenous people in the region, but this does not mean a ready pool of workers due to the barriers of disadvantage, family and cultural obligations and willingness to work at a mine.

- There are virtually non-existent levels of unemployment among non-Indigenous residents in the region, many of whom are transient, come to the region for jobs and leave either for other work or because their children have reached school-age and they move back to live closer to family.

- The project offers great opportunities for local jobs and the mine is likely to meet expectations as long as they are realistic, KGL implements a local employment and training plan, works with employment and training providers, provides support to workers and can accommodate cultural and family obligations.

4.3.2 Management and mitigation

- Develop an Indigenous employment and training plan to address barriers to employment and include support mechanisms.

- Work with local employment and training providers.

- Arrange training courses to help local people get jobs on the project that are most suited to their skills and capabilities.

- Develop policies for workers including mentoring and inductions to provide a safe and welcoming workplace for Indigenous men and women.

- Collaborate with the other major resource projects in the region on training and education programs and employment opportunities. Jemena may have trained and employed local Indigenous people for the Northern Gas Pipeline, but these workers may not continue employment as the work moves further afield.
### Business and economic risks and opportunities

<table>
<thead>
<tr>
<th>Risks and opportunities</th>
<th>#</th>
<th>Residual rating</th>
<th>Mitigation or enhancement</th>
<th>Indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reduced productivity of pastoralists due to project traffic</td>
<td>19</td>
<td>Low</td>
<td>Traffic Management Plan. Stakeholder engagement and good communication with pastoralists. Liaise with Government on early sealing of section of highway.</td>
<td>Feedback from pastoralists.</td>
</tr>
<tr>
<td>Reduction in tourist activity in the region due to project traffic</td>
<td>20</td>
<td>Moderate</td>
<td>Traffic Management Plan. Liaise with NT Government on early sealing of section of highway from Jervois to Gemtree Caravan Park. Good communication and engagement with key tourism stakeholders. PR strategy regarding traffic/road safety around mining trucks.</td>
<td>Tourism visitation figures. Reduction in road traffic on the Plenty Highway during peak tourist period. Feedback from tourism operators.</td>
</tr>
<tr>
<td>Local content targets not met due to lack of capacity or skills</td>
<td>22</td>
<td>Moderate</td>
<td>Local Industry Participation Plan. Work with ICN NT, NT Government, Chamber, REDCs to package and promote tenders to suit local capacity, boost skills, prepare businesses for competitiveness and standards required by KGL.</td>
<td>Number of local contracts awarded. Value of local contracts awarded. Complaints from local companies.</td>
</tr>
<tr>
<td>Expectations of a boost to local and/or regional economy not met</td>
<td>25</td>
<td>Moderate</td>
<td>Local Industry Participation Plan. Work with ICN NT, NT Government, Chamber, REDCs to package and promote tenders to suit local capacity, boost skills, prepare businesses for competitiveness and standards required by KGL.</td>
<td>Number of local contracts awarded. Value of local contracts awarded. Complaints from local companies. Number of locals employed.</td>
</tr>
<tr>
<td>Reduced productivity of other sectors</td>
<td>26</td>
<td>Low</td>
<td>Local Industry Participation Plan</td>
<td>Economic indicators.</td>
</tr>
</tbody>
</table>
### Key findings relating to business and economic impacts

- Pastoral productivity could be disrupted by aspects of the project, most particularly traffic on local roads, however this is likely to be confined to the winter months when most cattle trucks are travelling along the Plenty Highway.
- Although road maintenance may improve conditions, sharing the road with frequent large mining vehicles is likely to deter many caravan tourists, particularly those less experienced on unsealed roads. The winter months are the peak tourist season, and any decrease in numbers will affect Gemtree Caravan Park Caravan Park.

| Impacts on productivity from loss of staff to the project and difficulties backfilling | 27 | Moderate | Look at joint training initiatives that help with backfilling. Community liaison, stakeholder engagement, good communication. | Number of staff coming from other local jobs. Job vacancies. |
| Displacement of other economic sectors through crowding out | 28 | Low | Recruitment strategy that seeks locals, then encourages FIFO workers to relocate to Alice Springs. Fly or bus workers direct to site. | Occupancy rates of short-term accommodation. Number of bed nights used by the project in Alice Springs. Number of seats taken up on regional flights. Cost and availability of regional flights. |
| Local economy in nearby communities boosted | 21 | Moderate | Local Industry Participation Plan. MOU with Bonya. Work with NT Government business development staff. | Number of local Indigenous people employed on the project. Number of families who relocate. |
| Regional economy boosted | 23 | Moderate | Local Industry Participation Plan. Work with ICN NT, NT Government, Chamber, REDCs to package and promote tenders to suit local capacity. | Number of local contracts awarded. Value of local contracts awarded. Change in regional GSP. |
| Boost to local businesses by winning work on the project | 24 | Moderate | Local Industry Participation Plan. Work with ICN NT, NT Government, Chamber, REDCs to package and promote tenders to suit local capacity. | Number of local contracts awarded; Value of local contracts awarded. |
• The nature and scale of the project is likely to suit the experience and capacity of small businesses in Alice Springs, leading to good local content outcomes, however good communication will be important in flagging KGL’s procurement standards and managing any unrealistic expectations.
• There may be small contracting opportunities for Bonya and Atitjere, but these will likely require support to ensure business opportunities for the communities are realised. The Northern Territory Government provides a range of business support programs. The Bonya community and broader traditional owner group may be able to leverage off the project and community benefits package negotiated under the Indigenous Land Use Agreement to set themselves in businesses providing services to mining, such as horticulture, facilities management, transport and labour hire.
• The size of the Jervois project is unlikely to have a major impact on the Central Australian economy despite some local expectations, however there could be cumulative impacts if other major resource projects proceed.
• It is unlikely that business productivity will be affected by local businesses prioritising work for the Jervois project.
• Local professionals may be attracted to higher wages at the mine and Indigenous people in local government jobs may leave their current jobs for higher wages or because the project offers a chance to work on their own country.
• Displacement of tourism by the project is unlikely given the number of available jobs on the project, the commitment to employ locals, and the availability of accommodation and flights to and from Alice Springs.

4.4.2 Management and mitigation

• Stakeholder engagement and ongoing communication with pastoralists on truck movements.
• Working with the Northern Territory Government to seek approval for early sealing of the Plenty Highway between Jervois and the Stuart Highway.
• A traffic management plan and road safety strategy to minimise impacts of project trucks on tourist traffic.
• Working closely with the ICN NT, Chamber of Commerce and Northern Territory and Australian Governments to package tenders in a way that suits local businesses (where this is commercially reasonable), communicate opportunities and manage expectations.
• KGL will prepare a Local Industry Participation Plan as part of its obligations under the Project Development Agreement with the NT Government (as a result of being awarded major project status).
• Work with Bonya and Atitjere to support business development initiatives that support the Jervois project and the communities.
• KGL will contribute to regional training programs that enhance the skills of potential staff, but which may also help other employers backfill positions of staff moving to work at the mine.
• KGL will have a recruitment strategy that seeks local employees and encourages FIFO workers to relocate to Alice Springs to minimise impacts to flights and short-term accommodation.

4.5 Health, safety and wellbeing

<table>
<thead>
<tr>
<th>Risks and opportunities for health, safety and wellbeing</th>
<th>#</th>
<th>Residual rating</th>
<th>Mitigation or enhancement</th>
<th>Indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health and social impacts arising from interaction between locals and a predominantly male workforce</td>
<td>30</td>
<td>Low</td>
<td>Reduce interaction of FIFO workers with locals (straight to plane or bus). Worker code of conduct.</td>
<td>Reports of issues concerning interactions between locals and workers. Increase in local rates of STDs.</td>
</tr>
<tr>
<td>Workplace deaths or injuries</td>
<td>31</td>
<td>Moderate</td>
<td>Workplace health and safety standards. Site safety inductions. Pre-employment medicals. Worker code of conduct.</td>
<td>Number of workplace deaths or injuries.</td>
</tr>
<tr>
<td>Reduced sense of safety and wellbeing in nearby communities</td>
<td>32</td>
<td>Low</td>
<td>Worker code of conduct. Drug and alcohol testing. Human resource management strategies.</td>
<td>Increase in complaints or reports to police. Feelings of safety and wellbeing.</td>
</tr>
<tr>
<td>Reduced community or social cohesion and resilience</td>
<td>33</td>
<td>Low</td>
<td>Communicate with Central Land Council, Police. Community liaison. Increase in complaints or reports to police. Feelings of safety and wellbeing.</td>
<td></td>
</tr>
<tr>
<td>Increased road safety risk due to degradation of the dirt roads (Plenty Highway and local roads)</td>
<td>34</td>
<td>Moderate</td>
<td>Traffic management plan. Upgraded local roads. Maintenance of roads. Number of road trauma incidents involving property damage, death or injury.</td>
<td></td>
</tr>
</tbody>
</table>

### 4.5.1 Key findings relating to health, safety and wellbeing

- A key health, safety and wellbeing risk is likely to arise from road trauma because of poor roads, the likely volume and mix of traffic and the consequences of any incident (this is largely covered elsewhere).
- A worker code of conduct will minimise workers interaction with the community to avoid potential social and health issues.
- FIFO work and living in workers’ accommodation away from home and family can give rise to loneliness and mental health issues for workers, which will be addressed with human resource plans.
- A moderate rating for workplace deaths and injuries is due to the consequence of this occurring. Workplace health and safety, site safety inductions, pre-employment medical checks and worker code of conduct will minimise the risk.
- Crime and anti-social behaviour as a result of workers bringing drugs or alcohol on site is unlikely however strict codes of conduct for workers will help to manage this. Human resource management strategies to deal with any incidents and deter future incidents will also help to manage this impact.
- Tensions in Bonya and Atitjere may arise as a result of some people being employed and receiving wages, leading to jealousy, humbugging for money and increased access to alcohol. This can lead to increased alcohol related violence in the communities.
- Pastoralists and locals could feel their quality of life has been reduced by the presence of industrial activity and workforce nearby, although this risk is mitigated to some extent by their previous experience of mining.
4.5.2 Management and mitigation

- Good human resource practices and mentoring and support for Indigenous staff.
- Strict worker code of conduct, site safety inductions and pre-employment medical checks.
- Manageable FIFO rosters and human resource policies that focus on worker welfare.
- Workplace health and safety standards.
- Drug and alcohol policies and testing at the worksite.
- Good communication with the community, police and Central Land Council.
- Traffic management plan.
- The Northern Territory Government maintaining unsealed roads where project traffic impacts the road and road safety.

4.6 Culture

<table>
<thead>
<tr>
<th>Risks and opportunities</th>
<th>#</th>
<th>Residual rating</th>
<th>Mitigation or enhancement</th>
<th>Indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reduced cultural and spiritual connections to country or cultural offence</td>
<td>35</td>
<td>Low</td>
<td>Cultural heritage survey. Community liaison and communication. MOU with Bonya community. Cross cultural inductions for staff.</td>
<td>Complaints about reduced access.</td>
</tr>
</tbody>
</table>

4.6.1 Key findings on culture

- Any destruction or damage to sacred sites or sites of special significance would cause distress to traditional owners and cause a loss of cultural and spiritual connections to country.
- This can be controlled through proper clearances, working with the Central Land Council and Aboriginal Areas Protection Authority, consulting with traditional owners, site safety inductions, good management plans such as the Environmental Management Plan and marking of sites. Any deliberate or inadvertent damage would be serious.
4.6.2 Management and mitigation

- Site safety inductions.
- Environmental management plan.
- Cross-cultural inductions for all workers to increase cultural awareness.
- Code of conduct for workers.
- Observance of the terms of clearance certificates and restricted works areas.
- Involving traditional owners in surveys where required and seeking advice before any potentially disturbing activities.

4.7 Environment

<table>
<thead>
<tr>
<th>Risks and opportunities</th>
<th>#</th>
<th>Residual rating</th>
<th>Mitigation or enhancement</th>
<th>Indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fear of impacts to water resources – values-based</td>
<td>36</td>
<td>Low</td>
<td>Environmental Management Plan Good communication to clearly explain project’s use of water and expected impacts. Provide updates on the results of water monitoring.</td>
<td>Concerns about projects use of water (survey). Complaints.</td>
</tr>
</tbody>
</table>

4.7.1 Key findings on environment

- The fears about use of water resources may arise due to the scarcity of water in the arid environment and recent public debate about fracking in the Northern Territory.

4.7.2 Management and mitigation

- Proactive and open communication with pastoralists, Bonya and Atitjere residents and the Arid Lands Environment Centre about water use and sources, and providing updates on the water monitoring results will help to reduce fears about water use.
- Environmental management plan.
4.8 Human rights

<table>
<thead>
<tr>
<th>Risks and opportunities</th>
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<th>Residual rating</th>
<th>Mitigation or enhancement</th>
<th>Indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reduced enjoyment of human rights, through racism, inequitable work practices, breaches of labour laws, native title holders not providing free, prior and informed consent</td>
<td>37</td>
<td>Low</td>
<td>Cross-cultural inductions.</td>
<td>Complaints about breaches of human rights.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Code of conduct.</td>
<td>Complaints about lack of free, prior and informed consent.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>HR management plan.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Culturally-appropriate communication.</td>
<td></td>
</tr>
</tbody>
</table>

4.8.1 Key findings on human rights

- Impact assessment is paying increased attention to potential, intentional or inadvertent breaches of human rights, from breaches of labour laws, racism, recruitment and workplace practices that may create inequitable opportunities or burdens for female workers.
- While unlikely for this project, the issue is raised to allow for proactive management.
- Not obtaining free, prior and informed consent from native title holders is the responsibility of the Central Land Council, and an Indigenous Land Use Agreement has been issued, however KGL can contribute through transparent and appropriate communication on the project.

4.8.2 Management and mitigation

- Cross-cultural inductions for all workers, including management.
- Consideration of potential human rights issues in human resource planning and practice.
- Worker codes of behaviour that address any issues that could lead to breaches.
- Appropriate grievance procedures and remedies for workers to raise any concerns.
- Central Land Council identifying native title holders and managing negotiations on their behalf.
- Good communication with traditional owners about all aspects of the project timing, scale, likely disruption and implications.
4.9 Cumulative impacts

### Risks and opportunities for cumulative impacts

<table>
<thead>
<tr>
<th>Risks and opportunities</th>
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<th>Residual rating</th>
<th>Mitigation or enhancement</th>
<th>Indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cumulative impact of the five major projects in Central Australia coming on line at the same time. Cumulative impacts create pressure on workforce availability, services, and inflationary pressures.</td>
<td>38</td>
<td>Moderate</td>
<td>Stakeholder engagement and communication. Liaise with other proponents and take account of cumulative impacts.</td>
<td>Number of projects operating in the region at the same time.</td>
</tr>
<tr>
<td>Cumulative impacts can enhance the opportunities – local jobs, economic benefits, Indigenous employment and education outcomes.</td>
<td>38</td>
<td>Moderate</td>
<td>Stakeholder engagement and communication. Liaise with other proponents and take account of cumulative impacts.</td>
<td>Number of projects operating in the region at the same time.</td>
</tr>
</tbody>
</table>

**4.9.1 Key findings**

- Cumulative impacts may arise when multiple projects are operating in an area at the same time, including competition for staff, compounding pressure on services and multiple and interacting pressures on the environment.
- KGL will have little control over cumulative impacts other than to liaise with other proponents to provide joint planning of activities if possible or to transition workers and contractors from one project to the next (e.g. from the Northern Gas Pipeline).
5. Commitments Register

Below is a summary of KGL Resources’ commitments:

<table>
<thead>
<tr>
<th>Commitment</th>
<th>Responsibility</th>
<th>Accountability</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Establish liaison committee</td>
<td>KGL Resources to discuss format with Central Land Council (CLC), traditional owners and other community leaders, including proposed governance and leadership. KGL to facilitate.</td>
<td>Annual report to liaison committee and submitted to KGL Resources Board.</td>
</tr>
<tr>
<td>2 Agree on indicators to be monitored</td>
<td>Liaison committee to discuss risks and opportunities identified in this SIMP and agree on indicators to be measured, how often and reporting.</td>
<td>Annual report to include measurement of agreed indicators against baseline data in SIA.</td>
</tr>
<tr>
<td>3 Grievance register</td>
<td>KGL to establish a register to be maintained by site management, with agreed protocols and response times for responding to complaints and escalation flow chart. KGL to commit to appropriate responses in the event of complaints, from communication to redress and remedy or compensate.</td>
<td>Number and type of complaints to be reported on in annual environmental report, together with an outline of how complaints were resolved.</td>
</tr>
<tr>
<td></td>
<td>Management plans</td>
<td>All issues raised in this SIMP to be addressed in other appropriate management plans where relevant, including:</td>
</tr>
<tr>
<td>---</td>
<td>-----------------</td>
<td>----------------------------------------------------------------------------------------------------------</td>
</tr>
</tbody>
</table>
| 4 | Management plans | • Traffic management plan  
• OH&S plan  
• Local industry participation plan  
• Indigenous employment and training plan  
• HR management plan  
• Environmental management plan (including cultural heritage protection) | |
<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
</table>
|   | • Site safety management plan  
    • Worker code of conduct  
    • Sponsorship  
    • Workplace and employment plan. |   |
| 5 | Indigenous employment | Workplace and employment plan to include provisions to enhance Indigenous employment and retention and coordination with government and service providers. |
|   | Report to liaison committee on progress. |   |
| 6 | Industry Participation Plan | As part of Project Development Agreement, KGL to produce an Industry Participation Plan outlining how it will work with the ICN NT, Chamber of Commerce and NT Government to maximise local content for the project. |
|   | Annual report on value and number of local contracts. |   |
| 7 | Sponsorship and community investment | As part of any benefits agreement negotiated through the CLC, KGL will seek opportunities to invest in community development, community infrastructure, sport and education and scholarships for young people. |
|   | Annual report on sponsorships to liaison committee. |   |
| 8 | Worker policies | KGL will prepare worker policies covering the behaviour of staff, contractors and sub-contractors to address all issues raised in this SIMP. This includes issues such as restrictions on private vehicles, alcohol, drugs, firearms and pets, not leaving Policies will be public documents. |   |

_Jervois Project Social Impact Management Plan_
<table>
<thead>
<tr>
<th>Section</th>
<th>Activity</th>
<th>Details</th>
<th>Reporting</th>
</tr>
</thead>
<tbody>
<tr>
<td>the worksite except for authorised work purposes, respecting all sacred and cultural sites, drug and alcohol tests and general standards of behaviour.</td>
<td>Cultural inductions</td>
<td>All staff, including management and contractors, will attend cultural inductions before starting work. This will be included in the mandatory site safety induction.</td>
<td>HR records of attendance at these inductions.</td>
</tr>
<tr>
<td>9</td>
<td>Rehabilitation</td>
<td>KGL will work with the liaison committee and local people to plan its land management and rehabilitation activities and look at opportunities to hire staff or award contracts to local people, including potential commercial opportunities for seed gathering, nurseries and revegetation.</td>
<td>KGL will report on the success of this to the liaison committee.</td>
</tr>
<tr>
<td>10</td>
<td>Monitoring results</td>
<td>KGL will share monitoring results of interest to the community, such as water monitoring.</td>
<td>To be reported in the annual environmental report.</td>
</tr>
</tbody>
</table>
| 11 | Communication and engagement | KGL will maintain good communication and engagement with the community through the following:  
• community updates on the project, distributed by email to key stakeholders and placed on community noticeboards  
• posting regular updates and community reports on a project page of the company’s website  
• ongoing liaison with nearby pastoralists and Bonya community as needed  
• holding site visits/open days for the community, | Communication and engagement activities to be reported in the annual environmental report. |
particularly for the families of staff
- conducting annual satisfaction surveys with key stakeholders
- maintaining a well-publicised inquiry line and email
- open and honest communication of any incidents in breach of these commitments.

In addition, KGL will communicate with Gemtree Caravan Park and other tourism stakeholders during peak tourist periods.

| 13 | Cultural access | KGL will ensure that traditional owners have reasonable access to all cultural or significant sites on its mineral leases. | Liaison with project management and recording of requests. |