

21 October 2024

Dear Neighbour

Anglo American update

I have spoken to many of you recently, but we just wanted to provide a written update in light of the changes over the last few months.

As you may recall, at the start of last year, due to financial pressures, Anglo American stated that it was undertaking a strategic review of its global assets, including the Woodsmith Project, that would determine the future shape of the company. On 14 May this year, following rejecting takeover offers from the mining company BHP, Anglo American announced that it had completed its asset review and planned to accelerate the delivery of its new strategy.

This made clear that the Woodsmith Project, along with its copper and iron ore assets, were central to the future of Anglo American, whilst a number of the company's other mining businesses would be sold.

In the short term however, in order to strengthen the company balance sheet, the difficult decision was taken to reduce the budget for the Woodsmith Project. As a result, work on the project is temporarily slowing down over the next two years.

The announced changes to the project's scope of works are now being implemented, with work at the service shaft and tunnel continuing; and other elements of the project starting to be safely paused and placed under care and maintenance.

A reduction in the scope of works will impact the size of the project workforce. Overall, we anticipate that the direct number of people working on the project will be approximately 900 by early-2025, which is a reduction of around 60% compared to earlier this year. We are about halfway through the expected job losses.

Where possible, our contractors are redeploying staff, and this process has begun with around 200 people already moving to other projects. We have been asked about our apprentices and I'm pleased to say that the current cohort of apprentices are all unaffected by the slowdown.

We have welcomed the support of officers from local councils, combined authorities, National Careers Service, training providers and others, who are working closely with our team to ensure that impacted people across the project are able to access all the support that is available to them. In addition, numerous businesses and networks have been contacted to raise awareness of the available talent pool and to ask them to share their vacancies with us.

We are holding drop-in events, on and off-site, and expect to be able to help almost all of the people who have expressed interest so far to access the training they have requested, or with business start-up support. We are also providing jobsearch support, help with updating CV's, and access to careers guidance and wellbeing services. This support is available to everyone across the project who is impacted – both Anglo American and our contractor partner workforce.

As regards construction, the decision was made to continue to sink the Service Shaft at Woodsmith Mine through the Sherwood Sandstone, whilst pausing the Production Shaft.

Tunnelling works are paused for planned maintenance works at the moment and will restart at a slower rate in the next couple of months. The grout plant has now moved from Lockwood Beck intermediate shaft site to the Ladycross site as planned, and work is ongoing on the connecting passage from the bottom of the Ladycross shaft to the tunnel. Workers will start to access the tunnel from Ladycross rather than Lockwood when tunnelling restarts.

Our social programmes that support young people will continue and our employment and business programmes are being refocused to support the Woodsmith Project workforce and businesses impacted by the slowdown. Skills 4 Work, the team of young people helping out in the communities around our sites, are still active three days a week as usual. If you can think of any jobs in your village, please do get in touch.

Some of you have asked me about media reports about Anglo American signing Memorandums of Understanding (MOUs) with two Chinese companies. We have signed MOUs with Sinochem Fertilizer and BeiFeng AMP, two major fertiliser businesses that will work with us to further develop the market for polyhalite in China.

We would like to assure you that Anglo American retains its belief in the value of the Woodsmith Project and work is ongoing across the company, including efforts to secure a syndication partner, that will enable the project to ramp back up and deliver long-term benefits in our area.

Community meetings

The next Liaison Group Forum meeting will be on Thursday 24th October, 11.00 am at Hawsker Village Hall.

Our regular community drop-in sessions will continue as set out below.

Date	Location
October 23	Hawsker Village Hall
November 22	Eastside Community Hub, Whitby
November 27	Sneaton Village Hall
December 3	Egton Village Hall

As always, please do not hesitate to contact me if you have any questions or concerns.

Yours sincerely



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