

2022

MODERN SLAVERY STATEMENT



NEW CENTURY
RESOURCES

Modern Slavery Statement

1 Introduction

This statement has been prepared by New Century Resources Limited (ABN 53 142 165 080) (New Century) to meet the requirements of the *Australian Modern Slavery Act 2018* (Cth) (Modern Slavery Act) for the financial year ending 30 June 2022 (Reporting Period).¹ This is New Century's second statement published in accordance with the Modern Slavery Act. It captures the activities of New Century as a reporting entity under the Act along with the entities which it owns or controls.

¹ In this statement, the collective expressions "we", "us", "our", "ourselves", "the Group", and "New Century" are used when we refer to New Century Resources Limited and any entities which it owns or over which it has control. This is because we operate using Group-wide policies and procedures to assess and manage modern slavery risks. It is not intended to convey how we are structured, managed or controlled.

This statement outlines our commitment to identifying and minimising the risks of modern slavery in our operations and supply chain. Consistent with our 2021 statement, no instances of modern slavery have been identified in our business.

New Century's vision is to build a diversified mining company, respected by stakeholders and investment communities through our proven ability to manage long-term sustainable operations while generating strong shareholder returns. This vision comes with a commitment to operate our business in line with principles of sustainable development, to deliver on the needs of the present, without compromising the needs of future generations and to integrate environmental, social and governance considerations into our decision making. We respect human rights in line with the United Nations Guiding Principles on Business and Human Rights at every stage of our operations. We recognise that our commitment to human rights extends beyond our operations and into our supply chain and requires active engagement with our suppliers and customers to mitigate human rights risks.

2 Our structure, operations and supply chain

There have been slight changes to our structure, operations and supply chain since our 2021 statement. The changes are set out below. For completeness and to ensure compliance with our reporting obligations, we have maintained information from our 2021 statement which remains current for this Reporting Period.

New Century (ASX:NCZ) is a leading, ASX-listed tailings management and economic rehabilitation company. New Century owns and operates the Century Mine, located at Lawn Hill, 250 kilometres north-west of Mount Isa in the Lower Gulf of Carpentaria. Century is currently the largest tailings retreatment operation in Australia.

Prior to New Century's ownership, the mine began open pit production in 1999. During its initial 16 years of operation, Century was one of the largest zinc mines in the world, producing an average of 475,000 tonnes per annum of zinc metal and 50,000 tonnes per annum of lead metal using conventional open pit mining, grinding and flotation operations. Processed concentrates were then transferred in slurry form via a 304-kilometre underground pipeline to the port facility at Karumba, on the Gulf of Carpentaria. Concentrates were dewatered before being transported on the M.V. Wunma transshipment vessel to export ships anchored offshore and then sold to smelters in Australia, Europe and

Modern Slavery Statement (continued)

Asia. The final processing of open pit ore from Century took place in early 2016 and the focus of the previous owner turned to the progressive rehabilitation and ultimate closure of the mine site.

The acquisition of the Century assets by New Century in February 2017 led to the restart of operations based on re-treatment of tailings, commencing in August 2018. The rapid reinvigoration of operations established Australia's largest tailings reprocessing operation in Australia. Refer Figure 1.

2.1 Structure

Our head office is located in Melbourne, Victoria.

During the Reporting Period, New Century maintained a controlling interest in a number of subsidiaries in Australia. Century Mining Limited holds the Group's interest in the Century Mine and associated infrastructure (along with Investment Co Pty Ltd which holds key port and pipeline infrastructure) and is the primary operating entity in the Group. The remaining Group entities have limited financial and operational functions in the context of our overall business.

2.2 Operations

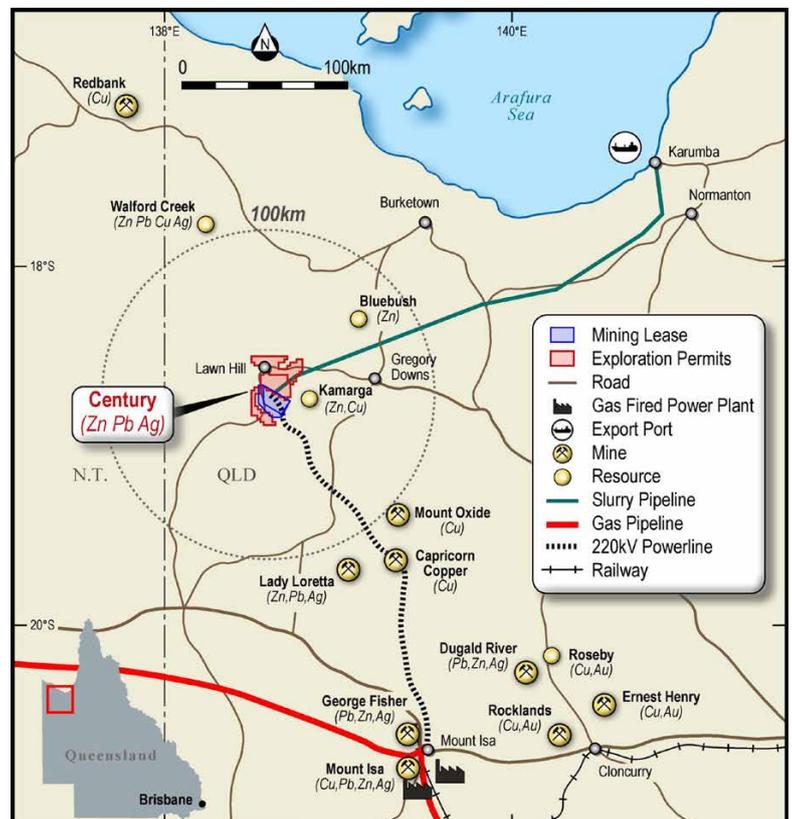
The principal operations of the Group for this Reporting Period included the mining and processing of tailings materials containing zinc, sales of concentrate, undertaking exploration activities and assessing business development opportunities. As outlined below, we consider the overall inherent modern slavery risk of our operations to be low.

2.2.1 Century Mine

As noted above, when New Century acquired the Century Mine in 2017, operations were restarted through the reprocessing of tailings utilising the extensive infrastructure in place. Tailings ore is hydraulically mined, where it is pumped to the existing processing plant to recover the contained zinc, prior to pumping back into the original open pit for final storage. This economic rehabilitation strategy reduces the environmental footprint of the site whilst providing a foundation for life of mine extension through the exploration and development of future potential mineral deposits on site.

We continue to explore opportunities to increase production at the Century Mine site, including at the Silver King and East Fault Block deposits.

**FIGURE 1:
CENTURY MINE
AND REGIONAL
INFRASTRUCTURE
OVERVIEW**



Modern Slavery Statement (continued)

The Century Mine has an on-site accommodation camp (including wet/dry mess, recreational facilities and water treatment facilities) and its own private airport with sealed runway (suitable for medium-sized jet aircraft).

2.2.2 Karumba port facility

The Karumba port facility includes dewatering and drying circuits, a maintenance workshop, a concentrate storage shed and administration buildings. Product slurry from the concentrate pipeline is dewatered by pressure filters, with concentrate then passed through a rotary dryer to remove excess water before being stockpiled in the concentrate storage shed in preparation for shipping.

New Century also owns and operates a transshipment vessel, the M.V. Wunma, which is custom-built for the shallow waters of the Norman River channel and is used to transfer concentrate to export ships anchored in the Gulf of Carpentaria.

It takes approximately 12 hours for the vessel to load, transport and discharge concentrates and return to the Karumba port. The vessel operates day and night, depending on tides and weather conditions.

Our product from Century Mine and Karumba is exported predominantly to China, with smaller portions sold to smelters in Australia and other parts of Asia.

2.2.3 Supporting operations

The Century Mine and Karumba port operations are supported by a head office team which consists of functions including sales and marketing, community relations, corporate affairs, business development, human resources, finance, legal, company secretarial, information technology, procurement and logistics.

Within the Reporting Period, New Century employed 310 people, with 98% of those people employed on a permanent full-time basis (the remaining 2% are part time or casual employees). Of these, 250 people worked in operations at the Century Mine and Karumba port, and 60 worked in our corporate and commercial teams. Our employees are predominantly located in Australia in either Queensland or Victoria. At a point in time during the Reporting Period, New Century engaged approximately 94 contractors in Australia, the majority of whom work in asset management. We acknowledge that the number and location of contractors within our business may vary from time to time.

2.2.4 Mt Lyell Copper Mine

In addition to our primary operations above, we entered into an Option Agreement to acquire the Mt Lyell Copper Mine, located in Tasmania, in November 2021. This agreement allows New Century a two-year period to study the acquisition of the Mt Lyell Copper Mine. A Pre-Feasibility Study for the restart of the mine is currently underway. As part of this study, preliminary operations were begun in April 2022, including engaging exploration contractors to investigate the mineral endowment and locating study and geology teams on-site at the mine. New Century has separated the Mt Lyell project from its annual risk assessment process for this Reporting Period due to its recent entry into our operations. New Century has separately assessed the risk of modern slavery at the Mt Lyell Copper Mine as low.

2.3 Supply chain

We seek to build sustainable, long-term and mutually beneficial relationships across our supply chain. Wherever possible, we focus on sourcing from Australian suppliers and are developing processes to integrate environmental, social and governance considerations into our decision making. We have an extensive supply chain which covers a range of supply categories, including:

- > Mining equipment and services
- > Building and construction
- > Electricity and electrical services
- > Office and administration
- > Testing and inspection services
- > Transportation and logistics (excluding shipping)
- > Shipping
- > Chemicals and fuel
- > Work apparel (including PPE)
- > IT and software
- > Hire Equipment
- > Reagents and bulk quicklime
- > Fire Equipment Maintenance Services
- > IT Managed Services
- > Labour Hire

Modern Slavery Statement (continued)

There have been some changes to our supply chain from the previous reporting period. In this Reporting Period, New Century directly engaged 626 suppliers across the above categories with a total spend of over \$350 million. Of these suppliers, 608 were Australian-based (though some components of goods and services were sourced from overseas by these suppliers). This is 10 more suppliers compared to the previous reporting period. Approximately 51% of our suppliers are located in Queensland, Australia, supporting our objectives of engaging with local supply chains wherever possible.

The 18 suppliers not based in Australia (9 of whom provide shipping and shipping-related services) were based in Germany, Japan, Singapore, UK, China, South Korea, France, USA, Thailand, Vietnam and Hong Kong. We remain focused on addressing the risks of modern slavery within our tier 1 suppliers and improving our understanding of risk beyond tier 1. Tier 1 suppliers are those suppliers with whom New Century has a direct contractual relationship.

Our 15 largest suppliers by value make up approximately 50% of the value of our supply chain and include companies which supply electricity and electrical supplies/services, transportation and logistics supplies/services, chemical supplies, and mining equipment supplies and services.

3 Identification of risks of modern slavery in New Century's operations and supply chains

There have been slight changes to our structure, operations and supply chain, since our 2021 statement. Any changes are set out below. Where the information has remained unchanged, then for the sake of completeness and to ensure compliance with the Modern Slavery Act, we have repeated the information as contained in our 2021 statement.

In the previous Reporting Period, we undertook a review of modern slavery risk in our operations and supply chain. Our processes for identifying modern slavery risk for this Reporting Period were consistent with the processes for the previous Reporting Period.

3.1 Operations

New Century's business operations remained largely the same as set out in the 2021 statement. For this Reporting Period, we performed a risk assessment to understand the risk of modern slavery in our operations and supply chain. The risk assessment took into account the various components of our operations, as described above. All of New Century's operations are conducted in Australia and, as set out above, over 98% of our employees are permanent full-time employees. Many parts of our operations require highly skilled employees which makes them lower risk from a modern slavery perspective.

For this Reporting Period, we additionally considered the modern slavery risks of our contract employees, including a desktop review of any modern slavery risks or allegations within their direct employers. While we did not identify any allegations of modern slavery within these relationships, we still recognise them as carrying a higher modern slavery risk in comparison to our direct employees, particularly as some of our operations that involve contractors are of a higher risk in nature (eg. mining, facilities operations). We recognise that labour hire can present a modern slavery risk due to the transitory nature of the work and reduced visibility over recruitment practices. We also acknowledge that our labour hire needs and contractors vary week to week, further reducing our visibility over our labour hire. We consider the inherent risk to be reduced somewhat because our labour hire workforce is entirely based in Australia, however this does not completely mitigate the risk.

While our operational teams have a somewhat higher modern slavery risk than our corporate and commercial teams due to the nature of the activities undertaken, given the factors described above and our robust recruitment and human resources processes, we consider our operations as a whole to be low risk.

3.2 Supply chain

New Century's supply chain arrangements remained largely the same as set out the 2021 statement and, to a large extent, we continue to engage the same suppliers. The vast majority of our tier 1 supply chain is located in Australia, with only 18 suppliers located internationally.

As conducted in the previous reporting period, we performed a risk assessment to understand the risk of modern slavery in our supply chain, considering factors such as the location of suppliers, the type of goods or services obtained from those suppliers and a desktop review of any previous or suspected modern slavery allegations or incidents concerning our suppliers.

Modern Slavery Statement (continued)

In performing this risk assessment, we had regard to various sources, including:

- > the Global Slavery Index 2018, prepared by the Walk Free Institute and which is the most authoritative guide to global modern slavery risk based on country;
- > 'Hidden in Plain Sight', the Commonwealth of Australia's Final Report of the Inquiry into Establishing a Modern Slavery Act in Australia;
- > the US Department of Labor's 2020 List of Goods Produced by Child Labor or Forced Labor (as of 23 June 2021); and
- > Verite's 'Strengthening Protections against Trafficking in Persons in Federal and Corporate Supply Chains' report.

As a result of this risk assessment, we identified the following categories that potentially present higher risks of modern slavery. We consider the other categories of our supply chain to be lower risk.

3.2.1 Work apparel (including PPE)

The work apparel (including PPE) component of our supply chain represents a moderate risk of modern slavery because such products are often manufactured in countries with a higher risk of modern slavery. While all of our tier 1 suppliers are based in Australia, we acknowledge that there may be higher risk jurisdictions deeper in our supply chain.

3.2.2 Mining equipment and services

Modern slavery reports consider the mining industry to be inherently higher risk for modern slavery. This is generally due to the hazardous nature of the work and the generally low skilled workforce employed in the industry. We consider the inherent risk to be reduced somewhat because the mining supplies and services which we purchase are relatively technical in nature.

3.2.3 Building and construction

The building and construction category covers a range of supplies from plumbing and concrete services to steel and plant hire. The construction industry is recognised as being potentially higher risk, because of the sometimes hazardous nature of the work and the relatively unskilled, temporary and low paid workers.

3.2.4 Chemicals and fuels

We are reliant on chemical processes to extract minerals from the tailings in our reprocessing operations. Chemicals in our supply chain present a greater inherent risk of modern slavery because of the hazardous nature of their production, associated low skilled workers, and the locations in which the chemicals may be manufactured. While our chemical and fuel tier 1 suppliers are based in Australia, we are aware that deeper in the supply chain these products are connected to higher risk geographies from a modern slavery perspective (including Singapore, Thailand, China, Russia and Taiwan).

3.2.5 Transport and logistics (excluding shipping)

We source transport and logistics from throughout Australia including flight charters to access our Century and Karumba operations and the supply of fleet and maintenance services. The transport and logistics sectors are considered to be an inherently higher modern slavery risk category because of the lack of visibility and the significant presence of contractors, agents and other intermediaries in the arrangements. The majority of our suppliers are located in Australia. We consider the inherent risk to be reduced somewhat because of the nature of transportation in parts of our supply chain (air, which is lower risk) and because the supply chain is located primarily in Australia and other low risk jurisdictions.

3.2.6 Shipping

We use shipping services from international suppliers, including from suppliers based in inherently higher risk jurisdictions, such as China and Singapore.

For our 2021 statement, we categorised and assessed our shipping suppliers as part of the risk assessment for our suppliers in the 'transport and logistics' industry category. For this assessment period, we have assessed our shipping suppliers in a standalone category. The shipping industry is considered to be an industry with an inherently high modern slavery risk, because of the lack of visibility of the arrangements of the workforce working in this industry, distance from medical care and the potential for poor regulation of vessels internationally.

We are committed to building upon and improving our modern slavery risk assessment throughout each Reporting Period. For example, we have further tailored our operations assessment for this Reporting Period to account for contracted employees, and our supplier assessment has more nuanced categorisation to better reflect New Century's risks. In future years, we seek to focus on bettering our understanding of risk beyond our direct suppliers (including those outside of our top spend categories).

4 Controls to address modern slavery risk

4.1 Governance

4.1.1 ESG Committee

In the previous reporting period, we acknowledged the role of our ESG Committee which assists our Board to fulfill its oversight, monitoring and review of the Company's practices and governance in various areas, including health, safety, environment, governance and social performance. In this Reporting Period, a key action taken by the ESG Committee was to consider the adoption of an ESG Strategy, including a Human Rights Policy. The ESG Strategy involves, among other things, a commitment to broaden our existing sustainability work, including policies and frameworks regarding Indigenous peoples and human rights. The ESG Strategy was adopted by the Board at the end of the Reporting Period.

4.1.2 Modern Slavery Steering Committee

In April 2022, we established our Modern Slavery Steering Committee, which provides a forum for stakeholders from different functions and business units of New Century to oversee and evaluate how we assess and address our modern slavery risks, as well as endorsing a draft of this statement to our Board. The Modern Slavery Steering Committee reports to both the ESG Committee and our Board.

In the Reporting Period, key actions taken by the Modern Slavery Steering Committee were:

- > Established and adopted Terms of Reference for the Modern Slavery Steering Committee;
- > Undertook Modern Slavery awareness training delivered by an expert third-party;
- > Completed a Modern Slavery Risk Assessment for the Reporting Period; and
- > Prepared and endorsed this Modern Slavery Statement.

4.1.1 Tone from the top/values

New Century has adopted six values which guide our work. Those values are: Teamwork, Open & Honest, Respect, Can-Do, Innovate & Learn and Owner's Mindset. These values are communicated to everyone that attends a New Century site through our induction process and are reinforced through the actions of our people. They have helped underpin the development and fostering of a Company culture that aligns to our values and vision.

The Board and Executive team set the 'tone from the top' that there should be zero tolerance for modern slavery in our supply chains and at every stage of our operations. In addition to setting the appropriate behaviours and expectations, the Board monitors the Company's culture through regular reporting of employee metrics and, where practical, on the ground engagement with staff at our offices and operations.

4.1.2 Policies

New Century's Code of Conduct, which applies to all directors, officers, employees and contractors of the Company (together **employees**), sets out the expectations of employees and aims to encourage appropriate standards of conduct. In particular, the Code of Conduct requires employees to act honestly, in good faith and with utmost integrity and comply with the spirit as well as the letter of the law and the Code of Conduct. The Code of Conduct sets out New Century's commitment to conducting its operations in a manner that protects the health and safety of all employees and community members.

New Century's Sustainability Policy, published in December 2021, sets out our commitment to respecting human rights in line with the United Nations Guiding Principles on Business and Human Rights at every stage of our operations. We also recognise that our commitment to human rights extends beyond our operations to our supply chain and we seek to engage with our suppliers and customers to mitigate human rights risk.

We seek to work with Suppliers that hold the same values that we hold, to ensure we and they meet the social requirements of our Sustainability Policy. The Company's integration of ESG considerations into its decision making will continue to evolve as we further our journey in this space.

New Century's Whistleblower Protection Policy seeks to ensure concerns regarding unacceptable conduct including breaches of our Code of Conduct can be raised on a confidential basis, without fear of reprisal, dismissal or discriminatory treatment. The Company is committed to creating and maintaining a culture of corporate compliance and ethical behaviour in which employees are responsible and accountable and behave with honesty and integrity.

Each of the abovementioned policies is available at the New Century website: www.newcenturyresources.com.

4.1.3 Training and awareness

As foreshadowed in the 2021 statement, the Modern Slavery Steering Committee (which consists of stakeholders from our business across a wide range of teams) undertook a dedicated training session on modern slavery, including the meaning of the term, the legislative environment in Australia, global trends and actions we can take to assess and address our risk.

We endeavour to maintain and improve our knowledge of modern slavery risks throughout our business, and in future reporting periods seek to roll out this training to our broader employee group.

4.1.4 Relationships with third parties

Our standard procurement terms and conditions contain modern slavery provisions including an obligation on our suppliers and each of their sub-suppliers to comply with the Modern Slavery Act and to take reasonable steps to ensure that there is no modern slavery or human trafficking in their or their sub-suppliers' supply chains or in any part of their operations. New Century also requires its zinc concentrate customers to provide certain warranties regarding modern slavery in their operations and supply chain and to comply with applicable anti-slavery and human trafficking laws.

Acknowledging the modern slavery risks that labour hire employees may present (as outlined above), we attempt to mitigate this risk by maintaining arrangements with key companies for longer term periods. Other short term contractors performing works on site are engaged through approved suppliers under purchase order, following a review of labour hire onboarding documentation, including medicals to improve workplace safety.

In the 2021 statement, we noted the provision of modern slavery questionnaires to certain suppliers, which were drafted to identify any risks of modern slavery in our suppliers' operations and supply chains and inform the Company how our suppliers were seeking to manage those risks. We intend to run this questionnaire process again in the upcoming reporting period.

5 Effectiveness of controls

New Century remains committed to eliminating modern slavery in its operations and supply chain. As recognised in the 2021 statement we are still focused on gaining a better understanding of where in our operations and supply chains modern slavery risks may be present.

Our Modern Slavery Steering Committee maintains oversight of our modern slavery controls and processes. As mentioned in the training section above, the Committee has recently undertaken specific training on modern slavery, to better understand and implement the controls New Century has in place to reduce risks of modern slavery. This training will also assist the Committee to better evaluate the effectiveness of those actions taken.

6 Consultation with owned and controlled entities

All of our owned and controlled entities operate under the Group's policies and processes, including in relation to human rights. We have consulted the relevant companies we own or control in the development of this statement.

6.1 Approval and signing requirements

This statement has been endorsed to the ESG Committee by the Modern Slavery Steering Committee and approved by the Board of New Century on 30 November 2022.



Kerry Gleeson
CHAIR OF THE BOARD
NEW CENTURY RESOURCES





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