



NEW CENTURY
RESOURCES

MODERN SLAVERY STATEMENT

16 DECEMBER 2021

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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 2021.¹ The statement captures the activities of New Century as a reporting entity under the Act and the entities which it owns or controls.

Our vision is to build a global resource management company, respected by stakeholders and investment communities because of our proven ability to manage operations sustainably whilst generating strong shareholder returns via the application of innovation, capability, and stewardship. 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. New Century is pleased to present its first modern slavery statement.

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.

While no instances of modern slavery have been identified in our business, we are committed to ensuring that we are able to identify and minimise the risk of modern slavery from occurring in our operations and supply chain.

2 OUR STRUCTURE, OPERATIONS AND SUPPLY CHAIN

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 re-treatment 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 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.

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.

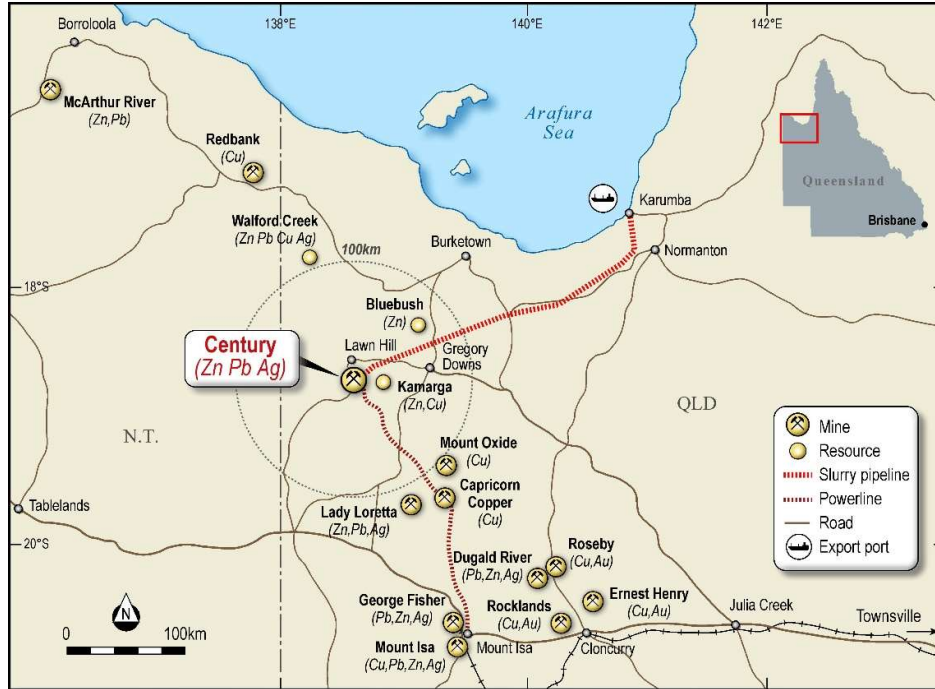


Figure 1: Century Mine and regional infrastructure overview

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.

2.1 Structure

Our head office is located in Melbourne, Victoria.

At the commencement of the reporting period, New Century maintained a controlling interest in a number of subsidiaries both in Australia and the United States.² In February 2021, the Group sold its interest in the Kodiak Project, meaning that it no longer has any subsidiaries or activities in the United States.

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 In Australia: Attila Resources US Pty Ltd, Century Bull Pty Ltd, Century Mining Rehabilitation Pty Ltd, Century Mining Limited, PCML SPC Pty Ltd, SPC1 Pty Ltd, SPC2 Pty Ltd, Investment Co Pty Ltd; and in the United States: Attila Resources Holding US Ltd, Attila Resources US LLC, and Kodiak Mining Company LLC.

2.2 Operations

The principal operations of the Group during the financial year ending 30 June 2021 included the mining and processing of tailings materials containing zinc, sales of concentrate, undertaking exploration activities and assessing business development opportunities.

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 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 deposit and the East Fault Block in-situ deposits.

The Century Mine has a 410-man 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 is exported predominantly to China, with smaller portions sold to smelters in Europe, 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, procurement and logistics.

As of 30 June 2021, New Century employed 265 people within its operations, with 98% of those people employed on a permanent full-time basis. Of these, 245 people worked in operations at the Century Mine and Karumba port, and 20 worked in the head office team. Our employees are predominantly located in Australia in either Queensland or Victoria. During the reporting period New Century engaged approximately 120 contractors in Australia, the majority of whom work in asset management.

2.2.4 Kodiak Project

During the reporting period, the Kodiak Project was on care and maintenance prior to being divested in February 2021. During the care and maintenance period the operations on site were minimal consisting only of a small care and maintenance workforce. Due to the very small footprint of the operations and supply chain at the Kodiak Project (which consisted primarily of utilities, minor consumables and provision of professional services relating to tenement retention) New Century has separately assessed the risk of modern slavery at the Kodiak project as low.³

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
- 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

In the reporting period, New Century directly engaged 627 suppliers across these categories with a total spend of over \$310 million. Of these suppliers, 598 were Australian-based (though some components of goods and services were sourced from overseas by these suppliers). Approximately 61% of our suppliers are located in Queensland, Australia, thereby supporting our objectives of engaging with local supply chains wherever possible.

The 29 suppliers not based in Australia (13 of whom provide shipping and shipping-related services) were based in Germany, Singapore, UK, China, South Korea, France, USA, Thailand, New Caledonia 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 made up approximately 60% of our supply chain, including electricity and electrical services, transportation and logistics, chemicals, and mining equipment and services categories.

³ Subsequent descriptions of New Century's operations and supply chains in this statement exclude the Kodiak Project unless otherwise stated.

3 RISKS OF MODERN SLAVERY IN NEW CENTURY'S OPERATIONS AND SUPPLY CHAINS

3.1 Operations

We have performed a risk assessment to understand the risk of modern slavery in our operations. 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 low risk from a modern slavery perspective. 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

As noted above, the vast majority of our tier 1 supply chain is located in Australia, with only 29 suppliers not being located in Australia. We conducted a risk assessment of our direct supply chain, considering factors such as the location of suppliers, the type of goods or services obtained from the suppliers, and any previous or suspected modern slavery allegations or incidents concerning our suppliers.

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; 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

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. We also source shipping services from international suppliers, including from suppliers based in inherently higher risk jurisdictions from a modern slavery perspective such as China and Singapore. 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. 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 Labour hire

Labour hire firms supply labour throughout our operations where we cannot meet labour demands from permanent employees. 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 consider the inherent risk to be reduced somewhat because all labour is sourced in Australia, however this does not remove the risk.

The risk assessment in this section should be viewed as an initial phase of an ongoing process which New Century is committed to building upon in future years. Further considerations of risk will focus on areas such as establishing the location of suppliers further down the supply chain and gaining a better understanding of risk beyond our direct suppliers.

4 CONTROLS TO ADDRESS MODERN SLAVERY RISK

During the year we established a cross-functional steering committee focused on strengthening our approach to assessing and addressing our modern slavery risks, controls and reporting under the Modern Slavery Act. The steering committee consisted of representatives of our procurement, legal, social performance and people functions and reported on its activities to the Board, through the Environmental, Social and Governance (ESG) Committee.

Key actions taken during the financial year ending 30 June 2021 in respect of modern slavery included:

- Formation of a new ESG Committee to assist the Board in its responsibilities of overseeing risk, governance and sustainability activities, including in relation to human rights and modern slavery.
- Adoption of our inaugural Sustainability Policy, in which we commit to respect human rights in line with the United Nations Guiding Principles on Business and Human Rights at every stage of our operations. The Sustainability Policy sets out our values and commitment to human rights and recognises that these extend beyond our operations and into our supply chain.
- A risk assessment to identify key modern slavery risks in our operations and supply chain.
- Modern slavery questionnaires were sent to our key suppliers to better understand any risks of modern slavery in their operations and supply chains.
- Establishment of management systems to protect the health and wellbeing of our workforce during the COVID-19 pandemic.

4.1.1 Governance

Our ESG Committee assists the Board in fulfilling its oversight, monitoring and review of the Company's practices and governance in the following areas:

- our ESG strategy and plans, including in areas of health, safety, human rights and modern slavery;
- our performance against the ESG strategy, including review of annual objectives and targets;
- identifying opportunities to strengthen our license to operate and the sustainability and resilience of the communities and regions where we operate;
- monitoring systems and compliance with relevant laws, regulations, policies, standards and procedures insofar as they relate to ESG matters; and
- review and recommendation to the Board for approval of our Modern Slavery Statement.

4.1.2 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.

4.1.3 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, contractors and community members.

New Century recently adopted a Sustainability Policy. The Sustainability Policy 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.

4.1.4 Training and awareness

During the reporting period the Board made the decision to increase its knowledge of modern slavery risks through dedicated a training and awareness session facilitated by industry experts. The Board has now completed this session and a wider rollout is planned during 2022 to the Executive team and employees who are in roles that face greater modern slavery risk (e.g. procurement).

4.1.5 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.

During the course of the reporting period, New Century provided modern slavery questionnaires to our top 32 suppliers by value. We received responses 29 of those suppliers. The questionnaires sought to identify any risks of modern slavery in our suppliers' operations and supply chains and inform the Company how they were seeking to manage those risks. We are considering the responses, how this impacts our risk profile and what further steps need to be taken to mitigate that risk. We will continue to use the questionnaire to better understand modern slavery risk amongst our suppliers, including in respect of those suppliers that have not provided timely responses.

5 EFFECTIVENESS OF CONTROLS

At this early stage, we have sought to focus on gaining a better understanding of where in our operations and supply chains modern slavery risks may be present. As this is our first reporting period, we have not yet developed a suitable process to assess the effectiveness of measures we have undertaken.

However, we are considering developing KPIs and other performance measures to ensure we can review the effectiveness of the actions we are taking to assess and address modern slavery risks in our operations and supply chains.

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 approved by the Board of New Century and signed by the Chair of the ESG Committee.



Kerry Gleeson

Chair of Environmental, Social and Governance Committee

16 December 2021