



Media Release

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Thungela remediating impact of environmental incident

Thungela Resources Limited (the “Company” or “Thungela”) confirms that an uncharacteristic environmental incident took place at Khwezela Colliery’s Kromdraai site in eMalahleni, Mpumalanga on Monday, 14 February 2022. A full investigation of the root cause of the incident has started and will be concluded in due course.

The first stage of time critical remedial actions has now been completed. These include containing the overflow, flushing the river system with water from the Bronkhorstspuit Dam to mitigate the effect of mine-impacted water, and clean-up efforts along the stretch of 60km. Screening for possible residual waste will continue.

“We are encouraged by the level of collaboration from the authorities, farming community and members of society who share in our devastation on the impact to ecosystems. We are a responsible mining company and hold ourselves to the highest standards when it comes to our environmental, social and governance obligations. We are fully committed to doing what is right and within our power as citizens of the Mpumalanga community. We will lead the remediation efforts now and, in the future, as well as fully assess the causes and contributing factors that led to this incident,” says July Ndlovu, CEO of Thungela Resources.

Interim findings indicate that a concrete seal at the South Shaft broke which resulted in an uncontrolled release of mine-impacted water. The shaft was sealed in 2019 as part of the water management strategy. Despite a water management plan in place, the volume of water exceeded the maximum capacity for treatment at the dosing site and flowed into the Kromdraaispruit resulting in lowered pH levels of the water.

The collaboration efforts include working with the Department of Water and Sanitation, the Mpumalanga Parks and Tourism Agency, the community, other interested and affected stakeholders. Independent biodiversity, environmental, water and health experts, along with the Company’s experts are providing guidance on the investigation and evaluation of the

impact on the environment, the steps to be taken to control the pollution and the remediation steps that need to be implemented to remedy the effects of the pollution.

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For further information, please contact:

Tarryn Genis

tarryn.genis@thungela.com

082 324 4650

Editor's note:

Thungela, which means “to ignite” in isiZulu, is a leading South African thermal coal business, focused exclusively on thermal coal production. It is one of the largest pure-play producers and exporters of thermal coal in South Africa based on aggregate coal reserves and marketable coal production.

The Group owns interests in, and produces its thermal coal predominantly from seven mining operations, namely Goedehoop, Greenside, Isibonelo, Khwezela, AAIC (operating the Zibulo colliery), Mafube Coal Mining (operating the Mafube colliery) and Butsanani Energy (owning the independently operated Rietvlei colliery) which consist of both underground and opencast mines located in the Mpumalanga province of South Africa.

Thungela's operations are among the highest quality thermal coal mines in South Africa by calorific value.

Thungela also holds a 50% interest in Phola, which owns and operates the Phola Coal Processing Plant, and a 23% indirect interest in Richards Bay Coal Terminal (RBCT). RBCT is one of the world's leading coal export terminals, with an advanced 24-hour operation and a design capacity of 91 Mtpa.

Thungela is committed to operating in a sustainable way to ignite value for a shared future, to the benefit of the communities in which it operates, its employees, shareholders and society as a whole.