



Moranbah North & Grosvenor Maintenance Strategy and Tactics

Assigned to: Glen Britton
Assigned by: Tyler Mitchelson
Date assigned: February 25, 2020

Context:

Met Coal's EBITDA contribution to the Anglo American Burning Ambition is 26% of the target, the majority of which is delivered through taking the Moranbah/Grosvenor (MG) complex to 24MTPA ROM sustainable rates in 2022.

Production from the MG Complex is not currently stable, the main areas creating the instability stemming from gas, strata and structure issues in addition to equipment reliability. Both LW 604 and LW 103 suffered from unplanned failures in 2019 that lead to material production losses. As the business pushes the LW mining system from the face to ROM stockpiles, unplanned failures cannot occur and the MTF and MTR must improve dramatically as we move to predictive maintenance.

As the mines push to consistently deliver 24MTPA to the CHPP, the equipment will be pushed harder at higher rates and will also be driven to increase the operating hours. The current maintenance strategy and tactics will not deliver the outcomes necessary to support higher production.

Purpose:

Optimize Maintenance strategy and tactics to support the delivery of 24MTPA ROM from MNM and Grosvenor.

Quantity:

Group AS&R have developed a pilot program to drive maintenance strategy and tactics to the next level of performance. The proposal is attached in this document that outlines the approach, resources and timelines.

The scope of work will cover both MNM and Grosvenor from the underground mine workings through to the ROM stockpile.

The proposed will deliver recommendations for implementation in the latter half of 2020 that will support the ramp up of both mines to 2022.

Quality:

The attached proposal defines the expectation for quality. Each action will have full costing, risk assessments, value and change management to support the decision making.

The review process must take into account the unique operating differences between the two mines as appropriate. Operating conditions (driven by gas, strata, distance to face, etc) vary materially



between the two mines and tactics must incorporate this. In addition, the regulatory compliance factors must be considered.

Time:

Project Alignment and kick off: Feb 26th

As defined by the attached program but with the recognition of LW moves and ramp ups in the first half of the year.

Monthly review at MCLT meeting

Resources:

Steering Team:

- Tyler Mitchelson
- Glen Britton
- Luca Rocchi
- Andrew Marxsen

MCLT Owner: Glen Britton

Project Lead: Dave Goodall

Resources:

- As defined in the attached document.



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