

21 April 2021

Shenhua Watermark Coal (Shenhua) confirms that it has reached an agreement with the New South Wales Government to cease its Watermark Project through the cancellation of Exploration Licence (EL) 7223.

While the project obtained state and federal government consents through rigorous merit-based approval processes, this decision reflects shifting economic and social circumstances since the project first commenced in 2008.

The State has agreed to pay Shenhua \$100 million for the cancellation of the EL. We appreciate the NSW Government's willingness to work with Shenhua to reach an acceptable financial outcome.

We would like to express our sincere gratitude to the local community for working closely with Shenhua during the project's consultation process.

ENDS