

13 March 2026

Clean Energy Regulator
Safeguard Mechanism Branch
GPO Box 621
Canberra ACT 2604

Dear Safeguard Team

Telfer Operations Section 72C – Written Explanation for 2024-2025

This letter is provided pursuant to section 72C(4) and (5) of the National Greenhouse and Energy Reporting (Safeguard Mechanism) Rule 2015 (**Safeguard Rules**).

Under the Safeguard Rules, Greatland Holdings Group Pty Ltd (**Greatland**) (on behalf of the Greatland Group) intends to surrender, in respect of the 2024-2025 financial year, ACCUs that total more than 30% of Telfer Operations' baseline of 261,212 t CO₂-e.

Summary

Greatland considers that it is surrendering ACCUs for the 2024-2025 financial year that are more than 30% of the Telfer Operations' baseline because of the one-off circumstances of the 2024-2025 financial year.

- Greatland acquired the Telfer Operations on 4 December 2024. However, the annualised baseline that applied to the Telfer Operations was, in part, determined by a previous period where another owner had operational control.
- The prior operator of the Telfer Operations was mining ore but not processing ore at all (or below usual rates for the facility) for its period of operational control during the first part of the 2024-2025 financial year (ie 1 July 2024 to 4 December 2024) because of atypical operational issues. Following resolution of these operational issues, Greatland assumed operational ownership and control, and significantly increased mining and processing activity (with lower emission intensity) compared to the prior ownership period. This unusual set of operational circumstances meant that the Telfer Operations 2024-2025 financial year baseline applicable to Greatland was lower than it would have been had Greatland operated for the full year on a steady state basis.
- Following Greatland assuming operational control of the Telfer Operations, whilst there was a significant increase in mining and processing activity which resulted in an increase in emissions produced and at a level which exceeded the baseline by virtue of the increased level of activity, the emissions produced during the Greatland period of operational control had a lower emission intensity than the prior operator.
- Relevantly, if the 2024-2025 financial year baseline was determined based on Greatland's operational control period alone, Greatland considers it would have exceeded the baseline by less than 30%, and potentially not have exceeded the baseline at all.

Background

Greatland obtained operational control of the Telfer Operations on 4 December 2024.

Consistent with our vision and values, Greatland is committed to responsible and sustainable business practices. Greatland intends to achieve this by identifying and managing our material sustainability issues and developing pathways that deliver efficient and sustainable outcomes.

Greatland is committed to integrating climate change and energy considerations into strategic planning, and pursuing opportunities to minimise energy use and carbon emissions. Since Greatland assumed operational control of the Telfer Operations action has been taken to optimise operational performance and efficiency, including for emissions performance. This is demonstrated by the Telfer Operation's emission performance under Greatland's operational control for the December 2024 to June 2025 period being below the emissions baseline for the same period even after accounting for the full decline rate.

Based on Greatland's current information it is expected that any excess emissions from the Telfer Operations will be below the section 72C 30% threshold for the 2025-2026 financial year. Greatland considers the level of excess emissions situation for the 2024-2025 financial year to be atypical, with Greatland exceeding the section 72C 30% threshold due to how the way the *National Greenhouse and Energy Reporting Act 2007* (Cth) (**Act**) operates, specifically section 22XL. Under section 22XL of the Act, the Telfer Operation's baseline was calculated as the combined value of the operational control periods of both Greatland and the prior operator. This meant that, as a result of the manner in which the Telfer Operations were operated prior to Greatland's ownership, the baseline against which Greatland was assessed was not an appropriate benchmark (see "Summary" above).

The result of assessing Greatland against this 'skewed' benchmark was that Greatland assumed significant liability as the baseline was shared pro-rate between operators for the period rather than applied only to the emissions produced during each operator's period of control. If each operator had been accountable solely for their own emissions, Greatland would potentially not have incurred an excess emissions situation as a result of its lower emission intensity, and the burden of any liability would actually reflect the operator's emissions performance more accurately.

Addressing specific requirements of s72C

1. s72C (5)(b)(i) Whether limitations in available technologies affected the level of carbon abatement undertaken at the facility during the period

Greatland is investigating potential emissions abatement opportunities as part of Greatland's commitment to operational and development pathways that deliver efficient and sustainable outcomes.

2. s72C (5)(b)(ii) Whether there are barriers, including regulatory barriers, to undertaking carbon abatement at the facility

Greatland is not aware of any regulatory barriers to undertaking Scope 1 carbon abatement at Telfer Operations.

3. s72C (5)(c) include information about future opportunities for undertaking carbon abatement at the facility

Noting the short period during which Greatland has had operational control of the Telfer Operations, Greatland is investigating this and other opportunities to optimise operations at the Telfer Operations.

4. s72C (5)(d) identify any information included in the explanation that is commercially sensitive

None of the above information is commercially sensitive.

Yours sincerely



Ben Secrett

Company Secretary | Head of Sustainability