

# Most Frequently Asked Questions

## Western Australia Nickel temporary suspension

### What has BHP announced?

Following a comprehensive review of our Western Australia Nickel business over recent months, spanning Nickel West operations and the West Musgrave project, BHP has made the decision to temporarily suspend operations from October 2024.

This transition period will begin from July. Operations will be suspended in October 2024 and the handover activities for temporary suspension will be completed by December 2024. West Musgrave will follow a similar timeline.

We intend to review the decision to temporarily suspend Western Australia Nickel by February 2027.

### Why has BHP made this decision?

Since BHP announced a review of Western Australia Nickel in February, we have explored options to stem losses in the short-term and identify a viable path forward for the business. Like others in the Australian nickel sector, we have not been able to overcome the substantial economic challenges driven by a global oversupply of nickel.

Temporary suspension of Western Australia Nickel will stem heavy losses and allow us to reassess the global nickel market in the future.

### What is a temporary suspension?

Temporary suspension allows BHP to reassess the global nickel market in the future. During the suspension, we will:

- suspend mining and processing operations at the Kwinana nickel refinery, Kalgoorlie nickel smelter and Mt Keith and Leinster operations and the development of the West Musgrave project;
- implement a care and maintenance program of work to ensure the ongoing safety and integrity of its mines and related infrastructure; and
- continue to invest in exploration to extend the resource life of Western Australia Nickel and preserve optionality.

### What does this mean for employees?

Our immediate priority is providing care and support to our Western Australia Nickel team. Every frontline employee will be offered another role within BHP, and best endeavours will also be made to identify redeployment opportunities for other employees engaged in the day-to-day operations of Western Australia Nickel. Throughout July, leaders will connect with individuals about these options and personal preferences. They will do so respectfully and with care.

### **When will the temporary suspension begin?**

A transition period will start in July, spanning mining and processing facilities across Nickel West and the West Musgrave development project. Operations will be suspended from October 2024, and handover activities for temporary suspension will be completed by December 2024. We intend to review the decision to temporarily suspend Western Australia Nickel by February 2027.

### **What sites are impacted by this decision?**

All Western Australia Nickel sites will be temporarily suspended – including the Kwinana Nickel Refinery, Kalgoorlie Nickel Smelter, Mt Keith and Leinster operations, and the development of the West Musgrave project.

### **What will happen during temporary suspension?**

We will continue to preserve and maintain the mining and processing facilities, investing approximately A\$450 million each year to support a potential restart of Western Australia Nickel. We intend to review the decision to temporarily suspend Western Australia Nickel by February 2027.

### **How is a temporary suspension different to care and maintenance?**

What we have announced today involves an ongoing investment of A\$450 million a year in the facilities to enable a potential restart. We will implement a care and maintenance program of work to ensure the ongoing safety and integrity of our facilities. We will also continue to invest in exploration to extend the resource life and preserve options.

### **What does this announcement mean for Traditional Owners?**

Our Western Australia Nickel business has many critical relationships and agreements with Traditional Owners, and we will continue working in partnership and honour our existing commitments. A A\$20 million Community Fund is being established to support communities and Traditional Owners through this period of temporary suspension.

### **How will BHP support local communities during the temporary suspension?**

We will retain our existing annual social investment program and honour all existing contracted Western Australia Nickel social investment contracts, including future milestone payments where scheduled. We are also establishing a A\$20 million Community Fund to support impacted communities and businesses.

### **How will the Community Fund work?**

The Community Fund is designed to support communities during the temporary suspension period, where Nickel West's operations are based.

Over the coming weeks we will work with local governments and other key stakeholders to co-design initiatives that best address the needs of each community within the Kwinana, Northern Goldfields and Kalgoorlie-Kambalda regions.

### **Is BHP still committed to Western Australia?**

Yes. We've been part of the Western Australian community for more than 50 years and our commitment to the State remains strong. Over the next five years, we expect to invest more than A\$12 billion in Western Australia, and we'll continue working with our Western Australian stakeholders to advance the economic prosperity of the State.

### **Where can I get more information and stay updated?**

From today, we've established an external website [[www.bhp.com/WANickel](http://www.bhp.com/WANickel)] and a hotline where employees and stakeholders can access more information: 1800 958 252. Questions can be directed through these channels too.