Environmental Protection Authority

The Atrium, Level 8, 168 St Georges Terrace, Perth, Western Australia 6000. Telephone: (08) 6467 5000. Facsimile: (08) 6467 5557.

Postal Address: Locked Bag 33, Cloisters Square, Perth, Western Australia 6850. Website: www.cpa.wa.gov.au

Mr David Swain
Manager Environment and Heritage
Panoramic Resources Limited
PO Box Z5487
PERTH WA 6831

Our Ref A516541 Enquiries Tim Gentle Phone 6467 5433

Dear Mr Swain

NOTICE UNDER SECTION 39A(3)
Environmental Protection Act 1986

PROPOSAL:

Savannah Project Stage 2 - Tailings Storage Facility

Amendment

LOCATION:

Mining Leases 80/179, 80/180 and 80/181 approximately 120 km north of Halls Creek

LOCALITY: PROPONENT:

Panoramic Resources Limited

DECISION:

Not Assessed - Public Advice Given

The Environmental Protection Authority (EPA) understands that you wish to undertake the above proposal which has been referred to the Authority for consideration of its potential environmental impact.

This proposal raises a number of environmental issues. However, the EPA has decided not to subject this proposal to the environmental impact assessment process and the subsequent setting of formal conditions by the Minister for Environment under Part IV of the *Environmental Protection Act 1986* (EP Act). Nevertheless, the staff of the Office of the EPA has provided the attached advice to you as the proponent, and other relevant authorities on the environmental aspects of the proposal

The EPA's decision to not assess the proposal is open to appeal. There is a 14-day period, closing 23 July 2012. Information on the appeals process is available through the Office of the Appeals Convenor's website, www.appealsconvenor.wa.gov.au, or by telephoning 6467 5190.

Yours sincerely

Anthony Sutton

Director

Assessment and Compliance Division

9 July 2012

Encl

Public Advice

The proposal referred to the Environmental Protection Authority (EPA) and to which this advice applies is the Stage 2 Tailings Storage Facility Amendment at the Savannah Nickel Mine (proponent Savannah Resources). The Savannah Mine is situated in the East Kimberley in the head waters of the Ord River.

The Office of the EPA (OEPA) provides the following advice regarding environmental issues:

- · Risk of pollution from acid and metalliferous drainage; and
- Closure and rehabilitation.

The EPA notes that the proponent has carried out a comprehensive risk assessment and closure planning process, including a two day technical workshop involving the proponent's staff and consultants and relevant technical staff from the Departments of Mines and Petroleum (DMP), Department of Environment and Conservation (DEC), Department of Water and OEPA.

The EPA further notes the advice of the DMP (letter 20 June 2012 Mr Phil Gorey DMP to Mr Kim Taylor OEPA):

- DMP has sufficient powers under the Mining Act 1978 to regulate the project during operations and closure whilst there is live Mining Act tenure. This includes ensuring that appropriate tenure is in place to ensure monitoring of environmental performance of the TSF;
- The Mining Act provides DMP with powers to require operators to comply with tenement obligations even after the tenement has expired; and
- Neither DMP nor DEC considers that a formal environmental assessment by the EPA is required because the environmental risks can be adequately regulated under the Mining Act and under the Part V provisions of the *Environmental* Protection Act 1986.

Based on the above, the EPA is concurs that the proposal can be adequately managed by the DMP and the DEC under the provisions of their respective legislation.

The EPA's decision to not assess the proposal is open to appeal. There is a 14-day appeal period, closing 23 July 2012, during which, on payment of the \$10 appeal fee, an appellant may ask the Minister to consider directing the EPA to reconsider these decision or conduct a formal assessment. Information about appeals is available through the Appeals Convenor's website, www.appealsconvenor.wa.gov.au.