



COMPANY ANNOUNCEMENT

15 April 2019

Sepik Development Project Environmental Impact Statement delivered to provincial authorities and landowning communities

PanAust Limited (PanAust) subsidiary Frieda River Limited (FRL), the Papua New Guinea Mineral Resources Authority (MRA) and the Conservation & Environment Protection Authority (CEPA) have presented a copy of the Sepik Development Project Environmental Impact Statement (EIS) to the West Sepik and East Sepik provincial administrations.

Near-Project communities will receive their copies at the Community Leaders Forums which will be held over the coming week. CEPA will conduct a full consultation with communities along the Project’s proposed Vanimo to Frieda River road corridor and along the Sepik River following the delivery of the EIS.

The upcoming consultation process and delivery of the EIS to key Project stakeholders demonstrates that FRL remains committed to working with communities and the Government of PNG to progress the necessary permits and approvals for the nation-building Sepik Development Project.

FRL formally submitted the EIS to CEPA on 12 December 2018. The EIS and a feasibility study formed the updated Proposal for Development for the Project that was delivered to the MRA the same month.

The Sepik Development Project will deliver a long-life hydroelectric power facility and world-class copper-gold mine. These two commercial projects will be enabled by the third party development of an international maritime port, public roads, a regional airport and telecommunications services.

The Project will improve transport and connectivity, facilitate the delivery of services to remote communities and boost domestic and international trade and investment.

The Sepik Development Project aligns with, and will help realise the Government of PNG’s development plans as outlined in Vision 2050 and the Papua New Guinea Development Strategic Plan 2010-2030 and eschews an ‘enclave’ approach to mining development in which economic benefits are constrained. It builds on recent infrastructure developments in West Sepik Province including the construction of a road linking Vanimo to Green River, the planned Port of Vanimo redevelopment, and responds to stakeholder feedback received since the lodgement of the 2016 Special Mining Lease application for the Frieda River Project which contemplated a standalone mine development.

<p>2018 WINNER ASEAN OSHNET EXCELLENCE AWARD OHS MANAGEMENT</p> 	<p>2017 LAO PDR LABOUR ORDER MEDAL 2011 LAO PDR LABOUR ORDER MEDAL CLASS 1</p> 	<p>2015 WINNER AUSTRALIAN CLIMATE LEADERSHIP AWARDS MOST PROFITABLE CARBON REDUCTION ACTIVITY</p> 	<p>2013 WINNER PROJECT DEVELOPMENT OF THE YEAR</p> 	<p>2013 WINNER SUSTAINABILITY LEADERSHIP 2010/11 WINNERS BEST COMMUNITY DEVELOPMENT</p> 
--	---	--	--	--

The Sepik Development Project is projected to deliver significant direct and indirect local employment, business opportunities, attract foreign investment and boost trade and commerce. Host communities, especially in rural areas, will benefit from access to improved transport, telecommunications, health, education and government services that will support a higher quality of life and greater social participation. More broadly, training and employment of Papua New Guineans will provide the skills and capacity to support the nation's future development and prosperity.

Project planning has sought to avoid, minimise and offset environmental impacts. The EIS incorporates comprehensive environmental baseline data which was collected over a period of ten years. The biodiversity surveys represent some of the most extensive ecological surveys conducted for a major project in PNG.

The Project's hydroelectric facility encompasses a dam that will be engineered to store water for reliable, low-cost hydroelectric power generation and permanently contain process tailings and waste rock from the copper-gold mine to protect downstream water quality in the Sepik River.

Environmental management strategies will be guided by standards implemented by PanAust, an internationally recognised leader in environmental management and sustainability.

An independent advisory committee will be established to assist in addressing the environmental and related social impacts of mining activities upon the local and downstream communities. The committee will be established prior to the commencement of construction and will comprise prominent PNG citizens and local and international technical specialists. The committee will provide direction and technical oversight for monitoring and investigations of the environmental and social impacts in the mine area and downstream and will improve public understanding of the mine's impacts and independently review environmental performance and accountability. The findings of the committee will routinely be made public.

For further information contact:

Ms Kate Horan

T +61 3117 2089

E kate.horan@panaust.com.au