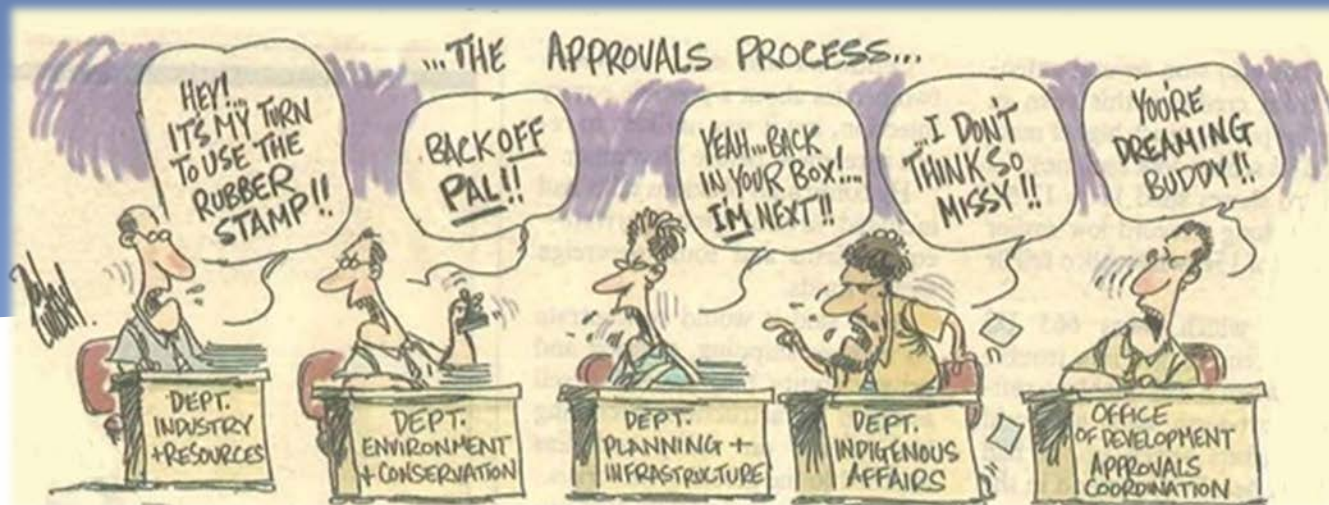


ENVIRONMENTAL APPROVALS, SPEED DATING & ACHIEVING HAPPILY EVER AFTER

KRISTY SELL & FREEA ITZSTEIN-DAVEY
MBS ENVIRONMENTAL

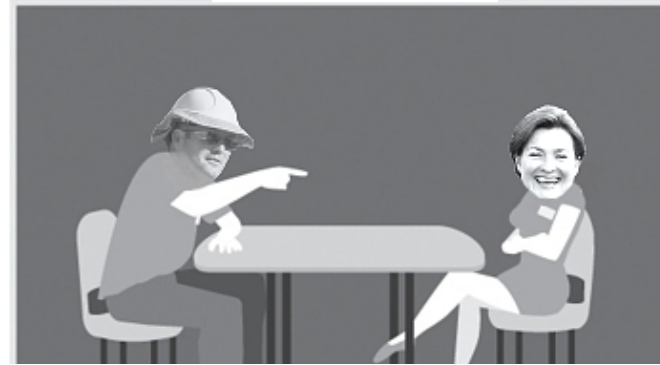
CLAIRE TOLLEY
SANDFIRE RESOURCES NL



PRESENTATION OUTLINE

- Approvals & Speed Dating - Why the analogy?
- Sandfire Resources DeGrussa Project.
- Staged Environmental Approvals:
 - Why?
 - How?
 - Pros and Cons.
- Regulator Interaction.
- Lessons Learnt from the DeGrussa Project.
- Happily ever after...

Speed Dating



Hello Suellen, do you like Star Wars?



No Justin.



And we're done here.... Claire, how about you?

DeGRUSSA COPPER PROJECT

- 900km NE of Perth.
- Discovered in April 2009.
- Sulfide Copper Project:
 - Underground & Open Cut Mine.
 - Copper Concentrator.
 - Integrated Waste landform .
 - Borefield & Power Generation.
 - Direct Shipping Ore & Copper Concentrate.
- Discovery to 1st production in <3 years:
 - First ore mined February 2012 .
 - First ore shipment April 2012.
 - Australia's Fastest moving mine developments.
- Will be largest copper mine in WA.



July 2011

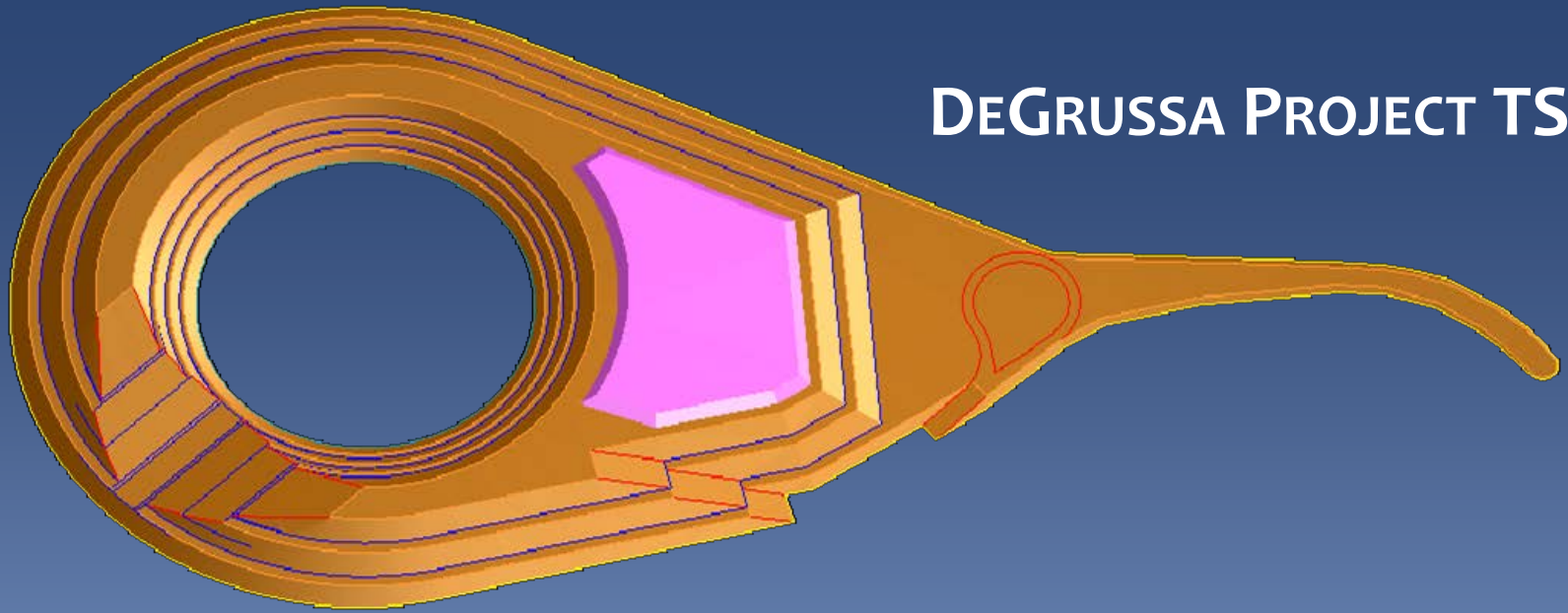


DEGRUSSA PROJECT OPEN PIT

April 2012



DEGRUSSA PROJECT TSF



April 2012

STAGED APPROVALS

- 6 MINING PROPOSALS.
 - Accommodation Camp
 - Stage 1.
 - Stage 2.
 - Borefield.
 - Borefield amendment.
 - Airstrip.
- 3 CLEARING PERMITS.
- 3 WORKS APPROVALS.
 - Exploration Landfill.
 - Stage 1.
 - Stage 2.



STAGED APPROVALS PATHWAY (YOUR TREASURE MAP)

Why Use the Staged Approval Approach?

- Construction timeframes.
- Tenure Issues.
- Pastoral Lease issues.
- Timeliness of scientific & engineering design.
- Differing stakeholder information needs.

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by Doug Savage



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STAGED APPROVALS

Pros

- Rapid start to construction
- Concurrent preparation
- Concurrent assessment
- Access to Project funding
- Project flexibility

Cons

- Defining logical & practical boundaries
- Regulator apprehension & exhaustion
- Consistency & rework of documents
- Potential showstoppers in latter stages
- Need to accommodate project dynamics

STAGED APPROVALS

Outcomes

12 Approvals to date

Detailed Obligations Register

Fast track development objective
achieved

Project schedule not adversely
impacted by approval needs

Before Sandfire....



April 2012



Construction of mine & infrastructure >65% complete

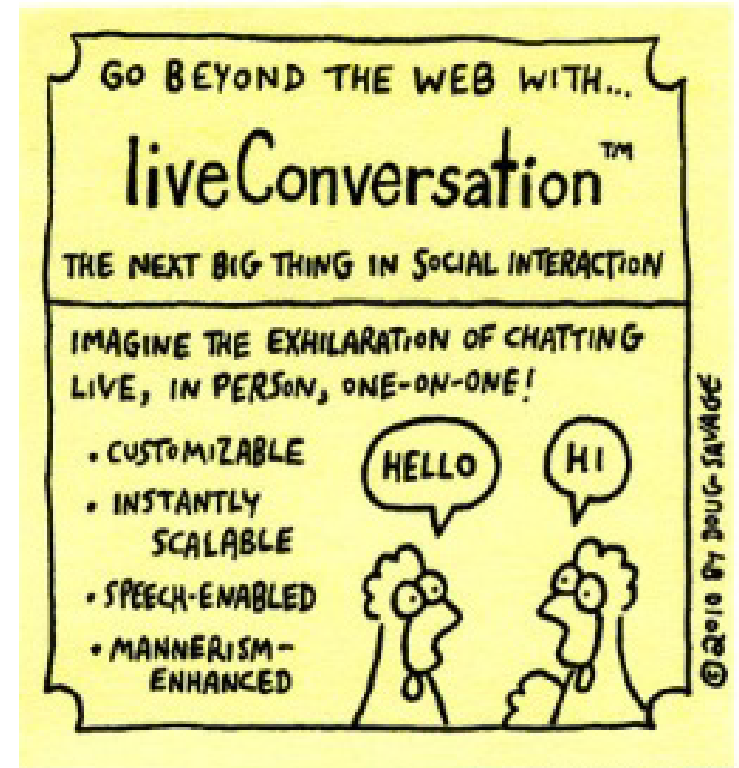
REGULATOR INTERACTION

Is it needed in Our World of Online Submission?

- Just like dating, you need to meet sometime!
- Greenfields sites often have no stakeholder relationship.
- DEC requires scoping meeting for Work Approvals.
- DMP no requirement to meet.
- Opportunity to discuss prior to document submission.

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REGULATOR INTERACTION



- Who do I consult with?
- Who does the consultation?
- The person I deal with keeps changing!

BENEFITS OF REGULATOR INTERACTION

- Introduction of project scope prior to document submission.
- Assisted regulators with resource management.
- Understanding of regulator requirements prior to document submission.
- Assessment timeframes factored into project development.
- Minimises duplication between & within regulatory agencies.
- Develop effective working relationships.

LESSONS LEARNT FROM THE DeGRUSSA PROJECT

- Changes in application of legislation.
- Differing assessment timeframes -stop the clock scenarios.
- DEC (EMB) involvement in ex-Pastoral Leases vested as UCL.
- Formal Referral – if in doubt...



CONCLUSION – PART 1

- Rapid project development.
- Gaining timely approvals isn't akin to finding the pot of copper at the end of the rainbow.
- Think outside the box.
- Communication is essential in all successful relationships.
- Consultation includes listening.



First DSO 17 February 2012

CONCLUSION – PART 2

- Be consistent with consultation & documentation.
- Set realistic timeframes, be adaptable & allow buffers in schedules.
- Success doesn't happen without hard work & commitment from all.
- 4 babies, 1 engagement & a copper mine.

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by Doug Savage



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THANK YOU..... QUESTIONS?

