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|--|---|
| Licensee | Perilya Broken Hill Limited (PBHL) |
| Address | Argent St, Broken Hill, NSW 2880 |
| Environmental Protection Licence | 2683 (North Mine and Potosi Operations) |
| Link to Environmental Protection Licence | http://www.epa.nsw.gov.au/prpoeoapp/ViewPOEOLicence.aspx?DOCID=31559&SYSUID=1&LICID=2683 |
| Reporting period | August 2017 |
| Date report published on website | |

Environmental Protection Licence 2683

Dust Deposition

Perilya Broken Hill Limited (PBHL) has eleven (11) deposition dust gauge stations that are located around the North Mine and Potosi Operation (Figure 1). Licence point 20 is located on a private residence on Hall Street. A summary of Environmental Protection Licence (EPL) 2683 conditions is shown in Table 1.

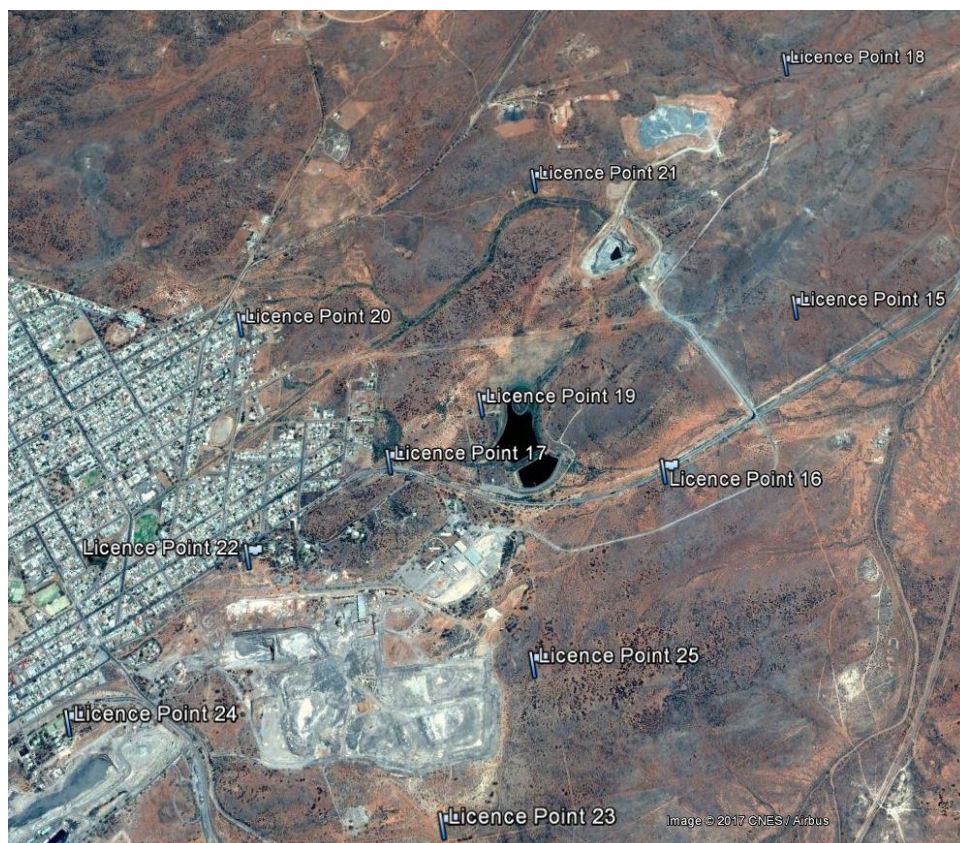


Figure 1. Location of the deposition dust gauges associated with EPL 2683.

Table 1. Summary of EPL 2683 conditions for deposition dust gauges.

| Dust Gauges EPL 2683 Conditions | |
|---------------------------------|--|
| Condition | Licence Requirement |
| Licence Point | 15,16,17,18,19,20,21,22,23,24,25 |
| Pollutant/s | Particulates -deposited matter |
| | Total Lead |
| Unit of measure | Grams per square meter per month (g/m ² /month) |
| Sampling Method | AM-19 |
| Monitoring frequency | Every 30 days ± two (2) days |
| Data Reporting | Monthly |

Dust Deposition Results

August 2017 particulates – deposited matter and total lead results are presented in Table 2. Results of laboratory analyses were received by Perilya on 08-09-2017.

Table 2. August 2017 dust deposition gauge results.

| Licence Point | Particulates – deposited matter (g/m ² /month) | Total Lead (g/m ² /month) |
|---------------|---|--------------------------------------|
| 15 | 4.7 | 0.003 |
| 16 | 0.7 | 0.004 |
| 17 | 1.9 | 0.007 |
| 18 | 3.5 | 0.003 |
| 19 | 1.9 | 0.004 |
| 20 | 2.5 | 0.002 |
| 21 | - | - |
| 22 | 0.1 | 0.003 |
| 23 | 0.3 | 0.003 |
| 24 | 0.6 | 0.009 |
| 25 | 0.1 | 0.004 |

High Volume Air Samplers

PBHL currently operates two (2) high volume air samplers (HVAS) in relation to EPL 2683, one located at the Potosi Operations and the other at the North Mine (Figure 2). HVAS sampling stations operate (sample) for a 24-hour period every six (6) days on a routine basis.



Figure 2. Location of HVAS associated with EPL 2683.

Table 3 provides a summary of EPL 2683 conditions.

Table 3. Summary of EPL 2683 conditions for HVAS samplers.

| High Volume Air Sampler EPL 2683 Conditions | |
|--|---|
| Condition | Licence Requirement |
| Licence Point | 26 and 27 |
| Pollutant/s | Total Suspended Particles |
| | Total Lead |
| Unit of measure | Micrograms per cubic meter ($\mu\text{g}/\text{m}^3$) |
| Sampling Method | AS 3580.9.15:2014 |
| | AS/NZS 3580.9.3:2015 |
| Monitoring frequency | Every six days for 24 hours |
| Data Reporting | Every 6 days |

HVAS Results

Total suspended particulate (TSP) and total lead results are presented in Table 4. Monthly averages for TSP and total lead for the previous 12 months are shown in Figure 3 and Figure 4 respectively. Results were received on 25-09-2017.

Table 4. August 2017 HVAS total lead and TSP results.

| Licence Point | Pollutant | No. times measured in the month | Min. value | Mean Value | Median Value | Max. Value |
|---------------|---|---------------------------------|------------|------------|--------------|------------|
| 26 | TSP ($\mu\text{g}/\text{m}^3$) | 5 | 6.0 | 32.0 | 24.0 | 82.0 |
| | Total Lead ($\mu\text{g}/\text{m}^3$) | 5 | 0.033 | 0.083 | 0.077 | 0.120 |
| 27 | TSP ($\mu\text{g}/\text{m}^3$) | 5 | 4.60 | 35.1 | 27.000 | 88.0 |
| | Total Lead ($\mu\text{g}/\text{m}^3$) | 5 | 0.017 | 0.125 | 0.140 | 0.260 |

Results that are above industry standards influenced by seasonal climatic conditions and offsite factors. Recent construction and land clearing activities in the vicinity of the HVAS is also considered an influencing factor.

Annual monthly average TSP (previous 12 months)

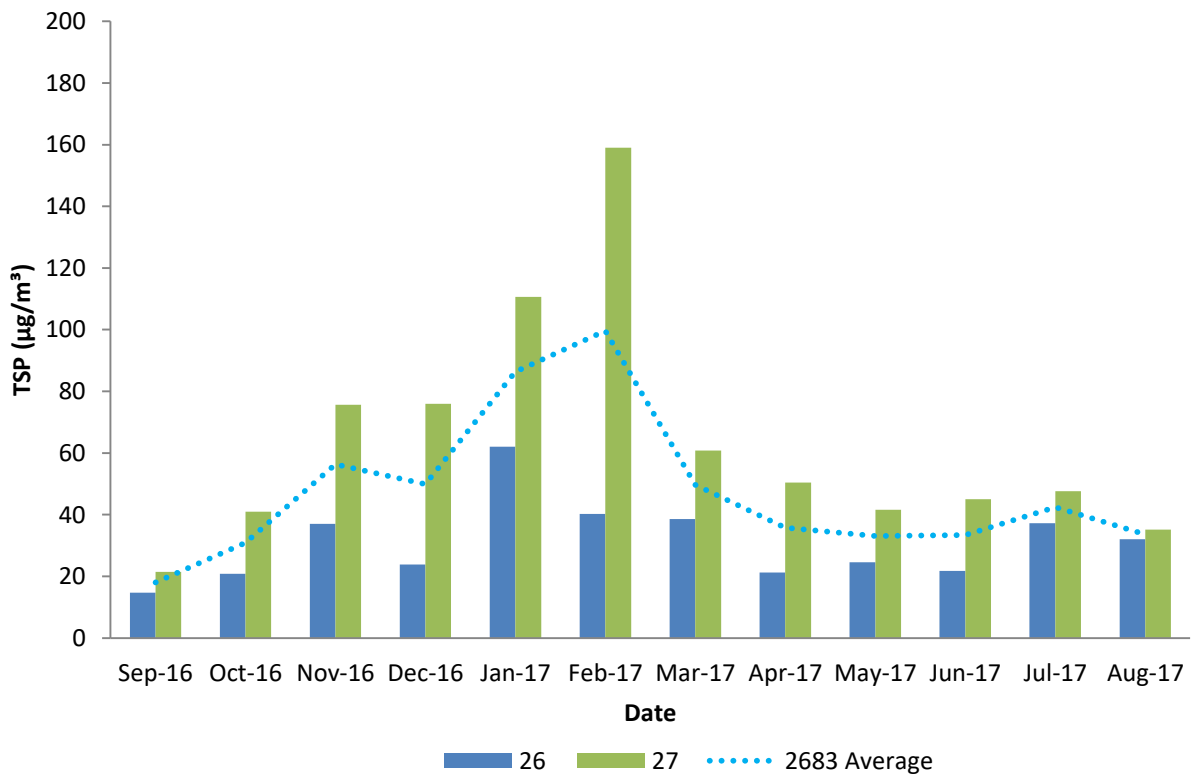


Figure 3. Average TSP results for the 12 months up to and including August 2017.

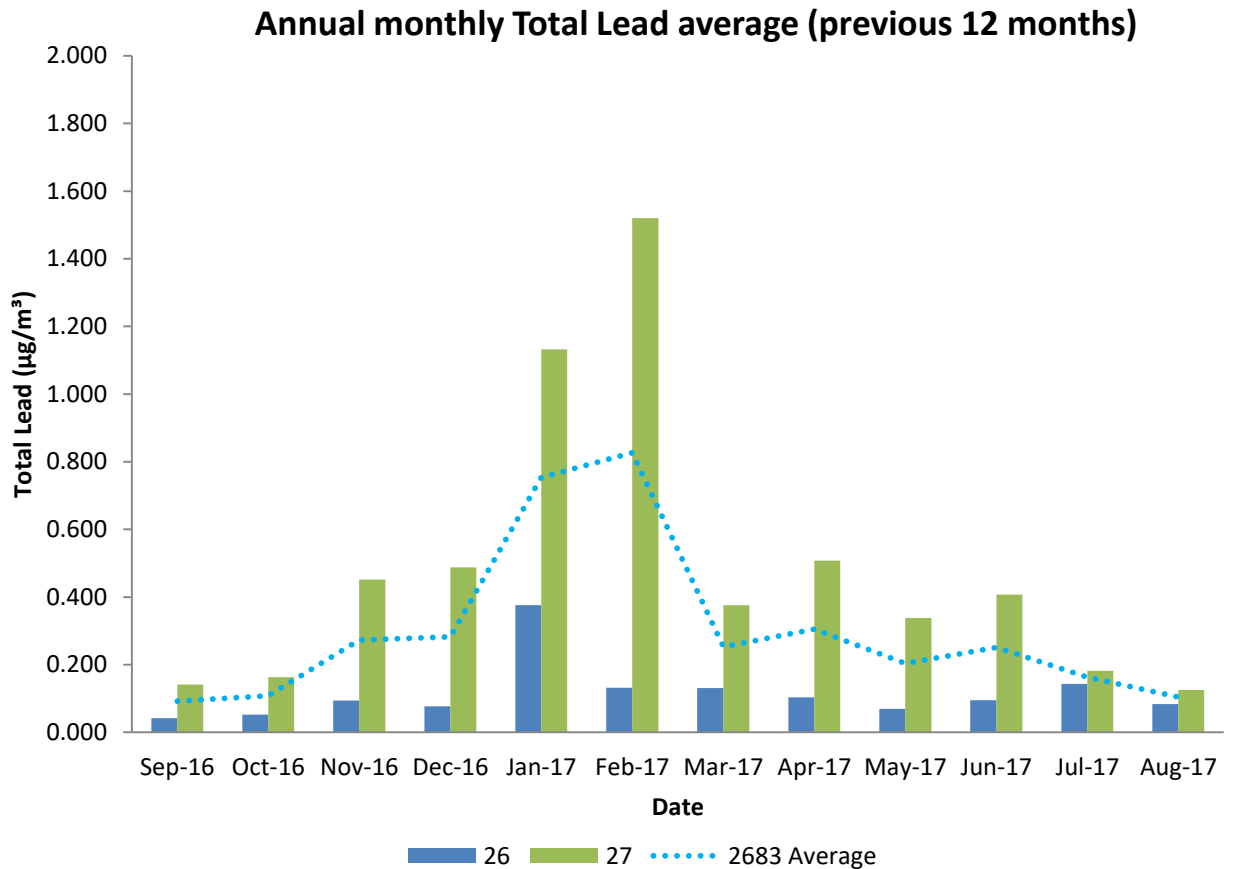


Figure 4. Average total lead results for the 12 months up to and including August 2017.

Noise Monitoring

North Mine is currently operating under an approved interim exploration MOP, no noise monitoring is conducted at this site.

PBHL’s Potosi Operation is currently being actively mined and noise monitoring is conducted at this site. A summary of the EPL requirements for noise monitoring is shown in Table 5.

Table 5. A summary of the EPL 2683 conditions for noise monitoring.

| Noise EPL 2683 Conditions | |
|---|---|
| Condition | Licence Requirement |
| Pollutant | Noise |
| Unit of measure | Decibels (dB) |
| Limits | |
| Monday to Friday - 0700 hours (h) to 1800 h | An *Leq (15 minute) of 40 decibels (A weighted) |
| Monday to Friday - 1800 h to 2200 h | An Leq (15 minute) of 39 decibels (A weighted) |
| All other times | An Leq (15 minute) of 35 decibels (A weighted) |

*Leq is the equivalent continuous noise level – the level equivalent to the energy average of noise levels emitted by the premises over the stated measurement period (Source: Environmental Protection Licence 2683).

The location of Potosi noise monitoring is shown in Figure 5.



Figure 5. The location of the noise monitoring associated with EPL 2683.

Noise results

Rather than undertaking noise monitoring on a monthly or quarterly basis, Perilya has opted to conduct noise monitoring for its Potosi Operations on a more frequent basis. This monitoring consists of one (1) 15-minute interval each week conducted between 0730 hours and 1900 hours. Actual time that the monitoring commences is selected at random within the designated hours of the monitoring time period.

During the monitoring interval, noise identified by the operator as coming from the Potosi Operation is noted. Results of noise monitoring for the month of August 2017 are provided in Table 6.

Table 6. A summary of the noise monitoring results for the month of August 2017.

| Date Noise Monitoring Undertaken | Time (24 hour) | LAeq (15 min) (dB) | Non-mine noise | | Potosi Operations (mine contribution) | | |
|----------------------------------|----------------|--------------------|-------------------|----------------|---------------------------------------|----------------|----------------|
| | | | Observed sources* | Duration (min) | Observed Mine Source | Duration (min) | Adj. LAeq (dB) |
| 4/08/2017 | 13:30-13:45 | 55.2 | Various | 15 | Nil | Nil | N/A |
| 8/08/2017 | 16:15-16:30 | 58.6 | Various | 15 | Nil | Nil | N/A |
| 14/08/2017 | 15:45-16:00 | 40.8 | Various | 15 | Nil | Nil | N/A |
| 24/08/2017 | 16:30-16:45 | 49.7 | Various | 15 | Nil | Nil | N/A |

* Typically, 'various' includes commonly occurring non-mine noise such as wind interference, birds, overflying aircraft, vehicles and motorbikes.

Blasting

North Mine is currently operating under an approved interim exploration MOP, blast vibration and overpressure monitoring are conducted at this site. The North Mine blast monitors used to undertake this monitoring are located on residential properties adjacent to the North Mine. Location of these monitors is shown in Figure 6 and labeled as 'North 56' and 'Junction'. Potosi Operations currently are under active mining, overpressure is monitored at this site. The Potosi blast monitor used to undertake this monitoring is located on site and adjacent to the Potosi Pit. Location of this monitor is shown in Figure 6 and labeled as 'Potosi' in this figure.

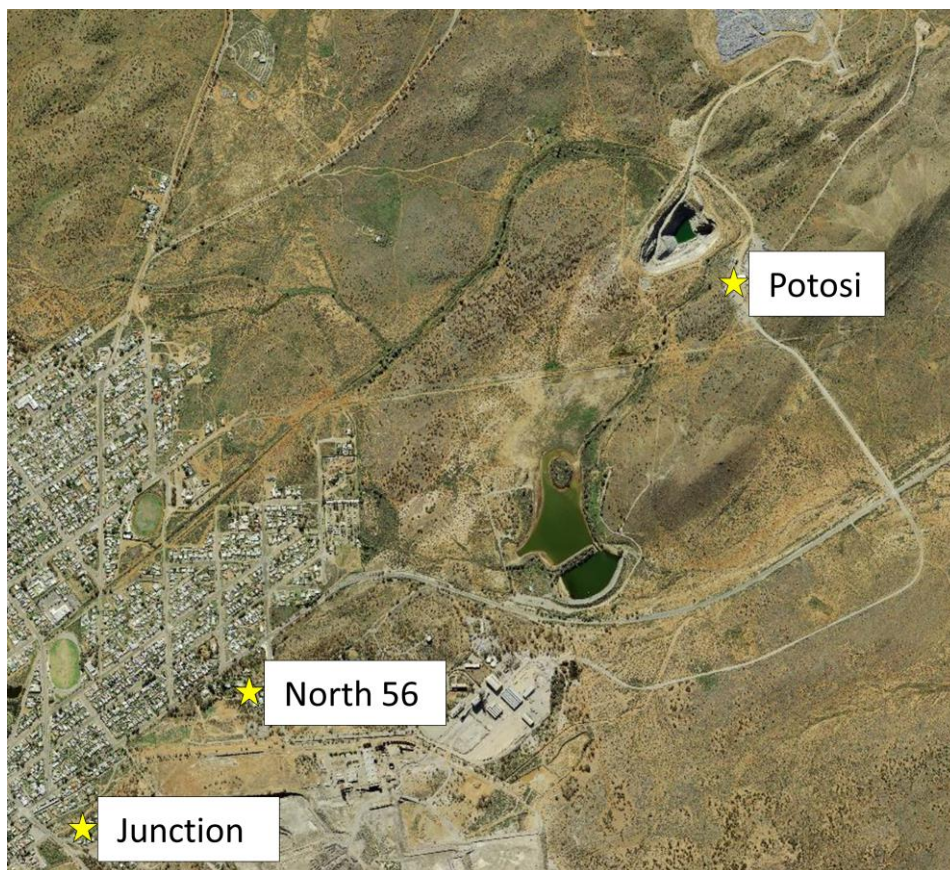


Figure 6. Location of the blast monitors associated with EPL 2683.

A summary of License conditions for blasting is provided in Table 7.

Table 7. Summary of EPL 2683 conditions for blasting.

| Blasting EPL 2683 Conditions | |
|--|---|
| Condition | Licence Requirement |
| Licence Points | 56 North Mine, 48 Junction Circle (North Mine is in care and maintenance), Potosi |
| Pollutant/s | Ground Vibration |
| | Overpressure |
| Unit of measure | Millimetres per second (mm/s), Decibels (dB) |
| Sampling method | AS 2187.2-2006 |
| Monitoring frequency | All blasts |
| Data Reporting | All blasts |
| Date results received | Immediately following each blast |
| Limits | |
| North only: Ground Vibration – 95% of blasts | Five (5) millimetres per second (mm/s) |
| North only: Ground Vibration – Upper limit | Ten (10) millimetres per second (mm/s) |
| Overpressure – 95% of blasts (not including Potosi) between 0700 h -1900 h | 115 decibels (dB) |
| Overpressure – upper limit (not including Potosi) between 0700 h -1900 h | 120 decibels (dB) |
| Overpressure – upper limit (not including Potosi) between 1900 h -0700 h | 95 decibels (dB) |
| Overpressure - 95% of blasts (Potosi) between 0700 h – 1900 h | 130 decibels (dB) |
| Overpressure – upper limit (Potosi) between 0700 h – 1900 h | 135 decibels (dB) |
| Overpressure – upper limit (Potosi) between 1900 h – 0700 h | 110 decibels (dB) |

Blasting Results

A total of 29 blasts were conducted at Potosi and a total of 39 blasts were conducted at North Mine during August 2017 (Table 8).

Table 8. August 2017 blast vibration and overpressure for EPL 2683.

| Licence Point | Parameter | No. times measured in the month | Minimum Value | Mean Value | Median Value | Maximum Value |
|----------------------|-------------------------|--|----------------------|-------------------|---------------------|----------------------|
| Potosi | Overpressure | 29 | 88 | 89.2 | 88 | 97.5 |
| North 56 | Overpressure | 20 | 86 | 105 | 107 | 128 |
| Junction Circle | Overpressure | 34 | 80 | 93 | 90 | 117 |
| North 56 | Ground vibration (mm/s) | 21 | 0.166 | 0.534 | 0.390 | 2.166 |
| Junction Circle | Ground vibration (mm/s) | 34 | 0.069 | 0.866 | 0.419 | 5.580 |

Perilya has advised previously that blast overpressure data from all of its operations routinely exceeds to 90dB limits relevant to EPA licenses and the NSW Industrial Noise Policy, and that this is not a result of overpressure events from blasting.

During daylight hours across the entire year, wind speeds in the Broken Hill area are in excess of 3m/sec. This threshold is referenced in all Perilya EPA licenses and in the NSW Industrial Noise Policy as being contra-indicated to the determination of accurate ambient noise pressure levels.

It is also significant that over-pressure is not a useful indicator of impacts on sensitive receptors from underground mining activities (as compared to open pit mining), as any pressure gradients are rapidly attenuated in the underground environment.

Complaints

No complaints were received under EPL 2683 during August 2017.