

ASX ANNOUNCEMENT

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Western Australian EPA Recommends Five Year Extension for Sorby Startup

CORPORATE DIRECTORY

Managing Director
Simon Noon

Directors
Richard Monti (Chairman)
Peter Harold (Non-exec.)
Andrew Parker (Non-exec.)

Company Secretary
Jerry Monzu

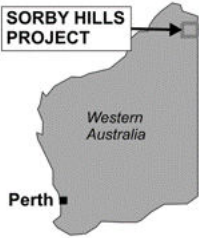
Registered Office
Level 10, 105 St Georges Tce
Perth WA 6000

Telephone
+61 8 6268 0449

Email
info@pacificominerals.com.au

ASX Code PMY

ABN 43 107 159 713



Pacifco Minerals Limited (ASX: PMY) (**‘Pacifco’** or the **‘Company’**) is pleased to announce that they have received Report 1632 from the Western Australian Environmental Protection Authority (**‘EPA’**) recommending that it is appropriate to amend condition 3 of Ministerial Statement 964 to allow for the extension of the timeframe for substantial commencement of the Sorby Hills Lead-Silver-Zinc proposal for a further 5 years, to 2 April 2024.

Background

The Sorby Hills Lead-Silver-Zinc Project proposal is to develop a lead, silver, and zinc mine, associated infrastructure, and processing facilities. The Project is located approximately 50 kilometres north of Kununurra, and the concentrate produced is to be transported by road and shipped through Wyndham Port.

The EPA assessed the proposal at the level of Public Environmental Review and released its assessment report, EPA Report 1491, in October 2013. The EPA identified the following key environmental factors relevant to the proposal:

- Flora and vegetation;
- Human health;
- Marine environmental quality; and
- Closure and rehabilitation.

In applying the Environmental Protection Authority Statement of Environmental Principles, Factors and Objectives, December 2016 (**‘SEPF0’**) these factors are now represented by:

- Flora and vegetation;
- Air quality; and
- Marine environmental quality.

In the October 2013 EPA Report (1491), the EPA concluded *“The Project can be managed to meet the EPA’s objectives, provided there is satisfactory implementation by the proponent (**‘Sorby Management Pty Ltd’** or **‘Sorby’**) of the EPA’s recommended conditions.”*

Requested Changes to Conditions

Condition 3-1 of Ministerial Statement 964 requires Sorby Management Pty Ltd to substantially commence the proposal within five years of the date of issue of the Statement (before 2 April 2019). Sorby has requested an extension of the Time Limit of Authorisation (now referred to as ‘Time Limit for Proposal Implementation’) for substantial commencement to be extended for a further five years to 2 April 2024.

As part of its review process while considering granting Sorby an extension on the commencement of the Sorby Hills Project, the EPA considered the impacts on the three key environmental factors.

Conclusions

Regarding the three key environmental factors, information provided by Sorby, and relevant EPA policies and guidelines, the EPA concluded that:

- There are no changes to the proposal;
- There is no significant new or additional information that justifies the reassessment of the issues raised by the proposal;
- There has been no new significant change in the relevant environmental factors since the proposal was assessed by the EPA in Report 1491, October 2013;
- No new significant environmental factors have arisen since the EPA's assessment of the proposal; and
- Existing implementation conditions will continue to address the relevant environmental factors and manage and mitigate the potential impacts of the proposal.

Recommendations

The EPA has submitted the following recommendations to the Minister for Environment under section 46 of the *Environmental Protection Act 1986*:

1. That it is appropriate to amend condition 3 of Ministerial Statement 964 to allow for the timeframe for substantial commencement of the Sorby Hills Silver Lead Zinc proposal to be extended for a further 5 years, to 2 April 2024; and
2. That, after complying with section 46(8) of the *Environmental Protection Act 1986*, the Minister issues a statement of decision to change condition 3 of Statement 964.

Managing Director Simon Noon said *"The Sorby Hills Mining proposal was subject to long and rigorous assessment prior to the EPA Board's positive decision in 2013. The recommendation from the EPA to extend the Time Limit for Proposal Implementation for a further five years, clears the way for the Sorby Hills Joint Venture to fast track production in accordance with best practice environmental management."*

A copy of EPA Reports 1491, 1632, and the Ministerial Statement 964 can be found on the Company's website.

For further information or to be added to our electronic mailing list please contact:

Simon Noon (Managing Director)

Phone: +61 (0)8 6268 0449

Email: info@pacificominerals.com.au

About Pacifco Minerals Ltd

Pacifco Minerals Ltd ('Pacifco') (ASX: PMY) is a Western Australian based exploration and development company focused on advancing the Sorby Hills Lead-Silver-Zinc Joint Venture project. Pacifco owns a 75% interest in the Joint Venture with the remaining 25% (contributing) interest held by Henan Yuguang Gold & Lead Co. Ltd.

About Henan Yuguang Gold and Lead Co Ltd

Henan Yuguang Gold and Lead Co., Ltd (HYG) was established in 1957 by the government of Jiyuan City which is in Henan Province in North China. In July 2002, HYG (exchange code: 600531) was listed on the Shanghai Stock Exchange (SSX). Current ownership is approximately 29.61% by Jiyuan City. HYG is the largest lead smelting company and silver producer in China and has been among the Top 500 Chinese enterprises and Top 500 China manufacturing enterprises for the last five consecutive years. The main products produced by HYG are electrolytic lead, gold, silver and copper which are all registered at LME and LBMA respectively. In 2017, HYG produced 415,100 tonnes of electrolytic lead, 110,000 tonnes of copper, 958 tonnes of silver, 7,383 kg of gold and achieved sales of about US\$2,684 million. HYG's plants are largely modern, focussed on development of industrial technology and are environmentally-friendly. Its recently-refurbished lead smelting plant has achieved full automation. More information can be found on the HYG website; <http://www.yggf.com.cn/en/>.