

Appendix M
Sustainability Implementation Plan

ICMM Sustainability Framework Principles and Proposed Implementation

Principles	Elements	Implementation
<p>Principle 1 Implement and maintain ethical business practices and sound systems of corporate governance.</p>	<p>Element 1.1 Develop and implement company statements of ethical business principles and practices that management is committed to enforcing.</p>	<p>Gunson has developed a Sustainability Policy encapsulating Gunson's ethical business principles and practices. This is designed to not only incorporate business principles and practices but to include the consideration and enforcement of environmental and biodiversity aspects of the project.</p>
	<p>Element 1.2 Implement policies and practices that seek to prevent bribery and corruption.</p>	<p>Gunson will prevent incidences of bribery and corruption within the Company, the following measures will be implemented:</p> <ul style="list-style-type: none"> • Seek legal advice, where required; • Develop an employee Code of Conduct; and • Investigate any reported bribery cases.
	<p>Element 1.3 Comply with or exceed the requirements of host country laws and regulations.</p>	<p>Gunson has compiled a list of applicable Environmental Legislation as a part of the PER for this Project. This list has been provided as part of Appendix B.</p> <p>Gunson will undertake the following to ensure compliance with Australian and Western Australian laws and regulations:</p> <ul style="list-style-type: none"> • Compile an obligations register as part of the company's EMS; • Educate employees on their obligations through the EMS and operational EMPs in order to identify and report any non-compliances during operations; and • Develop a non-compliance and corrective action register.

ICMM Sustainability Framework Principles and Proposed Implementation (cont.'d)

Principles	Elements	Implementation
Principle 1 (cont.'d)	Element 1.4 Work with governments, industry and other stakeholders to achieve appropriate and effective public policy, laws, regulations and procedures that facilitate the mining, minerals and metals sector's contribution to sustainable development within national sustainable development strategies.	Gunson will promote sustainable development within its own and affiliated practices by implementing the following: <ul style="list-style-type: none"> • Research programmes associated with the mining operations will be undertaken on an as need basis to address information gaps as they arise during the life of the project; and • Scientific and technical advice (where required) will be provided by Gunson to assist in the future development of standards and controls.
Principle 2 Integrate sustainable development considerations within the corporate decision-making process.	Element 2.1 Integrate sustainable development principles into company policies and practices.	Gunson has created a Sustainability Policy which outlines both Gunson's environmental and business case for demonstrating sustainable development within its operations. Gunson will promote sustainable development within its policies and practices. To do this, the following will be implemented: <ul style="list-style-type: none"> • Sustainable development principles will be incorporated into an EMS that will be produced for the operation; • A Closure Plan will be developed with a self-sustaining ecosystem as the desired final outcome; • Specific roles and responsibilities will be allocated to individual employees to ensure that the Sustainability Policy and associated practices are implemented throughout the workplace; • Mandatory reporting of all non-compliances will be implemented; and • All employees will be informed and provided with adequate resources to fulfil their responsibilities.

ICMM Sustainability Framework Principles and Proposed Implementation (cont.'d)

Principles	Elements	Implementation
Principle 2 (cont.'d)	Element 2.2 Plan, design, operate and close operations that enhances sustainable development.	<p>Gunson has undertaken baseline studies several years prior to the submission of the PER to identify the existing environment and to determine the local and regional significance of each of these environmental aspects. The results of this baseline information will provide a good comparative benchmark for surveys undertaken during and after the mining operations.</p> <p>Gunson will aim to enhance sustainable development during and after its operations:</p> <ul style="list-style-type: none"> • Incorporating the sustainability principles into the EMS; • Setting environmental objectives and targets; • Developing a rehabilitation plan; and • Developing a Closure Plan with the involvement of agencies (regulators) and the community.
	Element 2.3 Implement good practice and innovate to improve social, environmental and economic performance whilst enhancing shareholder value.	<p>Gunson has undertaken stakeholder consultation with regulators, the local community, pastoralists, aboriginal people, the Shark Bay Shire and other interested parties during the PER process.</p> <p>Gunson has also committed to the use of natural gas to provide energy for its major machinery on site. In addition, Gunson has undertaken a rehabilitation benchmarking exercise to determine the most appropriate method of rehabilitation for the site.</p> <p>Gunson will implement good practice and innovate to improve social, environmental and economic performance by incorporating the following into its mining operations:</p> <ul style="list-style-type: none"> • Tailings disposal techniques designed to maximise water return for reuse within the mining process; • A comprehensive water conservation strategy for the life of the mine;

ICMM Sustainability Framework Principles and Proposed Implementation (cont.'d)

Principles	Elements	Implementation
Principle 2 (cont.'d)	Element 2.3 (cont.'d)	<ul style="list-style-type: none"> • A plan for progressive rehabilitation; • Stakeholder consultation on an ongoing basis; and • Opportunities for employee feedback on environmental issues.
	Element 2.4 Encourage customers, business partners and suppliers of goods and services to adopt principles and practices that are comparable to our own.	Gunson will, in the management of its suppliers, seek to obtain economic value.
	Element 2.5 Provide sustainability training to ensure adequate competency at all levels among our own employees and those of our contractors.	Gunson will ensure that employees have adequate knowledge of sustainability by: <ul style="list-style-type: none"> • Developing an induction package (including risk management and emergency response training) to inform employees on sustainability, how it can be implemented within their work practice and how to prevent environmental incidents; • Updating employees and obtain feedback by review meetings and internal publications; and • Incorporating sustainability objectives into individual performance assessments.
	Element 2.6 Support public policies that foster open and competitive markets.	Gunson will participate in industry advocacy groups.
Principle 3 Uphold fundamental human rights and respect cultures, customs and values in dealing with employees and others who are affected by our activities.	Element 3.1 Ensure fair remuneration and work conditions for all employees and do not use forced, compulsory or child labour.	This element is not relevant to the environmental assessment and management of the Project, but will be addressed through employee management and aboriginal cultural awareness training.
	Element 3.2 Provide for the constructive engagement of employees on matters of mutual concern.	As above

ICMM Sustainability Framework Principles and Proposed Implementation (cont.'d)

Principles	Elements	Implementation
Principle 3 (cont.'d)	Element 3.3 Implement policies and practices designed to eliminate harassment and unfair discrimination in all aspects of our activities.	As above
	Element 3.4 Ensure that all relevant staff, including security personnel, are provided with appropriate cultural and human rights training and guidance.	Refer to Element 3.6 below.
	Element 3.5 Minimise involuntary resettlement and compensate fairly for adverse effects on the community where this cannot be avoided.	This element is not relevant to the environmental assessment and management of the Project.
	Element 3.6 Respect the culture and heritage of local communities, including indigenous peoples.	Gunson has undertaken extensive consultation with the Yamatji Land and Sea Council representing the Nanda Working Group and the Malgana Aboriginal Working Group, and the DIA during both exploration and the PER process. Gunson will, as an ongoing commitment to protecting Aboriginal heritage within the area, develop an Indigenous Peoples policy that will encompass future consultation with the abovementioned parties.
Principle 4 Implement risk management strategies based on valid data and sound science.	Element 4.1 Consult with interested and affected parties in the identification, assessment and management of all significant social, health, safety, environmental and economic impacts associated with our activities.	Gunson initiated a stakeholder consultation programme in early 2003 to identify all significant social and environmental issues to be addressed in the PER. See section 5 for information on this programme. Gunson will, during operations and closure, continue to consult with relevant stakeholders to ensure that their environmental concerns are addressed where practicable.

ICMM Sustainability Framework Principles and Proposed Implementation (cont.'d)

Principles	Elements	Implementation
Principle 4 (cont.'d)	Element 4.2 Ensure regular review and updating of risk management systems.	Gunson will develop an EMS with a hazard register that is regularly reviewed.
	Element 4.3 Inform potentially affected parties of significant risks from mining, minerals and metals operations and of the measures that will be taken to manage the potential risks effectively.	Gunson has prepared the PER document to openly communicate the anticipated environmental risks and impacts from the proposed mining operation. The Company undertaken extensive stakeholder consultation, as described in Section 5 of the PER. Gunson will undertake ongoing stakeholder consultation during project operations and closure.
	Element 4.4 Develop, maintain and test effective emergency response procedures in collaboration with potentially affected parties.	Gunson will provide employees with adequate knowledge on how to mitigate environmental incidents and deal with emergency situations by developing an emergency response plan.
Principle 5 Seek continual improvement of our health and safety performance.	Element 5.1 Implement a management system focused on continual improvement of all aspects of operations that could have a significant impact on the health and safety of our own employees, those of contractors and communities where we operate.	This element is not relevant to the environmental assessment and management of the Project, but will be addressed under the health and safety component of Gunson's project management system.
	Element 5.2 Take all practical and reasonable measures to eliminate workplace fatalities, injuries and diseases among our employees and those of our contractors.	As above.
	Element 5.3 Provide all employees with health and safety training, and require employees of contractors to have undergone such training.	As above.

ICMM Sustainability Framework Principles and Proposed Implementation (cont.'d)

Principles	Elements	Implementation
Principle 5 (cont.'d)	Element 5.4 Implement regular health surveillance and risk-based monitoring of employees.	As above.
	Element 5.5 Rehabilitate and reintegrate employees into operations following illness or injury, where feasible.	As above.
Principle 6 Seek continual improvement of our environmental performance.	Element 6.1 Assess the positive and negative, direct and indirect, and the cumulative impacts of new projects - from exploration through to mine closure.	Gunson has identified the positive and negative environmental impacts within the PER for the proposed Project. These have been discussed in Sections 2 and 6 of the PER. The Company will manage the impacts identified for the Project by preparing management plans. The EMPs designed for the project will be reviewed annually and updated where required.
	Element 6.2 Implement an environmental management system focused on continual improvement to review, prevent, mitigate and ameliorate adverse environmental impacts.	Gunson will, to productively continue operations with the goal of continual improvement, create a comprehensive EMS consistent with ISO14001.
	Element 6.3 Rehabilitate land disturbed or occupied by operations in accordance with appropriate post-mining land uses.	Gunson has, in order to rehabilitate the mining area to a self-sustaining ecosystem, undertaken the following: <ul style="list-style-type: none"> • An assessment and benchmarking of rehabilitation techniques applicable to the site; • Developed a rehabilitation plan and rehabilitation success criteria; and • Compiled a Conceptual Closure Plan.

ICMM Sustainability Framework Principles and Proposed Implementation (cont.'d)

Principles	Elements	Implementation
Principle 6 (cont.'d)	Element 6.3 (cont.'d)	Gunson will undertake the following: <ul style="list-style-type: none"> • Progressively rehabilitate and monitor the disturbed area; • Commit to improving site rehabilitation techniques as more advanced information becomes available; • Report on rehabilitation performance within the Annual Environmental Report submitted to the DoE and DoIR; and • Revise and update the Closure Plan throughout the life of the mine.
	Element 6.4 Provide for safe storage and disposal of residual wastes and process residues.	Gunson will, in relation to the safe storage and disposal of residual wastes: <ul style="list-style-type: none"> • Return overburden, tailings and slimes to the mine void in accordance with the mine development plan; • Cover disturbed area with topsoil and subsoil and rehabilitate; • Manage material disposal sites effectively to avoid erosion; • Ensure that all materials handling, containment and control processes are documented and available for access by employees to ensure that correct procedures are followed; • Remediate hydrocarbon-affected soils; and • Develop a hazardous materials management plan.
	Element 6.5 Design and plan all operations so that adequate resources are available to meet the closure requirements of all operations.	Gunson has, to ensure that adequate resources are available, planned all operations to minimise costs in conjunction with minimising environmental risk. This has been undertaken in the following ways: <ul style="list-style-type: none"> • Costs for progressive rehabilitation of the site have been factored into the operational costs for the site; and • Provisions for rehabilitation, post closure monitoring and maintenance has been factored into the conceptual closure planning for the project with costs to be finalised when the closure and rehabilitation plans are finalised, closer to the end of mine life.

ICMM Sustainability Framework Principles and Proposed Implementation (cont.'d)

Principles	Elements	Implementation
Principle 6 (cont.'d)	Element 6.5 (cont.'d)	Gunson will: <ul style="list-style-type: none"> • Continuously revise the closure plan during the life of the mine to encompass changes to legislation and community expectations; and • Adequately provide for post-closure activities.
Principle 7 Contribute to conservation of biodiversity and integrated approaches to land use planning.	Element 7.1 Respect legally designated protected areas.	Gunson has undertaken exploration activities since 2000 and fulfilled the following environmental responsibilities and legal requirements: <ul style="list-style-type: none"> • Obtained vegetation clearing permits; • Avoided any known locations of rare flora (<i>Eucalyptus beardiana</i>) and the SBWHP during exploration activities; • Removed all rubbish from the exploration sites; • Washed all vehicles before site access to remove foreign seeds or weeds; • Carried out discussions with CALM and DoIR before exploration regarding site access, and as a result, where practicable all access routes were kept to existing fence lines; • Conducted an Aboriginal Heritage survey on access tracks prior to exploration in 1999 in conjunction with the Yamatji Land and Sea Council and in 2000 by having Aboriginal observers present on the drilling rigs to advise of any heritage issues; and • Capped all exploration drill holes with concrete plugs and covered with topsoil after completion of the drill hole. <p>Gunson will develop management measures to prevent adverse impacts to the SBWHP during and after the mining operation.</p>

ICMM Sustainability Framework Principles and Proposed Implementation (cont.'d)

Principles	Elements	Implementation
<p>Principle 7 (cont.'d)</p>	<p>Element 7.2 Disseminate scientific data on, and promote practise and experiences in, biodiversity and management.</p>	<p>Gunson has undertaken baseline studies of fauna, flora and vegetation as biodiversity assessments. The results of these surveys have been presented within this PER document which is publicly available.</p> <p>The Company has committed to the protection of a unique suite of vegetation not found anywhere else within the Project Zone (Community S5, see Appendix J). In addition, a buffer around the community will be maintained. The vegetation and flora surveys did not identify the presence of any rare flora within the Project Zone or on the access road.</p> <p>Gunson will work with neighbouring communities, key stakeholders and CALM (as managers of the SHWHP) to minimise the impact of feral animals and control the migration of weeds (see relevant EMPs in Appendix O). In addition, stakeholder communication on rehabilitation and closure planning will be undertaken.</p>
	<p>Element 7.3 Support the development and implementation of scientifically sound, inclusive and transparent procedures for integrated approaches to land use planning, biodiversity, conservation and mining.</p>	<p>Gunson has undertaken a number of flora and fauna surveys and incorporated this information into mine planning. For example, the Company has committed to maintaining a unique vegetation community (S5) and an appropriate buffer zone around it.</p> <p>Gunson will develop an induction package (including risk management and emergency response training) that will educate employees and contractors working within the Project Zone and its surrounds on the importance of biodiversity conservation.</p>
<p>Principle 8 Facilitate and encourage responsible product design, use, re-use, recycling and disposal of our products.</p>	<p>Element 8.1 Advance understanding of the properties of metals and minerals and their life-cycle effects on human health and the environment.</p>	<p>Gunson will not need to undertake a community health assessment due to the distance of the local community from the mine site. Employee health and safety issues will be addressed through the health and safety system.</p>

ICMM Sustainability Framework Principles and Proposed Implementation (cont.'d)

Principles	Elements	Implementation
<p>Principle 8 (cont.'d)</p>	<p>Element 8.2 Conduct or support research and innovation that promotes the use of products and technologies that are safe and efficient in their use of energy, natural resources and other materials.</p>	<p>Gunson will demonstrate that it supports the use of environmentally friendly products and practices by implementing the following:</p> <ul style="list-style-type: none"> • The use of natural gas for energy production on site; • Water reclamation cycles through tailings processing; • A water management plan; and • Energy efficiency reviews of camp-site facilities during operation.
	<p>Element 8.3 Develop and promote the concept of integrated materials management throughout the metals and minerals value chain.</p>	<p>Gunson will promote safe handling, storage and use of materials on site.</p>
	<p>Element 8.4 Provide regulators and other stakeholders with scientifically sound data and analysis regarding our products and operations as a basis for regulatory decisions.</p>	<p>Gunson will present information obtained during operations to regulatory bodies in an Annual Environmental Report to the DoE and DoIR.</p>
	<p>Element 8.5 Support the development of scientifically sound policies, regulations, product standards and material choice decisions that encourage the safe use of mineral products.</p>	<p>Gunson will promote the combined concepts of health, safety and environment by developing an integrated Health Safety and Environment system (HSE system). The HSE system will be described as part of the induction package that Gunson will develop to educate employees, contractors and visitors.</p>
<p>Principle 9 Contribute to the social, economic and institutional development of the communities in which we operate.</p>	<p>Element 9.1 Engage at the earliest practical stage with likely affected parties to discuss and respond to issues and conflicts concerning the management of social impacts.</p>	<p>Gunson has conducted stakeholder consultation since the commencement of exploration, and will continue to do so through operations and closure.</p> <p>The Company has developed a stakeholder register that is reviewed regularly and updated with current information.</p> <p>Gunson will establish and maintain a complaint and comment register to appropriately manage issues associated with mining. This register will be put in place at commencement of operations.</p>

Sustainability Principles and Proposed Implementation (cont.'d)

Principles	Elements	Implementation
Principle 9 (cont.'d)	<p>Element 9.2 Ensure that appropriate systems are in place for ongoing interactions with affected parties, making sure that minorities and other marginalised groups have equitable and culturally appropriate means of engagement.</p>	<p>Gunson has established strong relationships with the local Aboriginal Working Groups and managers of the Coburn and Hamelin stations.</p> <p>The Company will effectively continue the feedback loop between its stakeholders and develop a stakeholder and engagement plan.</p> <p>Gunson will conduct operations in accordance with the existing and proposed Mining Agreements.</p>
	<p>Element 9.3 Contribute to community development from project development through closure in collaboration with host communities and their representatives.</p>	<p>Since commencing exploration, Gunson has contributed to the local community through a number of initiatives including:</p> <ul style="list-style-type: none"> • Employing Aboriginal consultants on exploration drill rigs to monitor avoidance of culturally significant areas; • Donating funds to help purchase a community bus for the Shire of Shark Bay; and • Employing local pastoralists to provide logistic support for exploration programmes. <p>Gunson is cogniscent of the fact that it will be a major employer in the area. Gunson will investigate opportunities to maximise community benefit through discussion with the organisations such as the Shire of Shark Bay and the SBWHP committees.</p> <p>Gunson will involve the local community and other stakeholders in mine closure planning.</p>
	<p>Element 9.4 Encourage partnerships with governments and non-government organisations to ensure that programmes (such as community health, education and local business development) are well designed and delivered effectively.</p>	<p>Gunson will look to build relationships with regulators to explore opportunities for the development of community programmes and support of local business.</p>

ICMM Sustainability Framework Principles and Proposed Implementation (cont.'d)

Principles	Elements	Implementation
Principle 9 (cont.'d)	Element 9.5 Enhance social and economic development by seeking opportunities to address poverty.	<p>Gunson has, to assist with local community development, contributed funding to the Shire of Shark Bay Community bus in July/August 2004.</p> <p>In addition, the Company has developed an operational plan that will incorporate the use of local contractors and residents throughout the life of the mine. Expenditure to date has included local equipment hire and accommodation.</p> <p>Gunson will undertake activities on site in a safe and efficient manner, provide employees with adequate training. The training will also increase skill development for employees to have a greater chance of employment following mine closure.</p> <p>In addition, Gunson will continue to provide support for future community-based projects on a case-by-case basis.</p>
Principle 10 Implement effective and transparent engagement, communication and independently verified reporting arrangements with our stakeholders.	Element 10.1 Report on our economic, social and environmental performance and contribution to sustainable development.	Gunson will produce an annual report on its sustainability performance against company environmental and social targets.
	Element 10.2 Provide information that is timely, accurate and relevant.	<p>Gunson has, during the PER process, undertaken many investigations on the pre-mining condition of the site. The information gathered in the investigations is the most accurate and up-to-date information available for the Shark Bay area and in particular, the Project Zone.</p> <p>To enhance public confidence in the validity of the information provided, the Company has contracted recognised professionals to undertake and review the baseline investigations. With two of the major investigations undertaken within the Project Zone (fauna, flora and vegetation).</p>

ICMM Sustainability Framework Principles and Proposed Implementation (cont.'d)

Principles	Elements	Implementation
Principle 10 (cont.'d)	Element 10.2 (cont.'d)	<p>Gunson will, during operations, undertake both internal and external assessments on the effect of the mining operations on the environment. Where appropriate, Gunson will use third parties to verify and validate the information gathered on site to ensure the quality of information being provided.</p>
	Element 10.3 Engage with and respond to stakeholders through open consultation processes.	<p>Gunson has identified, consulted and informed its stakeholders throughout the exploration and PER process in a transparent manner.</p> <p>As an integral part of the PER process, stakeholder rights and interests have been reviewed and considered, and will continue to be considered throughout the life of the project.</p> <p>Gunson will facilitate an effective consultation process and ensure that:</p> <ul style="list-style-type: none"> • The feedback from the PER is addressed appropriately; • A complaint and comment register is established and maintained; and • Ongoing stakeholder consultation is conducted.