

West Australian Nickel Leinster Water Services Licence WL52



Post Review Implementation Plan

1 April 2026

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DOCUMENT CONTROL

Date	Document Issue	Details	Authored
01/06/2023	Original Issue	N/A	Manager HSS
04/07/2023	V2.0	Amended following ERA feedback	Manager HSS

INTRODUCTION

In accordance with Condition 5.3 of Water Services Licence WL52, an Asset Management System Review was undertaken with respect to drinking water and sewerage services to the township of Leinster. The review was undertaken by independent experts **Quantum Assurance**, appointed by the Economic Regulation Authority (ERA). The assessment report was provided to BHP on 25 March 2026.

As required by the 2019 Audit and Review Guidelines (ERA), BHP is required to submit a Post Review Implementation Plan (PRIP), detailing the proposed actions to address recommendations made in the Asset Management System Review.

ASSET MANAGEMENT SYSTEM REVIEW

Table One details the actions proposed to address non-compliances and recommendations arising from the Asset Management System Review.

Table 1 - Post Review Implementation Plan

Recommendation reference	Non-compliance / Controls improvement	Auditors' recommendation	Action proposed to be taken by the licensee	Responsible person(s)	Completion date
1/2025 B3	<p>Asset Management Plan</p> <p><u>Asset Planning</u> <i>Asset management plan is regularly reviewed and updated.</i></p> <p><u>Review of Asset Management System</u> <i>A review process is in place to ensure that the asset management plan and the asset management system described therein are kept current.</i></p> <p>a) The Drinking Water AMP and Sewerage AMPs include revision history tables with the plans being developed in May 2020. The next revision date is stated as August 2022, so the plans are overdue for review. This is considered a minor issue as there have been no significant changes to the services and the plants are in a care and maintenance phase pending a decision on the future of the nickel mine.</p> <p><u>Asset Creation and Acquisition</u> <i>Evaluations include all life-cycle costs.</i></p> <p>b) Section 7 of the AMPs include assessment of the lifecycle costs including operational costs, planned corrective maintenance, preventative maintenance, breakdown maintenance and a capital strategy over a 5-year period for the assets. The information contained in the AMPs reflects a forecast to FY 2025 and requires updating.</p> <p><u>Asset Disposal</u> <i>There is a replacement strategy for assets.</i></p> <p>c) The Standard "Asset Integrity Management of Temporarily Suspended and / or Redundant Assets"</p>	<p>a) The Drinking Water Asset Management Plan and the Sewerage Asset Management Plan which were due for review in August 2022 should be reviewed and updated.</p> <p>b) The AMPs should be updated for the life cycle cost forecast for the next 5 years or when the asset future is announced in February 2027.</p> <p>c) The forward plan for asset replacement in the AMPs should be updated for the next 5 years or when the asset future is announced in February 2027.</p> <p>d) The AMPs should be updated with the current maintenance activities and costs.</p> <p>e) The Sewerage AMP should be updated for the current sewerage discharge onto land and the maximum limits per day. The discharge rates have reduced due to the reduced population in the town.</p>	<p>1) Review and update Leinster Drinking Water Asset Management Plan for the next 5-year period; to include life cycle cost forecast, asset replacement and updated maintenance activities and costs (all for next 5 years or determined life span per 2027 business decision).</p> <p>2) Review and update Leinster Sewerage Asset Management Plan for the next 5-year period; to include life cycle cost forecast, asset replacement updated maintenance activities and costs, and current sewerage discharge onto land and the maximum limits per day (all for next 5 years or determined life span per 2027 business decision).</p>	<p>1) Srikanth Simhadri (Principal Asset Integrity)</p> <p>2) Ian Pritchard (NPI Maintenance Superintendent)</p>	<p>1) 31/12/2027</p> <p>2) 31/12/2027</p>

	<p>describes the approach to maintaining assets. The forward plan for asset replacement is provided in the AMPs, however these were last updated in 2020 and the replacement forecasts extend only to 2025.</p> <p><u>Asset Maintenance</u> Maintenance costs are measured and monitored.</p> <p>d) The Drinking Water and Sewerage AMPs section 5.1 include information on the type of maintenance completed in the past 3 years and in section 5.4 the cost of planned, preventative and breakdown maintenance over past years. The Sewerage AMP provides a similar review of maintenance activities and costs over past years. This information should be brought up to date with updating of the AMPs which is overdue.</p>				
<p>2/2025</p> <p>B3</p>	<p>Asset Creation and Acquisition</p> <p><i>Ongoing legal/environmental /safety obligations of the asset owner are assigned and understood.</i></p> <p>The 200320-Water Services Licence Document Map provides a useful guide to the Regulatory documents, Management Plans, Procedures and Work Instructions that form BHP Nickel West approach to the Leinster Drinking Water and Sewerage Services.</p> <p>Table 1 of the Leinster Drinking Water Supply System – Operations and Maintenance Manual provide a list of Regulatory Compliance and Management Related Documents relating to Drinking Water. This includes:</p> <ul style="list-style-type: none"> • ERA Water Services Licence • Groundwater Abstraction Licence • Nickel West Leinster Drinking Water Quality Management Plan • Nickel West Leinster Drinking Water Source Protection Plan (draft) • MoU between Department of Health and BHP Nickel West for Drinking Water 	<p>The Water Source Protection Plan that has been in draft since the previous review should be finalised and implemented.</p>	<p>Draft Leinster Drinking Water Source Protection Assessment to be issued to the DWER for review, subject to mutual agreement between WA Nickel and DWER (which depends on BHP's decision on the future of WA Nickel).</p>	<p>Lauren Kupsch (Heritage Environment and Approvals Manager) and Jeff Lessard (Studies and Resource Engineering Manager)</p>	<p>31/12/2027</p>

	<p>The Water Source Protection Plan is not yet finalised. The plan was at a draft stage at the time of the previous review and should be completed.</p> <p>The MoU with the Department of Health for drinking water has been finalised since the previous review (dated 17 June 2024).</p> <p>The sewerage AMP references the Wastewater Treatment Plant Environmental Licence to Operate and includes the licence monitoring requirements (DWER).</p> <p>The licence permits BHP Nickel West to discharge treated sewage onto land up to a maximum of 600 m³/day. The licence also requires BHP Nickel West to monitor the discharge volumetric flow rate and quality. The data presented in the AMP (section 5.1.1) has not been updated since Feb 2020. The Environment team monitor the discharge rates and report this to DWER.</p>				
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