



Mr Rhys Houlihan
Karara Mining Limited
216 St Georges Terrace Level, Level 8 London House,
PERTH WA 6000

Dear Mr Houlihan

ENVIRONMENTAL PROTECTION ACT 1986: LICENCE GRANTED

Premises Hinge Iron Ore Project Crushing and Screening Plant
Mining tenement M59/748 PERENJORI WA 6620
Licence Number: L8833/2014/1

A licence under the *Environmental Protection Act 1986* (the Act) has been granted for the above premises. The Department of Environment Regulation will advertise the issuing of this licence in the public notices section of *The West Australian* newspaper.

The licence includes attached conditions. Under section 58(1) of the Act, it is an offence to contravene a condition of a licence. This offence carries a penalty of up to \$125,000 and a daily penalty of up to \$25,000.

In accordance with section 102(1)(c) of the Act, you have 21 days to appeal the conditions of the licence. Under section 102(3)(a) of the Act, any other person may also appeal the conditions of the licence. To lodge an appeal contact the Office of the Appeals Convenor on 6467 5190 or by email at admin@appealsconvenor.wa.gov.au.

Where a licence is issued for more than one year it requires payment of an annual fee and will cease to have effect if the fee is unpaid. It is the occupier's responsibility to lodge a fee application and pay the annual fee in sufficient time to avoid incurring a late payment fee and for processing to be completed before the licence anniversary date.

If you have any queries regarding the above information, please contact Clint Joseph on 08 9964 0901.

Yours sincerely

Ed Schuller
Officer delegated under section 20
of the *Environmental Protection Act 1986*

Thursday, 25 September 2014



Licence

Environmental Protection Act 1986, Part V

Licensee: Karara Mining Limited

Licence: L8833/2014/1

Registered office: Level 8 London House
216 St Georges Terrace,
PERTH WA 6000

ACN: 070 871 831

Premises address: Hinge Iron Ore Project Crushing and Screening Plant
Mining Tenement M59/748
PERENJORI WA 6620 as depicted in Schedule 1

Issue date: Thursday, 25 September 2014

Commencement date: Monday, 29 September 2014

Expiry date: Saturday, 28 September 2019

Prescribed Premises Category

Schedule 1 of the Environmental Protection Regulations 1987

Category number	Category description	Category production or design capacity	Premises production or design capacity
05	Processing or beneficiation of metallic or non-metallic ore: premises on which – (a) Metallic or non-metallic ore is crushed, ground, milled or otherwise processed; (b) Tailings from metallic or non-metallic ore are reprocessed; or (c) Tailings or residue from metallic or non-metallic ore are discharged into a containment cell or dam.	50 000 tonnes or more per annual period	Not more than 2 000 000 tonnes per annual period

Conditions

This Licence is subject to the conditions set out in the attached pages.

.....
Officer delegated under section 20
of the *Environmental Protection Act 1986*



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Introduction

DER's industry licensing role

The Department of Environment Regulation (DER) is a government department for the state of Western Australia in the portfolio of the Minister for Environment. DER's purpose is to advise on and implement strategies for a healthy environment for the benefit of all current and future Western Australians.

DER has responsibilities under Part V of the *Environmental Protection Act 1986* (the Act) for the licensing of prescribed premises. Through this process DER works with the business owners, community, consultants, industry and other representatives to prevent, control and abate pollution and environmental harm to conserve and protect the environment. DER also monitors and audits compliance with works approvals and licence conditions, takes enforcement action as appropriate and develops and implements licensing and industry regulation policy.

Licence requirements

This Licence is issued under Part V of the Act. Conditions contained within the Licence relate to the prevention, reduction or control of emissions and discharges to the environment and to the monitoring and reporting of them.

Where other statutory instruments impose obligations on the Premises/Licensee the intention is not to replicate them in the licence conditions. You should therefore ensure that you are aware of all your statutory obligations under the Act and any other statutory instrument. Legislation can be accessed through the State Law Publisher website using the following link:

<http://www.slp.wa.gov.au/legislation/statutes.nsf/default.html>

For your Premises relevant statutory instruments include but are not limited to obligations under the:

- *Environmental Protection (Unauthorised Discharges) Regulations 2004* – these Regulations make it an offence to discharge certain materials such as contaminated stormwater into the environment other than in the circumstances set out in the Regulations.
- *Environmental Protection (Controlled Waste) Regulations 2004* - these Regulations place obligations on you if you produce, accept, transport or dispose of controlled waste.
- *Environmental Protection (Noise) Regulations 1997* – these Regulations require noise emissions from the Premises to comply with the assigned noise levels set out in the Regulations.

You must comply with your licence. Non-compliance with your licence is an offence and strict penalties exist for those who do not comply.



Licence holders are also reminded of the requirements of section 53 of the Act which places restrictions on making certain changes to prescribed premises unless the changes are in accordance with a works approval, licence, closure notice or environmental protection notice.

Licence fees

If you have a licence that is issued for more than one year, you are required to pay an annual licence fee prior to the anniversary date of issue of your licence. Non payment of annual licence fees will result in your licence ceasing to have effect meaning that it will no longer be valid and you will need to apply for a new licence for your Premises.

Ministerial conditions

If your Premises has been assessed under Part IV of the Act you may have had conditions imposed by the Minister for Environment. You are required to comply with any conditions imposed by the Minister.

Premises description and Licence summary

The Hinge Iron Ore Project (HIOP) crushing and screening plant (Project) is located within the Mid-West Region of Western Australia. It is approximately 76 km north-east of the Perenjori town site and 20km north of the Karara Iron Ore Project (KIOP). HIOP lies within the Shire of Perenjori on tenements owned by Karara Mining Limited (KML). The prescribed premises is located on unallocated crown land managed for the purposes of conservation by the Department of Parks and Wildlife. The mine site area is considered isolated with the nearest residence, the Karara Homestead approximately 25km to the south. The HIOP located on tenement M59/748 is a satellite mining project incorporating an open-cut pit, waste dump and ancillary infrastructure. The Project will result in a land disturbance area of approximately 300 hectares (ha). HIOP is designed to produce approximately 4 million tonnes of hematite iron ore resource, mined at a rate of approximately 1–2 Mtpa. The life of the HIOP is approximately 2 years. Additional supporting facilities, such as the accommodation village, waste water treatment plant, and a landfill facility, will be provided from the existing approved KIOP.

Power Supply and Requirements

During operation of the prescribed premises, power will be generated by on-site diesel generators (approximately 1 mega Watt). No gas pipelines or electricity power lines are available near the site, making the use of diesel generators the most economically viable option.

Water supply

Water for the prescribed premises will be sourced from groundwater abstraction bores and in pit sumps. Dewatering of the aquifer will occur as the mine floor is expected to be below the static water level (pit depth is approximately 100 metres (m)) and depth of water table is approximately 50-60 m below ground level (mbgl)). All dewatered water from the HIOP pits shall be stored in lined turkey's nest and used for dust suppression purposes.

The main emissions from the premises will be dust. Licence conditions 2.6.1, 2.6.2 and 2.6.3 have been included in the licence to specify dust management measures that must be undertaken and to prohibit excessive generation of dust.

This Licence is for the operation of a new facility established under works approval W5612/2014/1

Instrument log		
Instrument	Issued	Description
W5612/2014/1	23/06/2014	Works Approval
L8833/2014/1	25/09/2014	Licence

Severance

It is the intent of these Licence conditions that they shall operate so that, if a condition or a part of a condition is beyond the power of this Licence to impose, or is otherwise *ultra vires* or invalid, that condition or part of a condition shall be severed and the remainder of these conditions shall nevertheless be valid to the extent that they are within the power of this Licence to impose and are not otherwise *ultra vires* or invalid.

END OF INTRODUCTION



Licence conditions

1 General

1.1 Interpretation

1.1.1 In the Licence, definitions from the *Environmental Protection Act 1986* apply unless the contrary intention appears.

1.1.2 In the Licence, unless the contrary intention appears:

'AACR' means the Annual Audit Compliance Report;

'Act' means the *Environmental Protection Act 1986*;

'annual period' means the period from 1 October until 30 September in the following year;

'code of practice for the storage and handling of dangerous goods' means the document titled "Storage and handling of dangerous goods: Code of Practice" published by the Department of Mines and Petroleum, as amended from time to time;

'dangerous goods' has the meaning defined in the *Dangerous Goods Safety (Storage and Handling of Non-explosives) Regulations 2007*;

'CEO' means Chief Executive Officer of the Department of Environment Regulation;

'CEO' for the purpose of correspondence means;

Manager Licensing (Midwest)
Department of Environment Regulation
PO Box 72
GERALDTON WA 6531
Telephone: (08) 9964 0901
Facsimile: (08) 9921 5713
Email: midwest@der.wa.gov.au;

'environmentally hazardous material' means material (either solid or liquid raw materials, materials in the process of manufacture, manufactured products, products used in the manufacturing process, by-products and waste) which if discharged into the environment from or within the premises may cause pollution or environmental harm;

'fugitive emissions' means all emissions not arising from point sources ;

'KML dust management plan' means KML's Dust Management and Monitoring CORP-EN-PLN-1005 amended from time to time;

'Licence' means this licence numbered L8833/2014/1 and issued under the *Environmental Protection Act 1986*;

'Licensee' means the person or organisation named as Licensee on page 1 of the Licence;

'placard quantity' has the meaning defined in the *Dangerous Goods Safety (Storage and Handling of Non-explosives) Regulations 2007*; and

'Premises' means the area defined in the Premises Map in Schedule 1 and listed as the Premises address on page 1 of the Licence.



- 1.1.3 Any reference to an Australian or other standard in the Licence means the relevant parts of the standard in force from time to time during the term of this Licence.
- 1.1.4 Any reference to a guideline or code of practice in the Licence means the version of that guideline or code of practice in force from time to time, and shall include any amendments or replacements to that guideline or code of practice made during the term of this Licence

1.2 General conditions

- 1.2.1 Nothing in this Licence shall be taken to authorise any emission that is not mentioned in this licence, where the emission amounts to:

- (a) pollution;
- (b) unreasonable emission;
- (c) discharge of waste in circumstances likely to cause pollution; or
- (d) being contrary to any written law.

- 1.2.2 The Licensee shall maintain all pollution control and monitoring equipment to the manufacturer's specification or any relevant and effective internal management system.

- 1.2.3 The Licensee, except where storage is prescribed in section 1.3, shall ensure that environmentally hazardous materials are stored in accordance with the code of practice for the storage and handling of dangerous goods.

- 1.2.4 The Licensee shall immediately recover, or remove and dispose of spills of environmentally hazardous materials outside an engineered containment system.

- 1.2.5 The Licensee shall:

- (a) implement all practical measures to prevent stormwater run-off becoming contaminated by the activities on the Premises; and
- (b) treat contaminated or potentially contaminated stormwater as necessary prior to being discharged from the Premises.

Note1: The *Environmental Protection (Unauthorised Discharges) Regulations 2004* make it an offence to discharge certain materials into the environment.

1.3 Premises operation

There are no specified conditions relating to Premises operation in this section.



2 Emissions

2.1 General

- 2.1.1 The Licensee shall record and investigate the exceedance of any descriptive or numerical limit or target specified in any part of section 2 of this Licence.

2.2 Point source emissions to air

There are no specified conditions relating to point source emissions to air in this section.

2.3 Point source emissions to surface water

There are no specified conditions relating to point source emissions to surface water in this section.

2.4 Point source emissions to groundwater

There are no specified conditions relating to point source emissions to groundwater in this section.

2.5 Emissions to land

There are no specified conditions relating to emissions to land in this section.

2.6 Fugitive emissions

- 2.6.1 The Licensee shall use all reasonable and practical measures to prevent and where that is not practicable to minimise dust emissions from the Premises.
- 2.6.2 The Licensee shall ensure that no visible dust generated by the activities on the Premises crosses the boundary of the Premises.
- 2.6.3 The Licensee shall implement and adhere to the KML Dust Management Plan.

2.7 Odour

There are no specified conditions relating to odour in this section.

2.8 Noise

There are no specified conditions relating to noise in this section.

3 Monitoring

There are no specified conditions relating to monitoring in this section.

4 Improvements

There are no specified conditions relating to improvements in this section.



5 Information

5.1 Records

5.1.1 All information and records required by the Licence shall:

- (a) be legible;
- (b) if amended, be amended in such a way that the original and subsequent amendments remain legible or are capable of retrieval;
- (c) except for records listed in 5.1.1(d) be retained for at least 6 years from the date the records were made or until the expiry of the Licence or any subsequent licence; and
- (d) for those following records, be retained until the expiry of the Licence and any subsequent licence:
 - (i) off-site environmental effects; or
 - (ii) matters which affect the condition of the land or waters.

5.1.2 The Licensee shall ensure that:

- (a) any person left in charge of the Premises is aware of the conditions of the Licence and has access at all times to the Licence or copies thereof; and
- (b) any person who performs tasks on the Premises is informed of all of the conditions of the Licence that relate to the tasks which that person is performing.

5.1.3 The Licensee shall complete an Annual Audit Compliance Report indicating the extent to which the Licensee has complied with the conditions of the Licence, and any previous licence issued under Part V of the Act for the Premises for the previous annual period.

5.1.4 The Licensee shall implement a complaints management system that as a minimum records the number and details of complaints received concerning the environmental impact of the activities undertaken at the Premises and any action taken in response to the complaint.

5.2 Reporting

5.2.1 The Licensee shall submit to the CEO an Annual Environmental Report within 28 calendar days after the end of the annual period. The report shall contain the information listed in Table 5.2.1 in the format or form specified in that table.

Table 5.2.1: Annual Environmental Report

Condition or table (if relevant)	Parameter	Format or form ¹
	Summary of any failure or malfunction of any pollution control equipment or any incidents that have occurred during the annual period and any action taken	None specified
5.1.3	Compliance	AACR
5.1.4	Complaints summary	None specified
	Measures taken to suppress dust	

Note 1: Forms are in Schedule 2



5.3 Notification

5.3.1 The Licensee shall ensure that the parameters listed in Table 5.3.1 are notified to the CEO in accordance with the notification requirements of the table.

Condition or table (if relevant)	Parameter	Notification requirement¹	Format or form²
2.1.1	Breach of any limit specified in the Licence	Part A: As soon as practicable or within 72 hours after any incident which has caused, is causing or may cause pollution, has occurred. Part B: As soon as practicable.	N1
-	Any failure or malfunction of any pollution control equipment or any incident which has caused, is causing or may cause pollution		

Note 1: Notification requirements in the licence shall not negate the requirement to comply with s72 of the Act

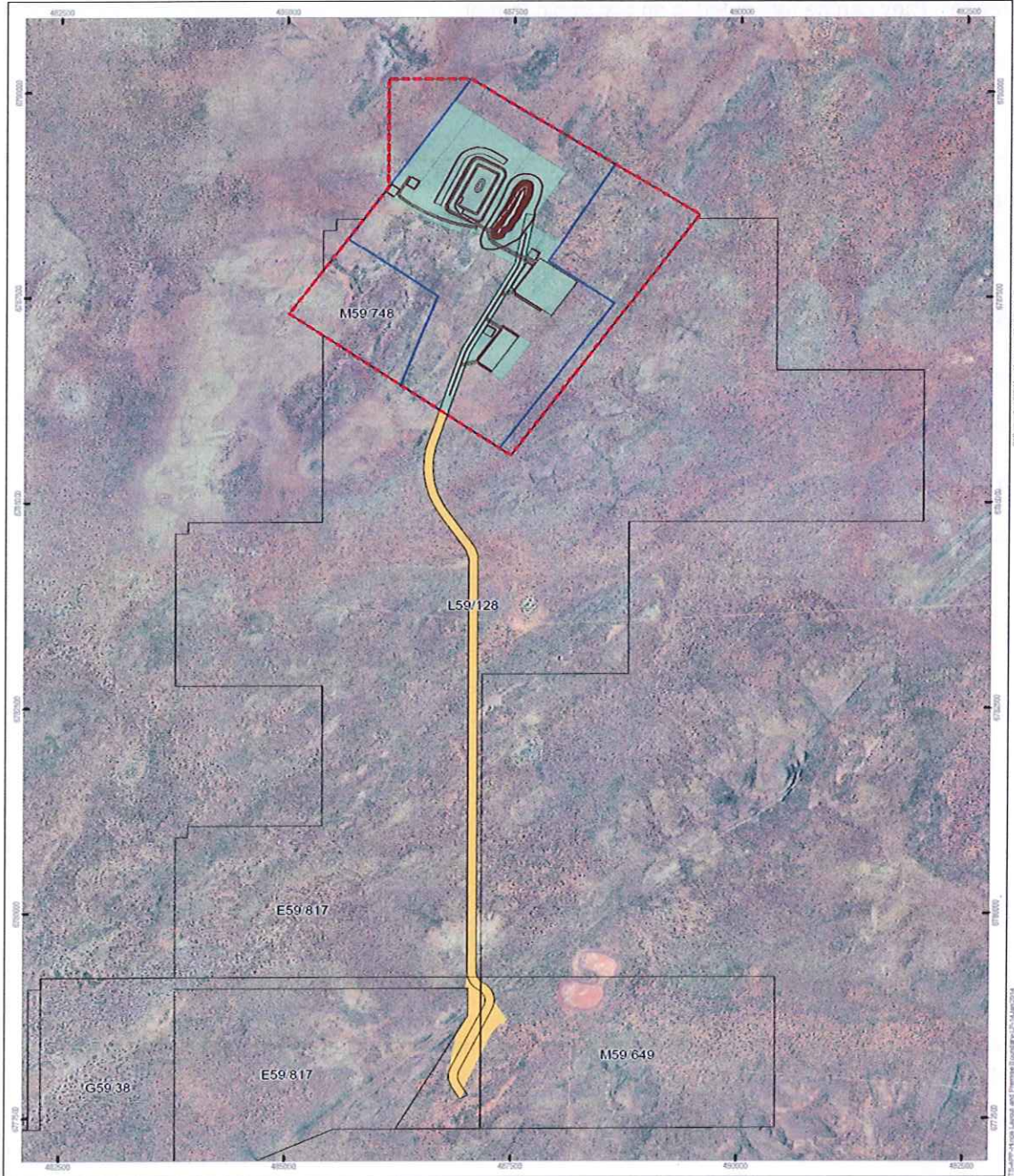
Note 2: Forms are in Schedule 2.



Schedule 1: Maps

Premises map

The Premises is shown in the map below. The red line depicts the Premises boundary.



14 January 2014 Hinge Iron Ore Project
Version: A
Size: A3
Figure 2 - Site Layout and Premise Boundary

KARARA
MINING LTD

- Legend**
- Hinge Conceptual Site Design
 - Premise Boundary
 - Hinge Disturbance Footprint
 - Hinge Mine Site Development Envelope
 - Hinge Haul Road Development Envelope
 - KML Tenement





Schedule 2: Reporting & notification forms

These forms are provided for the proponent to report monitoring and other data required by this licence. They can be requested in an electronic format.

Copies of the original monitoring reports must also be submitted.

Licence: L8833/2014/1 Licensee: Karara Mining Limited
Form: AACR Period :
Name: Annual audit compliance report

Annual audit compliance report

Section A: Statement of compliance with licence conditions

Were all conditions of licence complied with within the reporting period?		
Yes	<input type="checkbox"/>	Initial Sections A & B, then proceed to Section C
No	<input type="checkbox"/>	Initial Section A, then proceed to Section B

Each page must be initialled by the person(s) who signs Section C of this annual audit compliance report (AACR).

Initial:



Section B: Details of non-compliance with licence condition

a) Licence condition not complied with?	
b) Date(s) and time(s) the non compliance occurred, if applicable?	
c) Was this non compliance reported to DER?	
<input type="checkbox"/> Yes, and <input type="checkbox"/> Reported to DER verbally Date <input type="checkbox"/> Reported to DER in writing Date	<input type="checkbox"/> No
d) Has DER taken, or finalised any action in relation to the non compliance?	
e) Summary of particulars of non compliance, and what was the environmental impact?	
f) If relevant, the precise location where the non compliance occurred (attach map or diagram)	
g) Cause of non compliance	
h) Action taken or that will be taken to mitigate any adverse effects of the non compliance	
i) Action taken or that will be taken to prevent recurrence of the non compliance	

Please use a separate page for each licence condition that was not complied with. Each page must be initialled by the person(s) who signs Section C of this AACR

Initial:



Section C: Signature and certification

This AACR may only be signed by a person(s) with legal authority to sign it as defined below. Please tick the box next to the category that describes how this AACR is being signed. If you are uncertain about who is entitled to sign or which category to tick, please contact the licensing officer for your premises.

If the licence holder is	The AACR must be signed and certified:
an individual	<input type="checkbox"/> by the individual licence holder, or <input type="checkbox"/> by a person approved in writing by the Chief Executive Officer (CEO) of DER to sign on the Licensee's behalf.
a corporation	<input type="checkbox"/> by affixing the common seal of the Licensee in accordance with the Corporations Act 2001; or <input type="checkbox"/> by two directors of the Licensee; or <input type="checkbox"/> by a director and a company secretary of the Licensee, or <input type="checkbox"/> if the Licensee is a proprietary company that has a sole director who is also the sole company secretary – by that director, or <input type="checkbox"/> by the principal executive officer of the Licensee; or <input type="checkbox"/> by a person with authority to sign on the Licensee's behalf who is approved in writing by the CEO of DER.
A public authority (other than a local government)	<input type="checkbox"/> by the principal executive officer of the Licensee; or <input type="checkbox"/> by a person with authority to sign on the Licensee's behalf who is approved in writing by the CEO of DER.
a local government	<input type="checkbox"/> by the CEO of the Licensee; or <input type="checkbox"/> by affixing the seal of the local government.

It is an offence under section 112 of the *Environmental Protection Act 1986* for a person to give information on this form that to their knowledge is false or misleading in a material particular. There is a maximum penalty of \$50,000 for an individual or body corporate.

I/We declare that the information in this AACR is correct and not false or misleading in a material particular.

Signature: _____ Signature: _____

Name: (printed) _____ Name: (printed) _____

Position: _____ Position: _____

Date: ____/____/____ Date: ____/____/____

Seal (if signing under seal)



Licence: L8833/2014/1
Form: N1

Licensee: Karara Mining Limited
Date of breach:

Notification of detection of the breach of a limit or any failure or malfunction of any pollution control equipment or any incident which has caused, is causing or may cause pollution.

These pages outline the information that the operator must provide.
Units of measurement used in information supplied under Part A and B requirements shall be appropriate to the circumstances of the emission. Where appropriate, a comparison should be made of actual emissions and authorised emission limits.

Part A

Licence Number	
Name of operator	
Location of Premises	
Time and date of the detection	

Notification requirements for the breach of a limit	
To be notified as soon as practicable and no later than 5PM of the next working day	
Emission point reference/ source	
Parameter(s)	
Limit	
Measured value	
Date and time of monitoring	
Measures taken, or intended to be taken, to stop the emission	

Notification requirements for any failure or malfunction of any pollution control equipment or any incident which has caused, is causing or may cause pollution	
To be notified as soon as practicable and no later than 5PM of the next working day	
Date and time of event	
Reference or description of the location of the event	
Description of where any release into the environment took place	
Substances potentially released	
Best estimate of the quantity or rate of release of substances	
Measures taken , or intended to be taken, to stop any emission	
Description of the failure or accident	



Part B - to be submitted as soon as practicable

Any more accurate information on the matters for notification under Part A.	
Measures taken, or intended to be taken, to prevent a recurrence of the incident	
Measures taken, or intended to be taken, to rectify, limit or prevent any pollution of the environment which has been or may be caused by the emission	
The dates of any unauthorised emissions from the installation in the preceding 24 months.	

Name	
Post	
Signature on behalf of Karara Mining Limited	
Date	



Decision Document

Environmental Protection Act 1986, Part V

Proponent: Karara Mining Limited

Licence: L8833/2014/1

Registered office: Karara Mining Limited
216 St Georges Terrace, Level 8 London House
PERTH WA 6000

ACN: 070 871 831

Premises address: Hinge Iron Ore Project Crushing and Screening Plant
Mining tenement M59/748
PERENJORI WA 6620

Issue date: Thursday, 25 September 2014

Commencement date: Monday, 29 September 2014

Expiry date: Saturday, 28 September 2019

Decision

Based on the assessment detailed in this document the Department of Environment Regulation (DER) has decided to issue a works approval. DER considers that in reaching this decision, it has taken into account all relevant considerations.

Decision Document prepared by:

Clint Joseph
Licensing Officer

Decision Document authorised by:

Steve Checker
Manager Licensing



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1 Purpose of this Document

This decision document explains how DER has assessed and determined the application for a works approval or licence, and provides a record of DER's decision-making process and how relevant factors have been taken into account. Stakeholders should note that this document is limited to DER's assessment and decision making under Part V of the *Environmental Protection Act 1986*. Other approvals may be required for the proposal, and it is the proponent's responsibility to ensure they have all relevant approvals for their Premises.

Works approval and licence conditions

DER has three types of conditions that may be imposed on works approvals and licences. They are as follows;

Standard conditions (SC)

DER has standard conditions that are imposed on all works approvals and licences regardless of the activities undertaken on the Premises and the information provided in the application. These are included as the following conditions on works approvals and licences:

Works approval conditions: 1.1.1-1.1.4, 1.2.1, 1.2.2, 5.1.1 and 5.1.2.

Licence conditions: 1.1.1-1.1.4, 1.2.1-1.2.4, 5.1.1-5.1.4 and 5.2.1.

For such conditions, justification within the Decision Document is not provided.

Optional standard conditions (OSC)

In the interests of regulatory consistency DER has a set of optional standard conditions that can be imposed on works approvals and licences. DER will include optional standard conditions as necessary, and are likely to constitute the majority of conditions in any licence. The inclusion of any optional standard conditions is justified in Section 4 of this document.

Non standard conditions (NSC)

Where the proposed activities require conditions outside the standard conditions suite DER will impose one or more non-standard conditions. These include both premises and sector specific conditions, and are likely to occur within few licences. Where used, justification for the application of these conditions will be included in Section 4.



2 Administrative summary

Administrative details		
Application type	Works Approval <input type="checkbox"/>	New Licence <input checked="" type="checkbox"/>
	Licence amendment <input type="checkbox"/>	Works Approval amendment <input type="checkbox"/>
Activities that cause the premises to become prescribed premises	Category number(s)	Assessed design capacity
	5	2 million tonnes per annum (Mtpa)
Application verified	Date: 17/02/2014	
Application fee paid	Date: 06/03/2014	
Works Approval has been complied with	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>	
Compliance Certificate received	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>	
Commercial-in-confidence claim	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
Commercial-in-confidence claim outcome		
Is the proposal a Major Resource Project?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
Was the proposal referred to the Environmental Protection Authority (EPA) under Part IV of the <i>Environmental Protection Act 1986</i> ?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Referral decision No: 1992 Managed under Part V <input type="checkbox"/> Assessed under Part IV <input checked="" type="checkbox"/>
Is the proposal subject to Ministerial Conditions?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Ministerial statement No: 968 EPA Report No: 1505
Does the proposal involve a discharge of waste into a designated area (as defined in section 57 of the <i>Environmental Protection Act 1986</i>)?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Department of Water consulted Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Is the Premises within an Environmental Protection Policy (EPP) Area	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
If Yes include details of which EPP(s) here.		
Is the Premises subject to any EPP requirements?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
If Yes, include details here, eg Site is subject to SO ₂ requirements of Kwinana EPP.		



3 Executive summary of proposal and assessment

The Hinge Iron Ore Project (HIOP) crushing and screening plant (Project) is located within the Mid-West Region of Western Australia. It is approximately 76 km north-east of the Perenjori town site and 20km north of the Karara Iron Ore Project (KIOP). HIOP lies within the Shire of Perenjori on tenements owned by Karara Mining Limited (KML). The prescribed premises is located on unallocated crown land managed for the purposes of conservation by the Department of Parks and Wildlife. The mine site area is considered isolated with the nearest residence, the Karara Homestead approximately 25km to the south. The HIOP located on tenement M59/748 is a satellite mining project incorporating an open-cut pit, waste dump and ancillary infrastructure. The Project will result in a land disturbance area of approximately 300 hectares (ha). HIOP is designed to produce approximately 4 million tonnes of hematite iron ore resource, mined at a rate of approximately 1–2 Mtpa. The life of the HIOP is approximately 2 years. Additional supporting facilities, such as the accommodation village, waste water treatment plant, and a landfill facility, will be provided from the existing approved KIOP.

Power Supply and Requirements

During operation of the prescribed premises, power will be generated by on-site diesel generators (approximately 1 mega Watt). No gas pipelines or electricity power lines are available near the site, making the use of diesel generators the most economically viable option.

Water supply

Water for the prescribed premises will be sourced from groundwater abstraction bores and in pit sumps. Dewatering of the aquifer will occur as the mine floor is expected to be below the static water level (pit depth is approximately 100 metres (m)) and depth of water table is approximately 50-60 m below ground level (mbgl)). All dewatered water from the HIOP pits shall be stored in lined turkey's nest and used for dust suppression purposes. KML are currently undergoing an approval process with the Department of Water to obtain an extraction licence for project water supplies.

The main emissions from the premises will be dust. Licence conditions 2.6.1, 2.6.2 and 2.6.3 have been included in the licence to require dust management measures and prevent excessive dust emissions.



4 Decision table

All applications are assessed in line with the *Environmental Protection Act 1986*, the *Environmental Protection Regulations 1987* and *DER's Operational Procedure on Assessing Emissions and Discharges from Prescribed Premises*. Where other references have been used in making the decision they are detailed in the decision document.

DECISION TABLE				
Works Approval / Licence section	Condition number W = Works Approval L = Licence	OSC or NSC	Justification (including risk description & decision methodology where relevant)	Reference documents
General conditions	W 1.2.2 L1.2.3 and L1.2.5	OSC	<p>Operation Emission Description <i>Emission:</i> Stormwater runoff contaminated with hydrocarbons. <i>Impact:</i> Contamination of surrounding land and surface water drainage systems. Potential impacts on the ecology of fauna, flora and surface water. <i>Controls:</i> The proponent proposes to have appropriately sited stormwater diversion channels to ensure that the prescribed premises footprint does not contribute to the potential impact of any downstream receptors. Any stormwater that is potentially contaminated with hydrocarbons will be passed through a separator to remove hydrocarbons. The treated water will then be transferred to an evaporation pond or used for dust suppression purposes or removed via a controlled waste carrier.</p> <p>Three self-bunded 55,000L diesel tanks will be installed within the mining support area to provide diesel to mobile and haulage fleets, plus the diesel generators providing power to the site and the crushing and screening facility. The diesel tanks will incorporate a delivery bowser and a bunded, lined earthen refuelling pad or pre-manufactured portable refuelling pad providing spill containment.</p> <p>Risk Assessment Consequence: Minor Likelihood: Possible Risk Rating : Moderate</p>	Application supporting documentation.



			<p><u>Regulatory controls</u> OSC L1.2.3 and L1.2.5 relating to the storage of hazardous substances and stormwater management is included in the operating licence to prevent any discharge of hazardous substances to the environment.</p> <p><u>Residual Risk</u> Consequence: Minor Likelihood: Unlikely Risk Rating: Low</p>		
Premises Operations	W- no conditions L- no conditions	N/A	<p>Operation No specified conditions relating to the premises operation will be included in the works approval or licence.</p>		<p><i>Environmental Protection Act 1986.</i></p> <p><i>Environmental Protection (Unauthorised Discharges) Regulations, 2004.</i></p>
Emissions general	W- no conditions L- no conditions	N/A	<p>No specified conditions relating to emissions are included in the works approval or licence.</p>		
Point source emissions to air including monitoring	W- no conditions L- no conditions	N/A	<p>Operation <u>Emission Description</u> There will be no point source emissions to air during the operation of the plant. No specified conditions relating to air emissions are proposed for this project.</p>		
Point source emissions to surface water including monitoring	W- no conditions L- no conditions	N/A	<p>Operation <u>Emission Description</u> There will be no point source emissions surface water. There are no lakes, rivers or other significant water bodies within the project area. No specified conditions relating to emissions to surface water are proposed for this project.</p>		
Point source emissions to groundwater including monitoring	W- no conditions L- no conditions	N/A	<p>Operation <u>Emission Description</u> There will be no point source emissions to groundwater during the operation of the plant.</p>		



<p>Emissions to land including monitoring</p>	<p>W- no conditions L- no conditions</p>	<p>N/A</p>	<p>Operation <u>Emission Description</u> No significant emissions to land are expected. Minor amounts of incidental wastes generated by staff onsite will be transported to a registered landfill as required. No specified conditions relating to emissions to land are proposed for this project.</p>	
<p>Fugitive emissions</p>	<p>W- no conditions L 2.6.1, L 2.6.2 and L 2.6.3</p>	<p>OSC and NSC</p>	<p>Operation <u>Emission Description</u> <i>Emission:</i> Dust emissions can be generated from the mining of iron ore, materials handling, ore stockpiles, operation of the crushing and screening plant, transport of ore on the conveyors, movement of vehicles and open areas. <i>Impact:</i> Dust emissions can be harmful to human health and the environment. Elevated total suspended particulates (TSP) can impact the ambient environmental quality and can smother vegetation. <i>Controls:</i> To manage and control fugitive dust emissions from the prescribed premises, Karara has committed to the following infrastructure and management practices:</p> <ul style="list-style-type: none"> • Dedicated water trucks and sprinklers will be used for all onsite dust suppression; • Dust suppression sprinklers will be positioned at the primary crusher, dump bin, lump product stockpile and fines product stockpile; • All shutes will have covers; • Dust management will be in line with KML's Dust Management and Monitoring CORP-EN-PLN-1005; • Surface stabilization methods such as sealing, sheeting shielding and chemical treatment; and • Dust deposition sampling each month at designated sites surrounding the Project to assess potential accumulation of dust on vegetation. <p><u>Risk Assessment</u> <i>Consequence:</i> Minor <i>Likelihood:</i> Possible <i>Risk Rating:</i> Moderate</p> <p><u>Regulatory Controls</u> OSC L - 2.6.1, 2.6.2 and NSC 2.6.3 are included in the licence to ensure adequate management of fugitive dust emissions.</p>	<p>Application supporting documentation. <i>Environmental Protection Act 1986.</i></p>



	W- no conditions L- no conditions	N/A	<p>Residual Risk Consequence: Insignificant Likelihood: Possible Risk Rating: Low</p> <p>There are no significant odour emissions expected from this project.</p>	N/A
<p>Odour</p>	W- no conditions L- no conditions	N/A	<p>Operation <u>Emission Description</u> Emission: Noise from operation of the crushing plant and heavy vehicle movements. Impacts: Nuisance impacts on nearest residences. Controls:</p> <ul style="list-style-type: none"> • Project is subject to the <i>Environmental Protection (Noise) Regulations 1987</i>. • Significant separation to the nearest residences - 25 km away <p><u>Risk Assessment</u> Consequence: Insignificant Likelihood: Unlikely Risk Rating: Low</p> <p><u>Regulatory Controls</u> No specified noise conditions are proposed. The <i>Environmental Protection (Noise) Regulations 1987</i> will provide adequate regulatory control in the unlikely event of any noise issues.</p> <p><u>Residual Risk</u> Consequence: Insignificant Likelihood: Unlikely Risk Rating: Low</p> <p>No specified conditions relating to monitoring are required to be added to the works approval or licence.</p>	<p>Application supporting documentation <i>Environmental Protection (Noise) Regulations 1987</i>. <i>Environmental Protection Act 1986</i>.</p>
<p>Monitoring general</p>	W - no conditions L - no conditions	N/A		N/A



Monitoring of inputs and outputs	W - no conditions L - no conditions	N/A	No specified conditions relating to monitoring of inputs and outputs are required to be added to the works approval or licence.	N/A
Process monitoring	W - no conditions L - no conditions	N/A	No specified conditions relating to process monitoring are required to be added to the works approval or licence.	N/A
Ambient quality monitoring	W - no conditions L - no conditions	N/A	No specified conditions relating to ambient quality monitoring are required to be added to the works approval or licence.	N/A
Meteorological monitoring	W - no conditions L - no condition	N/A	No specified conditions relating to meteorological monitoring are required to be added to the works approval or licence.	N/A
Improvements	W - no conditions L - no conditions	N/A	No specified conditions relating to improvements are required to be added to the works approval or licence.	N/A
Information	W - no conditions L - no conditions	N/A	Standard condition for all information required by the Licensee has been added to the licence	N/A
Licence Duration	N/A	N/A	This licence is issued for five years as the crushing and screening process will have minimal impact on the environment.	



5 Advertisement and consultation table

Date	Event	Comments received/Notes	How comments were taken into consideration
1/09/2014	Application advertised in West Australian (or other relevant newspaper)	No comments received	
23/09/2014	Proponent sent a copy of draft instrument	Minor comment received	Applied to Decision Document



Appendix A

RISK ASSESSMENT MATRIX

Note: These matrix are taken from the Corporate Policy Statement No.7 – Operational Risk Management

Likelihood	Consequence				
	Insignificant	Minor	Moderate	Major	Severe
Almost Certain	Moderate	High	High	Extreme	Extreme
Likely	Moderate	Moderate	High	High	Extreme
Possible	Low	Moderate	Moderate	High	Extreme
Unlikely	Low	Moderate	Moderate	Moderate	High
Rare	Low	Low	Moderate	Moderate	High