



RioTinto

Argyle Diamond Mine Closure Project
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Private and confidential

Manager - Industry Regulation (Resources North)
Department of Water and Environmental Regulation
Regulatory Services - Environment
Prime House, 8 Davidson Terrace
JOONDALUP WA 6027

29 March 2022

Our reference: CDM04-0000-NH-REP-00014
Your reference: L4459/1987/13

To whom it may concern

2021 Annual Audit Compliance Report for L4459 – Argyle Diamond Mine

Attached is the 2021 Annual Audit Compliance Report (AACR) for Argyle Diamond Mine as required by Condition 56 of L4459/1987/13.

This AACR covers the reporting period from 1 January to 28 May 2021.

Please contact [REDACTED] if you have any queries.

Thank you



HSE Superintendent
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Annual Audit Compliance Report form

Environmental Protection Act 1986, Part V

Section A – Licence Details			
Licence Number:	L4459/1987/13	Licence File Number:	DER2013/000649-1
Licence Holder:	Argyle Diamonds Limited		
Trading as:	Argyle Diamonds		
ACN:	009 102 621		
Registered address:	Level 8, 1 William Street, PERTH WA 6000		
Reporting period:	1 January 2021 to 28 May 2021		


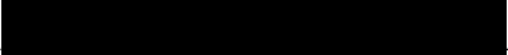

Section B – Statement of compliance with licence conditions	
Did you comply with all of your licence conditions during the reporting period?	
Yes <input type="checkbox"/>	Please complete Sections C, D (if required) and sign the declaration in Section E
No <input checked="" type="checkbox"/>	Please complete Sections C, D (if required), F and sign the declaration in Section E

Section C – Statement of actual production		
Provide the actual production quantity for this reporting period.*		
Category	Premises description	Actual production quantity (2021)
5	Processing or beneficiation of metallic or non-metallic ore	0 tonnes
6	Mine Dewatering	0 tonnes
52	Electric power generation	10 MWh* <small>*Note this from 01 January – 30 June 2021</small>
54	Sewage facility	0 cubic meters per day
57	Used tyre storage (general)	5 Tyres
63	Class I inert landfill site	59,995.13 Tonnes
	Class II putrescible landfill site	610.12 tonnes
73	Bulk storage of chemical	5950 Litres

*Supporting information provided in the relevant conditions of the 2021 Annual Environment Report

Section D – Statement of actual Part 2 waste discharge quantity		
Provide the actual Part 2 waste discharge quantity for this reporting period.*		
Category	Premises description	Actual Part 2 Waste Discharge Quantity (2021)
6	Mine dewatering	0 tonnes

*Supporting information provided in the relevant conditions of the 2021 Annual Environment Report

Section E – Declaration	
I declare that the information in this Annual Audit Compliance Report is true and correct and is not false or misleading in a material particular ¹ . I consent to the Annual Audit Compliance Report being published on the Department of Water and Environmental Regulation's (DWER) website.	
Signature²:	
Name: (printed)	
Position:	
Date:	29/03/2022

¹ 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.

² AACRs can only be signed by the licence holder or an authorised person with the legal authority to sign on behalf of the licence holder

Section F – Details of non-compliance with licence condition

Please use a separate page for each condition with which the licence holder was non-compliant at a time during the reporting period.

Condition number:	44	Date(s) of non-compliance:	15/2/2021 – 2/5/2021
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Details of non-compliance:

Discharge of water from LCDM (Jacko's Dam) in exceedance of criteria as per licence condition 44.

What was the actual (or suspected) environmental impact of the non-compliance?

The actual environmental impact of the incident was considered negligible. No exceedances of licence criteria were observed at downstream sample locations (LCSPRGS & LCLBGS), with water quality results at these downstream locations remaining consistent with historical values.

Cause (or suspected cause) of non-compliance:

High rainfall during the wet season (~740 mm between Nov 2020 & March 2021, compared to 534 mm for the same period in 2019-2020), resulting in increased runoff and seepage input into LCDM has caused ongoing discharge of water exceeding licence criteria.

Cessation of mining and dewatering prevented dilution of seepage water in Jacko's Dam, leading to criteria exceedance. Decommissioning of infrastructure and processing facilities as part of closure decreased the need for water onsite, and water that was previously recycled through processing water use had to be discharged.

Action taken to mitigate any adverse effects of non-compliance and prevent recurrence of the non-compliance:

Following the initial overflow results (15/2/2021), the sampling regime was increased from fortnightly, as per the Licence criteria, to two samples per week at the discharge point (LCDM) and downstream locations (LCSPRGS & LCLBGS), with daily ongoing field readings collected at LCDM, until overflow ceased. These results were closely monitored for adverse environmental impact downstream.

Rainfall, seepage inputs (ICI and TWRD) and Jacko's Dam water quality data was analysed to understand the drivers of the exceedance and the relationship with water quality in the downstream environment, including review of the telemetry data at LCSPR. This analysis provided an understanding of the performance of Jacko's Dam as a neutralisation point following closure of the operation and an evaluation of the risk to the downstream environment in the interim period between now and when the long-term closure water management strategy is implemented in 2023.

Due to the removal of infrastructure as part of mine closure and Make Safe activities in Late 2020, water was unable to be diverted from Jacko's Dam immediately to prevent overflow. To reduce the likelihood of recurrence, a solution to pump water from Jacko's Dam to the former underground mine infrastructure, to prevent overflowing, was proposed to DWER during 2021.

Was this non-compliance reported to the DWER?

<input checked="" type="checkbox"/> Yes:		<input type="checkbox"/> No
<input type="checkbox"/> Reported to DWER verbally	Date:	
<input checked="" type="checkbox"/> Reported to DWER in writing	Date: 11/03/2021	

Section F – Details of non-compliance with licence condition

Please use a separate page for each condition with which the licence holder was non-compliant at a time during the reporting period.

Condition number:	55	Date(s) of non-compliance:	8/1/2021
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Details of non-compliance:

Overflow of the process water tanks causing discharge of 2,401 L of water to the environment.

What was the actual (or suspected) environmental impact of the non-compliance?

There was no evidence of environmental impact. A sample of the discharged water was collected and results were within licence criteria. Discharged water did not reach Limestone Creek.

Cause (or suspected cause) of non-compliance:

Water was redirected to prevent the ongoing discharge from licenced discharge point Reclaimed Pond 2B (RCP2B).

Automation of water redirection based on tank capacity had been switched off allowing the tank to overflow. Manual change to cease overflow was not implemented until observed.

Water use decreased due to cessation of processing and altered water redirection due to decommissioning of pumping infrastructure.

Action taken to mitigate any adverse effects of non-compliance and prevent recurrence of the non-compliance:

1. Once observed water was immediately redirected to RCP2B (licenced discharge point).
2. A sample of discharged water was collected and analysed, returning results within Licence criteria.
3. Updated water balance model following decommissioning of infrastructure and Trigger Action Response Plan (TARP) was created for ongoing overflow of RCP2B.
4. Management of change/escalation process enforced and implemented for adhoc work requests.

Was this non-compliance reported to the DWER?

<input type="checkbox"/> Yes: <input type="checkbox"/> Reported to DWER verbally Date: <input type="checkbox"/> Reported to DWER in writing Date:	<input checked="" type="checkbox"/> No
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Section F – Details of non-compliance with licence condition

Please use a separate page for each condition with which the licence holder was non-compliant at a time during the reporting period.

Condition number:	31	Date(s) of non-compliance:	January – December 2021
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Details of non-compliance:

Volumetric flow method calculation unable to be calculated from Gap Creek Sump, as per condition requirement.

What was the actual (or suspected) environmental impact of the non-compliance?

There was no evidence of adverse environmental impact.

Cause (or suspected cause) of non-compliance:

Volumetric estimates previously calculated by Telemetry/Hydrologist contractor. Due to third party contractor service issues these volumes were unable to be provided for 2021.

Action taken to mitigate any adverse effects of non-compliance and prevent recurrence of the non-compliance:

There were no adverse effects associated with the non-compliance requiring mitigation.

The volumes were instead estimated using monthly volumetric methods based on percentage difference between overflow, water use and rainfall comparisons from 2018, 2019 and 2020. The percentage differences were then calculated for 2021 and used to provide the figure for Gap Creek Sump overflow in 2021.

A new third party telemetry/hydrologist contractor was engaged during H2 2021 and will provide volumetric flows for the 2022 reporting period.

Was this non-compliance reported to the DWER?

Yes:

Reported to DWER verbally Date:

Reported to DWER in writing Date:

No