

Annual Audit Compliance Report Form

Environmental Protection Act 1986, Part V Division 3

Once completed, please submit this form either via email to info@dwer.wa.gov.au, or to the below postal address:

Department of Water and Environmental Regulation
Locked Bag 10
Joondalup DC WA 6919

Section A – Licence details			
Licence number:	L4247/1991/13	Licence file number:	2012/0071641
Licence holder name:	Talisson Lithium Australia Pty Ltd		
Trading as:			
ACN:	139 401 308		
Registered business address:	Level 15, 216 St Georges Terrace, PERTH WA 6000. Locked Bag 40, Cloister Square, PERTH WA 6850		
Reporting period:	01/07/2021 to 30/06/2022		

Section B – Statement of compliance with licence conditions
Did you comply with all of your licence conditions during the reporting period? (please tick the appropriate box)
<input type="checkbox"/> Yes – please complete: <ul style="list-style-type: none">• section C;• section D (if required); and• sign the declaration in Section F.
<input checked="" type="checkbox"/> No – please complete: <ul style="list-style-type: none">• section C;• section D (if required);• section E; and• sign the declaration in Section F.

Section C – Statement of actual production	
Provide the actual production quantity for this reporting period. Supporting documentation is to be attached.	
Prescribed premises category	Actual production quantity
5	4,658,473 tonnes beneficiated

Section D – Statement of actual Part 2 waste discharge quantity	
Provide the actual Part 2 waste discharge quantity for this reporting period. Supporting documentation is to be attached.	
Prescribed premises category	Actual Part 2 waste discharge quantity
5	3,523,893 tonnes of tailings deposited

Section D – Statement of actual Part 2 waste discharge quantity			
Provide the actual Part 2 waste discharge quantity for this reporting period. Supporting documentation is to be attached.			
Prescribed premises category		Actual Part 2 waste discharge quantity	
Section E – 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 no:	1.3.4	Date(s) of non-compliance:	17/04/2022
Details of non-compliance:			
The Secondary Seepage Recovery Sump (SRSS) overflowed on 17/04/2022. The overflow event was not attributable to a power failure or extreme rainfall event, and back up pumping facilities failed.			
What was the actual (or suspected) environmental impact of the non-compliance? NOTE – please attach maps or diagrams to provide insight into the precise location of where the non-compliance took place.			
Overflows from the SRSS are contained within the Cowan Brook Dam, which is within the Prescribed Premise for L4247/1991/13. The investigation determined that the impact to the environment was negligible, and no remedial works were proposed.			
Cause (or suspected cause) of non-compliance:			
The following root cause and contributing factors were identified in the incident investigation: <ul style="list-style-type: none"> • the SRSS was being maintained at a level that was too high to allow for operator response (root cause); • electric pump did not start due to a suction fault (contributing factor); • back up diesel pump did not activate as it was left in manual mode (required to be in auto mode to activate) due to operator error (contributing factor); and • SRSS overflow weir level detector was not recording water levels and therefore did not send any overflow alarms to relevant personnel due to a flat battery (contributing factor). 			
Action taken to mitigate any adverse effects of non-compliance and prevent recurrence of the non-compliance:			
Immediately upon observing the overflow, the field technician manually started the backup pump which ceased the overflow within minutes. No remedial works were proposed. Preliminary notification of this event was provided to DWER in the N1 Part A format, as required by Condition 4.3.1, on 19 April 2022 (letter reference L04KH08ENV 2022). Part B was provided to DWER 17 May 2022 (letter reference L05KH07ENV 2022). The monitoring details for this incident were also reported to DWER in the April-June 2022 Quarterly Report on 20 July 2022.			
Was this non-compliance previously reported to DWER?			
<input type="checkbox"/> Yes, and			
<input type="checkbox"/> Reported to DWER verbally		Date: / /	
<input checked="" type="checkbox"/> Reported to DWER in writing		Date: 19/04/2022; 17/05/2022; 20/07/2022	

Section E – 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 no:	1.3.10 (b)	Date(s) of non-compliance:	Throughout reporting period
Details of non-compliance:			
During the annual internal audit conducted to support the preparation of the AACR, it was identified that the capacity of the "southwest detention pond as shown in Figure 5 Schedule 1" is not being inspected daily as required by this condition.			
What was the actual (or suspected) environmental impact of the non-compliance? NOTE – please attach maps or diagrams to provide insight into the precise location of where the non-compliance took place.			
The actual environmental impact of the non-compliance has been assessed as negligible, noting that this pond does not overflow to the surrounding area. At high level this pond is siphoned to the Clear Water Dam. There is no pump in this pond and at high level it overflows passively (via a siphon pipe) as designed to the Clear Water Dam. Routine inspections would not drive any changes to the management of this facility.			
Cause (or suspected cause) of non-compliance:			
Personnel responsible for the operation and maintenance of this facility were not aware of this requirement.			
Action taken to mitigate any adverse effects of non-compliance and prevent recurrence of the non-compliance:			
The annual internal audit identified an action to review the routine (daily) production inspection program to make sure the capacity of the CGP2 southwest detention pond is inspected at a daily frequency. Note that the southwest detention pond is in the relocated CGP3 footprint and the drainage design for CGP3 will incorporate this facility.			
Was this non-compliance previously reported to DWER?			
<input checked="" type="checkbox"/> Yes, and			
<input type="checkbox"/> Reported to DWER verbally		Date: / /	
<input checked="" type="checkbox"/> Reported to DWER in writing		Date: 21/09/2022 in the AER and AACR	

Section E – 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 no:	2.2.2	Date(s) of non-compliance:	27/10/2022 – 10/11/2022
Details of non-compliance:			
There was one (1) direct discharge (overflow) event from Cowan Brook Dam to Norilup Dam (off Premise). Overflow from Cowan Brook Dam to Norilup Dam commenced on 27/10/2021 and concluded on 10/11/2021.			
What was the actual (or suspected) environmental impact of the non-compliance? NOTE – please attach maps or diagrams to provide insight into the precise location of where the non-compliance took place.			
The lithium concentration in the receiving environment (Norilup Dam) rose to 2.6mg/L during the overflow event, below the lithium licence limit in Norilup Dam (3.0mg/L). The environmental impact is expected to be minor due to the limited duration of the overflow event and subsequent dilution downstream.			
Cause (or suspected cause) of non-compliance:			
No capacity in the Mine water circuit due to wet winter conditions.			
Action taken to mitigate any adverse effects of non-compliance and prevent recurrence of the non-compliance:			
Talisson managed the conditions across the Mine water circuit to mitigate the amount of water overflowing from Cowan Brook Dam and sandbagged upstream of the spillway. Additional monitoring was also implemented in response to the overflow event. This event was notified to DWER on 27/10/2021 (letter reference L10KH22ENV 2021). Event monitoring results were provided to DWER in the Oct-Dec 2021 Quarterly Report (sent 31/01/2022; letter reference L01KH13ENV 2022).			
Was this non-compliance previously reported to DWER?			
<input checked="" type="checkbox"/> Yes, and			
<input type="checkbox"/> Reported to DWER verbally		Date: / /	
<input checked="" type="checkbox"/> Reported to DWER in writing		Date: 27/10/2022; 31/01/2022	

Section E – 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 no:	3.1.1	Date(s) of non-compliance:	October 2021
Details of non-compliance:			
Water sampling conducted as part of the Annual Ecological Assessment (AEA) (required by Condition 3.4.3) was not conducted in accordance with AS/NZS 5667.1 for the spring (October) 2021 campaign. Namely, field blanks have not been collected as described in AS/NZS 5667.1 Section 5 Quality Control Samples.			
What was the actual (or suspected) environmental impact of the non-compliance? NOTE – please attach maps or diagrams to provide insight into the precise location of where the non-compliance took place.			
The actual environmental impact of the non-compliance has been assessed to be negligible (monitoring non-compliance). This oversight should not be seen as invalidating the water quality analysis performed to date.			
Cause (or suspected cause) of non-compliance:			
The required monitoring standard was not described in the monitoring procedure.			
Action taken to mitigate any adverse effects of non-compliance and prevent recurrence of the non-compliance:			
A review of the Quality Control methods employed in the AEA was conducted, and a similar review is underway for all water sampling being conducted under the licence. The identified improvements will be incorporated into the next AEA (spring 2022). This monitoring non-compliance was reported to DWER on 27 June 2022 (letter reference L06KH11ENV2022).			
Was this non-compliance previously reported to DWER?			
<input checked="" type="checkbox"/> Yes, and			
<input type="checkbox"/> Reported to DWER verbally		Date: / /	
<input checked="" type="checkbox"/> Reported to DWER in writing		Date: 27/06/2022	

Section E – 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 no:	3.2.1	Date(s) of non-compliance:	January, February, March and April 2022
Details of non-compliance:			
The monthly flow rate of point source discharge (seepage) from Cowan Brook Dam was not able to be calculated for the months of January, February, March and April 2022 due to field measurements not being recorded in the field.			
What was the actual (or suspected) environmental impact of the non-compliance? NOTE – please attach maps or diagrams to provide insight into the precise location of where the non-compliance took place.			
The actual environmental impact of the non-compliance has been assessed to be negligible (monitoring non-compliance).			
Cause (or suspected cause) of non-compliance:			
Inadequate supervision of inexperienced field personnel.			
Action taken to mitigate any adverse effects of non-compliance and prevent recurrence of the non-compliance:			
Additional training and supervision for field personnel. Initiated feasibility study to install flow logger at this location. This was reported to DWER in the January-March 2022 Quarterly Report on 28 April 2022, and the April-June 2022 Quarterly Report on 20 July 2022.			
Was this non-compliance previously reported to DWER?			
<input checked="" type="checkbox"/> Yes, and			
<input type="checkbox"/> Reported to DWER verbally		Date: / /	
<input checked="" type="checkbox"/> Reported to DWER in writing		Date: 28/04/2022; 20/07/2022	



Section E – 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 no:	3.2.1	Date(s) of non-compliance:	May 2022
Details of non-compliance:			
Water quality analysis of point source discharge (seepage) from Cowan Brook Dam was not conducted for the month of May 2022.			
What was the actual (or suspected) environmental impact of the non-compliance? NOTE – please attach maps or diagrams to provide insight into the precise location of where the non-compliance took place.			
The actual environmental impact of the non-compliance has been assessed to be negligible (monitoring non-compliance).			
Cause (or suspected cause) of non-compliance:			
Inadequate supervision of inexperienced field personnel.			
Action taken to mitigate any adverse effects of non-compliance and prevent recurrence of the non-compliance:			
Additional training and supervision for field personnel. This was reported to DWER in the April-June 2022 Quarterly Report on 20 July 2022.			
Was this non-compliance previously reported to DWER?			
<input checked="" type="checkbox"/> Yes, and			
<input type="checkbox"/> Reported to DWER verbally		Date: / /	
<input checked="" type="checkbox"/> Reported to DWER in writing		Date: 20/07/2022	

Section E – 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 no:	3.3.1	Date(s) of non-compliance:	17/04/2022
Details of non-compliance:			
The Secondary Seepage Recovery Sump (SRSS) overflowed on 17/04/2022 and the SRSS overflow weir level detector failed prior to the event so the total overflow volume could not be accurately calculated.			
What was the actual (or suspected) environmental impact of the non-compliance? NOTE – please attach maps or diagrams to provide insight into the precise location of where the non-compliance took place.			
The actual environmental impact of the non-compliance has been assessed to be negligible (monitoring non-compliance).			
Cause (or suspected cause) of non-compliance:			
The SRSS overflow weir level detector failed (flat battery) prior to the event so the total overflow volume could not be accurately calculated.			
Action taken to mitigate any adverse effects of non-compliance and prevent recurrence of the non-compliance:			
The battery in level indicator was replaced, and solar powered battery backup was installed. Preliminary notification of this event was provided to DWER in the N1 Part A format, as required by Condition 4.3.1, on 19 April 2022 (letter reference L04KH08ENV 2022). Part B was provided to DWER 17 May 2022 (letter reference L05KH07ENV 2022). The monitoring details for this incident were also reported to DWER in the April-June 2022 Quarterly Report on 20 July 2022.			
Was this non-compliance previously reported to DWER?			
<input checked="" type="checkbox"/> Yes, and			
<input type="checkbox"/> Reported to DWER verbally		Date: / /	
<input checked="" type="checkbox"/> Reported to DWER in writing		Date: 19/04/2022; 17/05/2022; 20/07/2022	

Section E – 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 no:	3.4.1	Date(s) of non-compliance:	18/01/2022 – 23/02/2022
Details of non-compliance:			
The standing water level in four (4) bores (MB17/08S, MB17/03I, MB17/04D and MB3) was not reported in the January-March 2022 Quarterly Report.			
What was the actual (or suspected) environmental impact of the non-compliance? NOTE – please attach maps or diagrams to provide insight into the precise location of where the non-compliance took place.			
The actual environmental impact of the non-compliance has been assessed to be negligible (monitoring non-compliance).			
Cause (or suspected cause) of non-compliance:			
Data was lost from field computer due to technical malfunction.			
Action taken to mitigate any adverse effects of non-compliance and prevent recurrence of the non-compliance:			
Implemented a monitoring data review process at an increased frequency to identify missing data earlier during reporting period. This was reported to DWER in the January-March 2022 Quarterly Report on 28 April 2022.			
Was this non-compliance previously reported to DWER?			
<input checked="" type="checkbox"/> Yes, and			
<input type="checkbox"/> Reported to DWER verbally		Date: / /	
<input checked="" type="checkbox"/> Reported to DWER in writing		Date: 28/04/2022	

Section E – 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 no:	3.4.1	Date(s) of non-compliance:	April-June 2022
Details of non-compliance:			
Groundwater quality analysis was not completed in the April-June 2022 quarter in four (4) bores (MB17/07S, MB17/08S, MB17/07D and MB1/09). These bores were decommissioned to facilitate the construction of Tailings Storage Facility #4 (TSF4). Talison will remain non-compliant with this condition until the licence is amended to remove these bores from the monitoring network.			
What was the actual (or suspected) environmental impact of the non-compliance? NOTE – please attach maps or diagrams to provide insight into the precise location of where the non-compliance took place.			
The actual environmental impact of the non-compliance has been assessed to be negligible (monitoring non-compliance).			
Cause (or suspected cause) of non-compliance:			
Construction activities within TSF4 footprint, approved by W6618/2021/1.			
Action taken to mitigate any adverse effects of non-compliance and prevent recurrence of the non-compliance:			
The requirement to decommission these bores was communicated with DWER in the TSF4 Works Approval Application, and the TSF4 Works Approval (W6618/2021/1) conditions the construction of additional monitoring bores. The decommissioning of these bores was reported to DWER in the April-June 2022 Quarterly Report on 20 July 2022.			
Was this non-compliance previously reported to DWER?			
<input checked="" type="checkbox"/> Yes, and			
<input type="checkbox"/> Reported to DWER verbally		Date: / /	
<input checked="" type="checkbox"/> Reported to DWER in writing		Date: 20/07/2022	

Section E – 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 no:	3.4.3	Date(s) of non-compliance:	Spring 2021 (and previous reporting periods from Spring 2017)				
Details of non-compliance:							
<p>During a review of the Annual Ecological Assessment (AEA) required by Condition 3.4.3 it was identified that the AEA had been conducted in accordance with Condition 3.4.3 except for:</p> <ul style="list-style-type: none"> • Water quality monitoring program <ul style="list-style-type: none"> ○ in 2019, thallium, not thorium, was analysed in error; ○ in 2020, filtered (dissolved) copper was analysed in all samples; however, unfiltered (total) copper was not analysed in all samples in error; and ○ sulfur (S) and phosphorous (P) were analysed for all years (2017 to 2021, inclusive), instead of sulfate (SO_4^{2-}) and phosphate (PO_4^{3-}), in error. • Sediment monitoring program <ul style="list-style-type: none"> ○ in 2017 and 2018 water soluble thorium, uranium and lithium was analysed only, and in 2019 the same analytes were analysed for total recoverable metals only; ○ in 2021, only total recoverable sulfur and phosphorous was analysed; and ○ sulfur and phosphorous in sediments were analysed for all years (2017 to 2021, inclusive), allowing comparison to the water sampling results. • The AEA is monitoring four (4) sites upstream of the <u>mine</u> and six (6) sites downstream of the <u>mine</u> (the licence requires four (4) sites upstream and six (6) sites downstream of <u>Norilup Dam</u>). 							
What was the actual (or suspected) environmental impact of the non-compliance?							
<p>NOTE – please attach maps or diagrams to provide insight into the precise location of where the non-compliance took place.</p>							
The actual environmental impact of the non-compliance has been assessed to be negligible (monitoring/administrative non-compliance). This non-compliance should not be seen as invalidating the AEA analysis performed to date.							
Cause (or suspected cause) of non-compliance:							
<p>The non-compliance related to the analysis of water and sediment parameters have been mainly attributed to human error.</p> <p>The non-compliance in the location of the monitoring locations has been attributed to the licence condition incorrectly describing the location of the monitoring sites, as discussed and agreed between DWER and Talison at the time this condition was included in the licence. The incorrect description was not identified when the draft condition was under reviewed.</p>							
Action taken to mitigate any adverse effects of non-compliance and prevent recurrence of the non-compliance:							
<p>Talison will continue to analyse sulphur and phosphorous in water and sediments to maintain continuity in the dataset, and will also incorporate sulphate and phosphate from spring 2022. Talison will discuss with DWER opportunities to amend this condition to better describe the location of the monitoring sites.</p> <p>This monitoring non-compliance was reported to DWER on 27 June 2022 (letter reference L06KH11ENV2022).</p>							
Was this non-compliance previously reported to DWER?							
<input type="checkbox"/> Yes, and <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;"><input type="checkbox"/> Reported to DWER verbally</td> <td style="width: 50%;">Date: / /</td> </tr> <tr> <td><input checked="" type="checkbox"/> Reported to DWER in writing</td> <td>Date: 27/06/2022</td> </tr> </table>				<input type="checkbox"/> Reported to DWER verbally	Date: / /	<input checked="" type="checkbox"/> Reported to DWER in writing	Date: 27/06/2022
<input type="checkbox"/> Reported to DWER verbally	Date: / /						
<input checked="" type="checkbox"/> Reported to DWER in writing	Date: 27/06/2022						

Section F – Declaration			
I / We 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 / We consent to the Annual Audit Compliance Report being published on the Department of Water and Environmental Regulation's (DWER) website.			
Signature ² :		Signature:	
Name: (printed)		Name: (printed)	
Position:	Acting General Manager	Position:	
Date:	21/9/2022	Date:	
Seal (if signing under seal):			

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