



Annual Audit Compliance Report Form

Environmental Protection Act 1986, Part V Division 3

Section A – Licence details

Licence number:	L4513/1969/18	Licence file number:	DER2013/001083
Licence holder name:	BHP Iron Ore Pty Ltd		
Trading as:	BHP Iron Ore Pty Ltd		
ACN:	008 700 981		
Registered business address:	Level 1, City Square Brookfield Place 125 St Georges Terrace Perth WA 6000		
Reporting period:	01/07/2022 to 30/06/2023		

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)

- Yes – please complete:
- section C;
 - section D (if required); and
 - sign the declaration in Section F.
- No – please complete:
- 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 – Processing or beneficiation of metallic or non-metallic ore	67.92 MT
54 – Sewage facility	0.138 m ³ average per day 50.25 m ³ in reporting period
58 – Bulk material loading or unloading	284.56 Mt
61 – Liquid waste facility	5032.60 t
73 – Bulk Storage of Chemicals	63,316.8 m ³ -in aggregate

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
NA	NA

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	Date(s) of non-compliance:	21 April 2023
Details of non-compliance:			
An earthen bund wall at Finucane Island was eroded by an incoming high tide and breached at one point along the premises boundary, causing seawater mixed with sediment to flow from bunded area where it was contained, to the adjacent mangrove vegetation. The movement of water between the areas caused water with higher sediment load than sea water to pool in the mangrove vegetation area between the premises and the road. An estimated 106,000 L was discharged offsite.			
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 non-compliance has no known or suspected environmental impact. All water samples collected were reported below the applicable marine guidelines.			
Cause (or suspected cause) of non-compliance:			
Fencing foundations are being constructed at sea level and during high tides, this work area was subject to sea water ingress, by way of ground seepage. An earthen bund wall was constructed to prevent incoming sea water (which mixes with sediment in the construction site) from returning to the adjacent natural environment (including mangroves) on outgoing tides which was eroded by the high tide. Under normal operations, the water contained within the bunded area is pumped from one cell to another to enable work in each section of the construction site.			
Action taken to mitigate any adverse effects of non-compliance and prevent recurrence of the non-compliance:			
<p>Immediate actions:</p> <p>Area of impact assessed and confirmed that extent of water discharged offsite did not extend beyond access road and into the marine basin. An initial water sample was collected.</p> <p>Follow up actions:</p> <p>An internal incident raised and an internal investigation commenced, including an action plan to permanently stabilise the bund. The earthen bund wall was replaced within 2 weeks with a more permanent, stabilised sand wall. This work had to be scheduled during a period of lower high tides, to enable the necessary machinery to safely access the area. The foundations and work zone platform have now been raised up above the high tide line with no interaction with tidal ingress water. Water sampling of the receiving environment collected after the event was completed to satisfy requirements of DWER. Following further DWER sampling request, ICMS was confirmed closed, and no further actions required by BHP.</p>			
Was this non-compliance previously reported to DWER?			
<input checked="" type="checkbox"/> Yes, and			
<input checked="" type="checkbox"/> Reported to DWER verbally		Date: 21 April 2023	
<input checked="" type="checkbox"/> Reported to DWER in writing		Date: 27 April 2023	

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:	15	Date(s) of non-compliance:	July 2022, October 2022, February 2023 and March 2023
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Details of non-compliance:

In July 2022, October 2022, February 2023 and March 2023, the 90% Average Monthly Availability rate for fogging units was not achieved.

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 non-compliance has no known or suspected environmental impact.

During July 2022, October 2022, February 2023 and March 2023, the Licence Holder achieved a Dust Extinction Moisture (DEM) content of above 90% for all ore in-loaded and out-loaded at the premises.

There were the following air quality exceedance events at the boundary air quality monitors or the ambient air quality monitor during these months:

- October 2022: on 29-30 October, one boundary monitor (Finucane Island B2) recorded an exceedance in which elevated background dust levels as evidenced by higher than average BOM air quality monitor readings (regional background dust) were identified to have contributed to the event.
- February 2023: on 14 February, one boundary monitor (Nelson Point Gate 9) recorded an exceedance in which a strong inversion event combined with localised dust were identified to have contributed to the event.

Cause (or suspected cause) of non-compliance:

The reduce availability for each month is attributed to:

- July 2022: failure of the compressor system in May 2022 which feeds the fog equipment due to exhaustion of critical compressor spare part inventories. Due to global supply delays for compressor parts, compressor part stock holdings could not be replenished, and temporary compressors were utilised to improve availability until parts arrived in July 2022.
- October 2022: a failure on a main waterline occurred linked to the fogging units.
- February 2023: three separate intermittent periods during which water supply to BHP Port Operations was shut off due to unplanned maintenance works by Water Corporation. It was also attributed to faulty equipment on one unit, combined with long-lead time on replacement parts which were received in March 2023 for replacement.
- March 2023: an equipment fault triggered after re-start (following a shutdown program) and waterline tie in works associated with infrastructure expansion projects.

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

Actions taken for each event include:

- July 2022: Mobile compressors were used to supply the fog equipment network requirements before replacement parts arrived. As part of this upgrade, work to understand the compressor outlet pressures, regulation and feed points to support the fogging units operation was undertaken to effectively manage failures.
- October 2022: Other water feed lines were prioritised where practicable.
- February 2023: During these water outages, BHP prioritised stored water supplies for dust

Section E – Details of non-compliance with licence condition

suppression equipment where possible for compliance with licence dust suppression requirements.

- March 2023: Equipment faults are being investigated and project communication procedures have been implemented for further instances.

Was this non-compliance previously reported to DWER?

Yes, and

Reported to DWER verbally

Date: N/A

Reported to DWER in writing

Date: 31 October 2022, 31 January 2023 & 26 April 2023

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:	15	Date(s) of non-compliance:	April 2023
Details of non-compliance:			
<p>During a DWER compliance inspection on 3-4 April 2023, it was identified that dust covers were missing or damaged on LRP2.</p> <p>Condition 15 of the Port Environmental Licence requires all equipment specified in Tables 12 and 13 (LRP dust covers row 3) to be maintained in good working condition at all times.</p> <p>DWER issued an Environment Inspection Report on 22 June 2023 following the inspection with the confirmed non-compliance.</p>			
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>			
<p>The non-compliance has no known or suspected environmental impact.</p> <p>No reportable dust events for Finucane Island were reported in the month prior to this inspection.</p>			
Cause (or suspected cause) of non-compliance:			
<p>The LRP screen house is under constant vibration and sun exposure, and dust covers are opened and replaced regularly for routine weekly and fortnightly inspections. During these inspections, damage is logged and works scheduled for replacement during the next 20-week shutdown.</p>			
Action taken to mitigate any adverse effects of non-compliance and prevent recurrence of the non-compliance:			
<p>A notification was raised to organise urgent repair works - a commitment to DWER on close out of inspection.</p> <p>Works were planned into the 20 Week shutdown in May and evidence of repair was issued to DWER on 25 May 2023.</p>			
Was this non-compliance previously reported to DWER?			
<input checked="" type="checkbox"/> Yes, and			
<input type="checkbox"/> Reported to DWER verbally		Date: N/A	
<input checked="" type="checkbox"/> Reported to DWER in writing		Date: 4 April 2023	

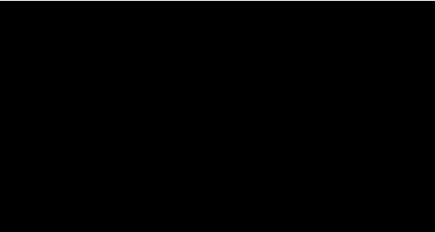
Section E – Details of Non-Compliance with Licence Condition			
Please use a separate page for each condition with which the licence holder was non-compliant at a time during the reporting period.			
Condition no:	16 and Schedule 4, Table 11, Column 3, Item 12.	Date(s) of non-compliance:	1 July 2022 – 30 June 2023
Details of non-compliance:			
<p>The 90% Average Monthly Availability rate for stockpile cannons was not measured or reported for this FY2023 reporting year.</p> <p>Condition 16 of L4513/1969/18 does not list Stockpile cannons as an equipment item required to be maintained and measured on 90% Average Monthly Availability Rate; however, in Schedule 4, Table 11, Column 3, Item 12 for Stockpile cannons, reference is made to stockpile cannons operating in accordance with Condition 16. BHP interprets this to mean stockpile cannons must meet the 90% requirement.</p> <p>As no measurements were taken we therefore cannot confirm compliance with the requirement for 90% Average Monthly Availability, as that requirement relates to stockpile cannons at the Port. The stockpile cannons have been operated routinely on automatic deluge runs and manually when in accordance with Conditions 25 to 29. There has not been any occurrence where stockpile cannons have been required, and have not been available.</p>			
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 non-compliance has no known or suspected environmental impact.			
Cause (or suspected cause) of non-compliance:			
<p>Stockpile cannons were not specifically listed under the Condition 16 which specifies the equipment required to maintain 90% Average Monthly Availability rate compliance.</p> <p>BHP does not currently have the equipment availability tracking software and coding to accurately provide this data.</p>			
Action taken to mitigate any adverse effects of non-compliance and prevent recurrence of the non-compliance:			
<p>BHP identified the non-compliance and have engaged developers to add the data path for each stockpile cannon into the BHP dust equipment monitoring dashboard, so that data can be captured and measured to calculate the stockpile cannon 90% Average Monthly Availability. This project is in now in progress and is anticipated to be complete by end of FY2024.</p>			
Was this non-compliance previously reported to DWER?			
<input checked="" type="checkbox"/> Yes, and			
<input type="checkbox"/> Reported to DWER verbally		Date: N/A	
<input checked="" type="checkbox"/> Reported to DWER in writing		Date: 31 July 2023	

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:	23	Date(s) of non-compliance:	1 July 2022 – 30 September 2022
Details of non-compliance:			
The continuous monitoring operation requirement (data recovery rate of above 90% averaged annually) for 10-minute average data was not achieved for the reporting year for four dust monitors: FI West, FI Wharf Reveg, F Berth and Burgess Point due to invalidated data for the months July 2022 and August 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 non-compliance has no known or suspected environmental impact. Validated 1 hour BAM data for all air quality monitoring units has met the continuous monitoring requirement of 90% Annual Average Availability for Q1 FY2023.			
Cause (or suspected cause) of non-compliance:			
BHP is utilising Real-Time Module (RTM) data to inform Management Trigger alerts and BAM data to inform reportable event criteria exceedances. During July 2022 and August 2022, the raw data feeds from the RTM modules met the continuous monitoring requirement of 90% Annual Average Availability however during the validation process by BHP's air quality contractor, the data was invalidated due to equipment faults at four air quality monitoring stations (FI West, FI Wharf Reveg, F Berth and Burgess Point).			
Action taken to mitigate any adverse effects of non-compliance and prevent recurrence of the non-compliance:			
To improve RTM data availability, BHP proactively upgraded nine of the fifteen RTM modules at the air quality monitoring stations listed in Table 4 of Condition 23 to higher specification ES642 sampler units, with improved alarm functionality in September 2022. The remaining six RTM modules were upgraded by June 2023. During the reportable events listed in the Q1 FY2023 report, BHP responded and utilised dust control equipment in compliance with the licence.			
Was this non-compliance previously reported to DWER?			
<input checked="" type="checkbox"/> Yes, and			
<input type="checkbox"/> Reported to DWER verbally		Date: N/A	
<input checked="" type="checkbox"/> Reported to DWER in writing		Date: 25 October 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 particular¹.

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:	Asset President Western Australian Iron Ore (WAIO)	Position:	
Date:	31/08/2023	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.