



# CAPEL DRY PROCESSING PLANT ANNUAL ENVIRONMENTAL REPORT

Year Ending 31 December 2025

Document Number: PUW2EJ62XMPT-1245019849-235951

Revision	Details Of Review Or Changes	Date Created	Document Reference
Rev 0	Approved for submission	23/01/2026	[REDACTED]



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## 1. PROJECT SUMMARY

### 1.1 Brief History of the Operations

Iluka Resources Limited (Iluka) operates the Capel Dry Plant (CDP) heavy mineral concentrate processing facility. The CDP operates under the Environmental Protection Act 1986 (WA), Licence No. L6194. This licence is administered by the Department of Water and Environmental Regulation (DWER). This Annual Environmental Report (AER) provides a review of environmental monitoring and performance of the CDP and assesses compliance with licence conditions, for the period 1 January 2025 to 31 December 2025.

In May 2009 production of Zircon ceased at CDP and the treatment of magnetic rejects ended in November 2009. In July 2015 the SPC project commenced with approval from the Department of Environmental Regulation (now DWER) for the retreatment of a legacy stockpile at North Capel. The treatment is a dry process with ilmenite produced being transported to North Capel and final tailings taken to Yoganup Extended. The treatment continued until the 13 June 2018. No further processing will occur and demolition of the dry plant is planned as a staged process.

Other activities occurring on site are:

- Research and development with pilot and bench scale testing
- Production laboratory facilities for the South West Operations (SWOPS)
- Surplus equipment storage
- Warehousing
- Administration buildings

## 2. SITE PLAN

The CDP is located in the northern part of the town of Capel on Jenkin Road in the Capel Shire approximately 200 km south of Perth.

The predominant land use in the area surrounding Capel is rural urban and agriculture (largely beef, horse breeding and dairy farming). The area is zoned for industrial land use under the Shire of Capel Town Planning Scheme No 7. The Capel site is comprised of freehold land and small areas of road reserve.

The CDP does not have any associated mining tenements.

## 3. PROCESSING

Production ceased at Capel Dry Processing Plant 13 June 2018. Processing infrastructure is currently idle in preparation for decommissioning and demolition works.



ILUKA

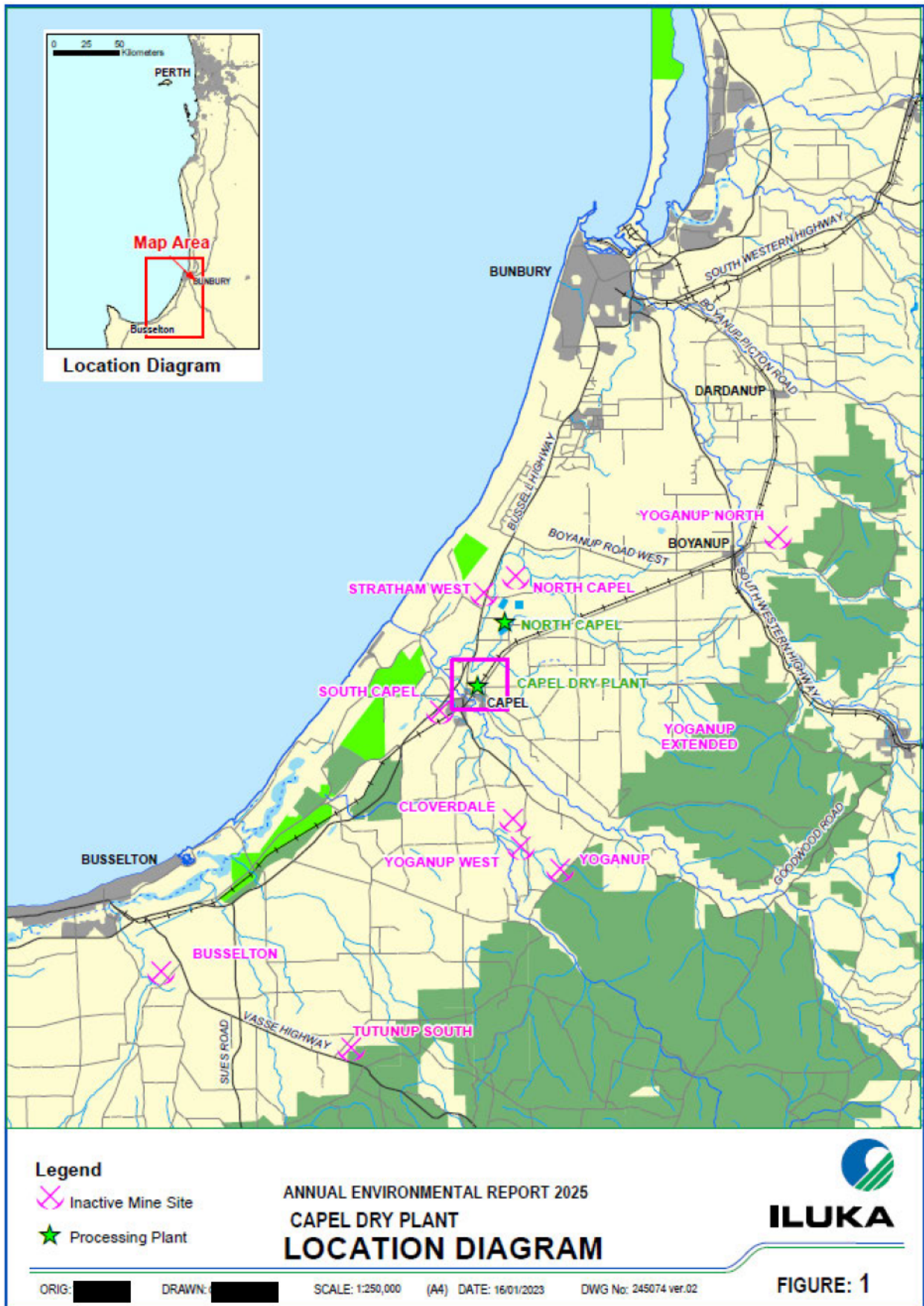


Figure 1: Capel Dry Plant Regional Location

## 4. COMPLIANCE

### 4.1 Licence L6194/1989/14

Compliance against the Environmental Operating Licence has been assessed and this is presented in

Table 1: Summary of Capel Dry Processing Plant with Licence L6194/1989/14

Condition		Compliant (Yes/No)	Comment / Evidence
<b>Prescribed Premises Category 8</b>			
<i>Mineral sands mining or processing: premises on which mineral sands ore is mined, screened, separated or otherwise processed shall not exceed 247,000 tonnes or more per year</i>		NA	Processing was not carried out in 2025.
<b>Introduction</b>			
<b>Operations on the premise are currently restricted to:</b> <ul style="list-style-type: none"> <li>• <i>Bagging of stockpiled product;</i></li> <li>• <i>Research and laboratory works;</i></li> <li>• <i>Maintenance of exploration equipment; and</i></li> <li>• <i>Administration</i></li> </ul>		Yes	Processing was not carried out in 2025.
<b>General Conditions</b>			
<b>1.2.2</b>	<i>The Licensee shall operate and maintain all pollution control and monitoring equipment to the manufacturer's specification or any relevant and effective internal management system.</i>	Yes	
<b>1.2.3</b>	<i>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.</i>	Yes	
<b>1.2.4</b>	<i>The Licensee shall immediately recover or remove and dispose of spills of environmentally hazardous materials outside an engineered containment system.</i>	Yes	
<b>1.2.5</b>	<i>The licensee shall:</i> <ul style="list-style-type: none"> <li><i>(a) implement all practical measures to prevent stormwater run-off becoming contaminated by the activities on the premises; and</i></li> <li><i>(b) treat contaminated or potentially contaminated stormwater as necessary prior to being discharged from the premises.<sup>1</sup></i></li> </ul>	Yes	



	<i>Note 1: The Environmental Protection (Unauthorised Discharges) Regulations 2004 make it an offence to discharge certain materials into the environment.</i>		
<b>General - Premises Operation</b>			
<b>1.3.1</b>	<i>The licensee shall submit to the Director for approval a proposal for the recommencement of any category 8 mineral separation activity as described by schedule 1 of the Environmental Protection Regulations 1987 on the Premises within 28 calendar days of the proposed commencement date.</i>	Yes	<i>Processing was not carried out in 2025.</i>
<b>Emissions - General</b>			
<b>2.1.1</b>	<i>The licensee shall record and investigate the exceedance of any descriptive or numerical limit, and/or target in this section.</i>	Yes	<i>Processing was not carried out in 2025.</i>
<b>Emissions – Point source emissions to air</b>			
<b>2.2.1</b>	<i>The licensee shall ensure that where waste is emitted to air from the emission points in table 2.2.1 and identified on the map of emission points in schedule 1 it is done so in accordance with the conditions of this licence.</i>	NA	<i>Processing was not carried out in 2025.</i>
<b>2.2.2</b>	<i>The licensee shall not cause or allow point source emissions of particulates greater than 250 mg/m3 as per table 2.2.2.</i>	NA	<i>Processing was not carried out in 2025.</i>
<b>Monitoring – General monitoring</b>			
<b>3.1.1</b>	<i>The licensee shall ensure all quarterly monitoring is undertaken at least 45 days apart.</i>	NA	<i>Processing was not carried out in 2025.</i>
<b>3.1.2</b>	<i>The licensee shall record production or throughput data and any other process parameters relevant to any non-continuous or CEMS monitoring undertaken.</i>	NA	<i>Processing was not carried out in 2025.</i>
<b>3.1.3</b>	<i>The Licensee shall ensure that all monitoring equipment used on the Premises to comply with the conditions of this Licence is calibrated in accordance with the manufacturer’s specifications.</i>	NA	<i>Processing was not carried out in 2025.</i>
<b>3.1.4</b>	<i>The Licensee shall, where the requirements for calibration cannot be practicably met, or a discrepancy exists in the interpretation of the requirements, bring these issues to the attention of the Director accompanied with a report comprising details of any modifications to the methods.</i>	NA	<i>Processing was not carried out in 2025.</i>
<b>Monitoring – Monitoring of point source emissions to air</b>			



<b>3.2.1</b>	<i>The licensee shall undertake the monitoring in table 3.2.1 according to the specifications in that table.</i>	NA	<i>Processing was not carried out in 2025.</i>
<b>3.2.2</b>	<i>The licensee shall ensure that sampling required under condition 3.2.1 is undertaken at sampling locations in accordance with AS 4323.1 or relevant part of the CEMS Code.</i>	NA	<i>Processing was not carried out in 2025.</i>
<b>3.2.3</b>	<i>The licensee shall ensure that all non-continuous sampling and analysis undertaken pursuant to condition 3.2.1 is undertaken by a holder of NATA accreditation for the relevant methods of sampling and analysis.</i>	NA	<i>Processing was not carried out in 2025.</i>
<b>Information - Records</b>			
<b>5.1.1</b>	<p><i>All information and records required by the Licence shall:</i></p> <p><i>(a) be legible;</i></p> <p><i>(b) if amended, be amended in such a way that the original and subsequent amendments remain legible or are capable of retrieval;</i></p> <p><i>(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</i></p> <p><i>(d) for those following records, be retained until the expiry of the Licence and any subsequent licence;</i></p> <p><i>(i) off-site environmental effects; or</i></p> <p><i>(ii) matters which affect the condition of the land or waters.</i></p>	Yes	
<b>5.1.2</b>	<p><i>The Licensee shall ensure that:</i></p> <p><i>(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</i></p> <p><i>(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.</i></p>	Yes	<i>Licence on Company Intranet</i>
<b>5.1.3</b>	<i>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 year.</i>	Yes	<i>Refer to Appendix 1</i>
<b>5.1.4</b>	<i>The Licensee shall implement a complaints management system that as a minimum records the</i>	Yes	<i>Refer to Section 8</i>



	<i>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.</i>		
<b>Information - Reporting</b>			
<b>5.2.1</b>	<i>The Licensee shall submit to the Director an Annual Environmental Report by 1 February in each year. The report shall contain the information listed in Table 5.1 in the format or form specified in that table.</i>	Yes	<i>This document</i>
<b>Notification</b>			
<b>5.3.1</b>	<i>The licensee shall ensure that the parameters listed in Table 5.3.1 are notified to the Director in accordance with the notification requirements of the table.</i>	NA	<i>Processing was not carried out in 2025.</i>
	<i>Table 5.3.1: The licensee shall report to the Director (Part A) as soon as practicable but no later than 5pm on the next usual working day (Part B) or as soon as practicable any breach of any limit specified in the license via an N1 form.</i>	NA	<i>Processing was not carried out in 2025.</i>
	<i>Table 5.3.1: The licensee shall report to the Director (Part A) as soon as practicable but no later than 5pm on the next usual working day (Part B) or as soon as practicable any failure or malfunction of any pollution control equipment or any incident which has caused, is causing or may cause pollution via an N1 form.</i>	NA	<i>Processing was not carried out in 2025.</i>
	<i>Table 5.3.1: Calibration Report</i>	NA	<i>Processing was not carried out in 2025.</i>

## 4.2 Licence to Take Water GWL 161847

The Licence to Take Water GWL161847 covers the Yarragadee Water abstraction allocation for multiple Southwest Locations for Iluka Resources Limited, including the CDP.

## 5. ENVIRONMENTAL MANAGEMENT

Monitoring during the reporting period was not required. There were no emissions because processing was not carried out during 2025.

## 6. REHABILITATION AND CLOSURE PLANNING

### 6.1 Rehabilitation

During 2020 remediation of the Neutralised Acid Effluent (NAE) Dam was completed (see Figure 2).

During the remediation, 49,347 m<sup>3</sup> of NAE solids (a process by-product), which has potential to contaminate groundwater in the superficial aquifer, was moved to a purpose built containment facility at South Capel. The work commenced in November 2019, and was completed early 2020 and was implemented under DWER works approval W6159/2018/1.

Iluka is within a planning process for the future demolition of the processing plant. A commencement date has yet to be determined, however the following preliminary works are proposed for 2026:

- Removal of remnant mineral;
- Recycling of scrap metal and redundant equipment;
- Develop the scope for demolition.



Figure 2: Remediation of the Neutralised Acid Effluent Dam

## 7. INCIDENTS

Iluka operates an electronic incident management system where Environmental, Health and Safety issues are raised and where necessary controls are actioned and managed. During 2025 the Capel site recorded the environmental incidents as listed in Table 2.

*Table 2: Environmental Incidents 2025*

Date	Incident	Summary	Action
10/03/2025	Environment	Lab wastewater sump high level alarm not working	Maintenance team alerted and the sump pump was replaced. Normal function resumed
16/07/2025	Environment	Wastewater sump overflow	The incorrect size submersible pump appeared to have been installed. Pump replaced with a larger unit.

## 8. STAKEHOLDER CONSULTATION AND PUBLIC COMPLAINTS

No complaints were received during 2025 regarding the Capel Dry Plant.





## Annual Audit Compliance Report Form

*Environmental Protection Act 1986, Part V Division 3*

Once completed, please submit this form either via email to [info-der@dwer.wa.gov.au](mailto:info-der@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:	L6194/1989/14	Licence file number:	2010/010962
Licence holder:	Iluka Resources Limited		
Trading as:	Iluka Resources Limited		
ACN:	34008675018		
Registered address:	Level 17, 240 St Georges Terrace, Perth WA 6000		
Reporting period:	01 / 01 / 2025 to 31 / 12 / 2025		

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 checked="" type="checkbox"/> Yes – please complete: <ul style="list-style-type: none"><li>• section C;</li><li>• section D if required; and</li><li>• sign the declaration in Section F.</li></ul>
<input type="checkbox"/> No – please complete: <ul style="list-style-type: none"><li>• section C;</li><li>• section D if required;</li><li>• section E; and</li><li>• sign the declaration at Section F.</li></ul>

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
8	0 tonnes produced

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
8	0 tonnes of tails

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:		Date(s) of non-compliance:	
Details of non-compliance:			
What was the actual (or suspected) environmental impact of the non-compliance? <b>NOTE</b> – please attach maps or diagrams to provide insight into the precise location of where the non-compliance took place.			
Cause (or suspected cause) of non-compliance:			
Action taken to mitigate any adverse effects of non-compliance and prevent recurrence of the non-compliance:			
Was this non-compliance previously reported to DWER?			
<input type="checkbox"/> Yes, and			
<input type="checkbox"/> Reported to DWER verbally		Date: / /	
<input type="checkbox"/> Reported to DWER in writing		Date: / /	

**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<sup>1</sup>.

I / We consent to the Annual Audit Compliance Report being published on the Department of Water and Environmental Regulation's (DWER) website.



Date:	23/01/2026	Date:	
Seal (if signing under seal):			

<sup>1</sup> 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.

<sup>2</sup> 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.