



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:	L9307/2021/1	Licence file number:	
Licence holder name:	Kalium Lakes Potash Pty Ltd		
Trading as:	Kalium Lakes		
ACN:	601 436 060		
Registered business address:	Unit 1, 152 Balcatta Road, Balcatta WA 6021		
Reporting period:	15/12/21 to 31/12/22		

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
Category 14: solar salt manufacturing	2,733 t of Sulphate of Potash

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
Category 14: Solar salt manufacturing	Total: 220,546 t NaCl (191,960 t solar manufacturing at ponds; 28,586 t from purification plant)
Category 85: Sewage facility	50,6 m ³ (incl. Reverse osmosis wastewater discharge)
Category 89: Putrescible landfill	56 t

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(a)	Date(s) of non-compliance:	Pre-commencement of Operating License (issued 15 December 2021)
Details of non-compliance:			
The ponds permitted by the Operating License are: one pre-concentrator pond; four sodium chloride ponds; six leonite ponds; three potassium rich salts (KTMS) ponds; one carnalite pond; and one bittern pond. The ponds constructed are: two pre-concentrator; one reservoir; five sodium chloride; and 27 mixed potassium rich salt. Refer Figure A.			
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.			
Construction location and layout of ponds constructed complies with Figure 2 of Schedule 1 in the Operating License. As such, there was no actual or suspected environmental impact due to the non-compliance.			
Cause (or suspected cause) of non-compliance:			
The Operating License Condition 3(a) is not aligned with Figure 2 of Schedule 1.			
Action taken to mitigate any adverse effects of non-compliance and prevent recurrence of the non-compliance:			
Construction of the ponds has been completed in the area defined by Figure 2 of Schedule 1. Suggested action is that the Operating License be amended to reflect as built ponds – number and type.			
Was this non-compliance previously reported to DWER?			
X Yes, and			
X Reported to DWER verbally		Date: 27/02/23	
<input type="checkbox"/> Reported to DWER in writing		Date: / /	

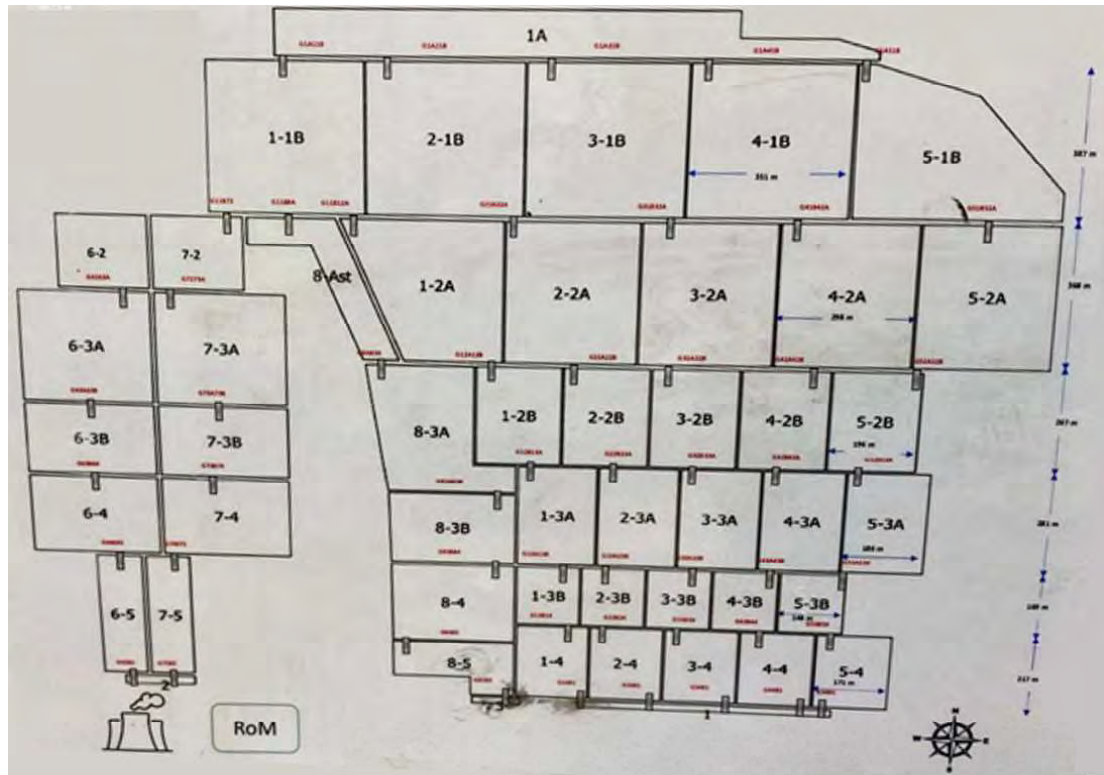


Figure A: completed ponds at Beyondie Mine Site

Condition no:	3(c)	Date(s) of non-compliance:	Pre-commencement of Operating License (15 Dec 21)
Details of non-compliance:			
In two locations the brine transfer pipelines lie outside the boundary allocated in Figure 1, Schedule 1 – refer Figure B below			
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.			
<p><u>Location A non-compliance</u> Walking pipelines result from expansion and contraction due to heating/ cooling. The environmental impact related to walking lines has had a small increased disturbance on the shoulder of the road; total area affected is approx..0.1 ha.</p> <p><u>Location B non-compliance</u> The final as-built position of the pipelines lies outside of the Operating License boundary instructed in Figure 1, Schedule 1 due to a change made on the basis of avoiding night parrot habitat and elimination of a traffic hazard from the as-built infrastructure. The final disturbance footprint is 0.7 ha as opposed to what would have been 0.54 ha however the current route does not impact night parrot habitat – refer Figure C.</p>			
Cause (or suspected cause) of non-compliance:			
<p><u>Location A non-compliance</u> The transfer pipelines have ‘walked’ due to heat expansion and contraction and therefore have moved outside of the Operating License boundary.</p> <p><u>Location B non-compliance</u> The transfer pipelines and road have been built outside of the boundary allocated in Figure 1, Schedule 1, in a section of road that deviated sharply in the Operating License and did not maintain a direct route. This created a traffic hazard because the related track was also required to be built adjacent with the pipelines, and a greater total disturbance footprint with the original layout as opposed to the as-built layout would have been incurred.</p>			
Action taken to mitigate any adverse effects of non-compliance and prevent recurrence of the non-compliance:			
<p><u>Location A non-compliance</u> Relocation of the pipelines so that they lie within the Operating License boundary depicted in Figure 1 of Schedule 1 will be made, and pipelines will be stabilized using windrows.</p> <p><u>Location B non-compliance</u> Suggest that Operating License Figure 1, Schedule 1 be updated to reflect the modified corridor. A check box has been added to the Ground Disturbance Process requiring that, in the event a proposed activity is outside of, or non-compliant with a regulatory instrument, the Regulator must be notified, and the proposed change confirmed prior to commencement.</p>			
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: / /		



Government of Western Australia
Department of Water and Environmental Regulation

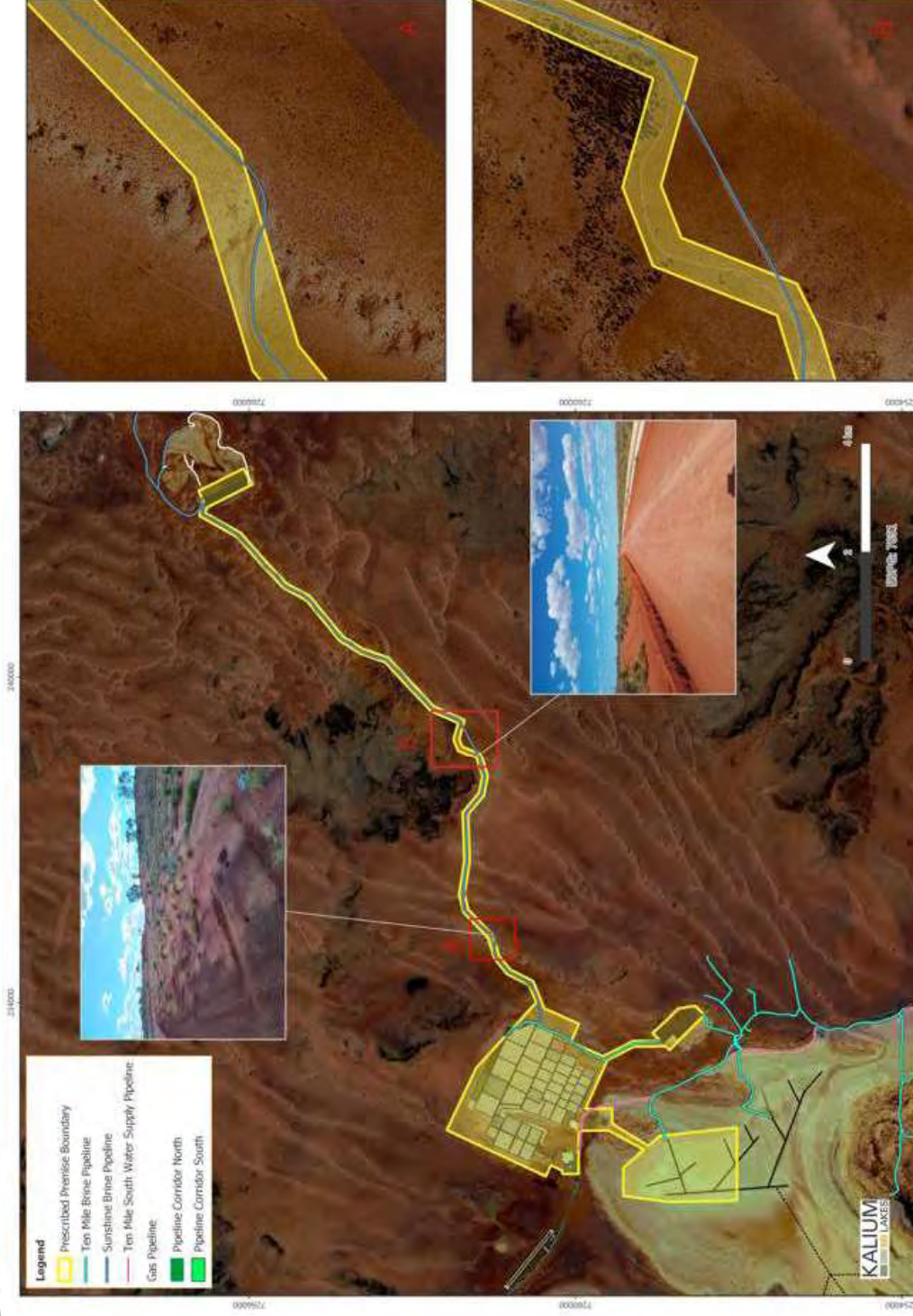


Figure B: excursions A and B of transfer pipelines from the Operating License infrastructure boundary

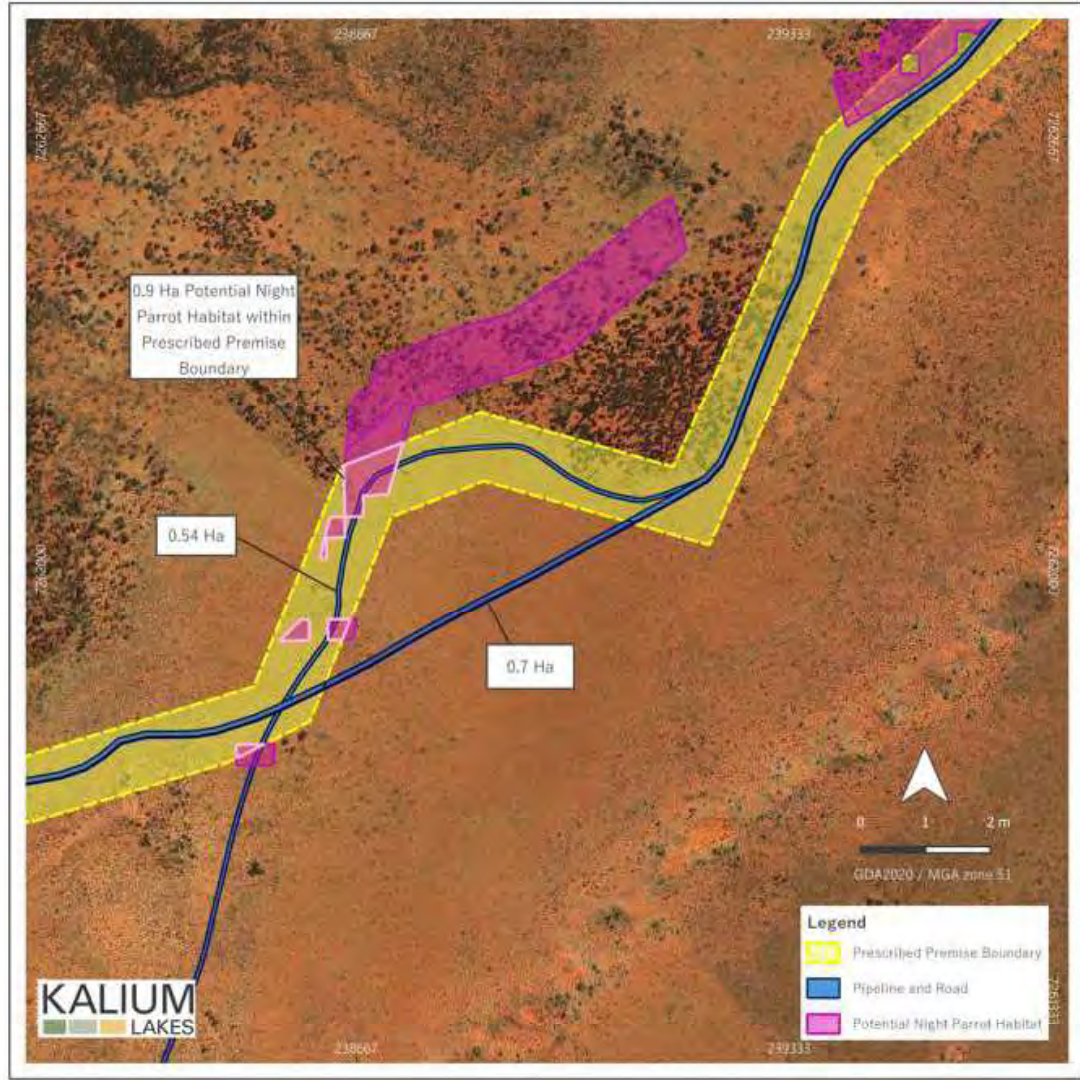


Figure C: access road completed location to avoid night parrot habitat



Condition no:	4(b), 5(a), (b), (c)	Date(s) of non-compliance:	Pre-commencement of Operating License (issued 15 December 2021)
Details of non-compliance:			
While Kalium Lakes constructed and installed the infrastructure and equipment in compliance with Schedule 4, an Environmental Compliance Report evidencing compliance within three months of completion of the construction/ installation was not submitted. Although the ECR was not prepared and submitted, the documentation required by Conditions 5a to c was generated.			
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.			
As construction and installation were completed in accordance with the requirements of Schedule 4, and the documentation required by Conditions 5a to c were generated, there was no actual or suspected environmental impact arising from the administrative non-compliance.			
Cause (or suspected cause) of non-compliance:			
Disconnect between compliance assurance processes of project and operational phases of the BSOPP.			
Action taken to mitigate any adverse effects of non-compliance and prevent recurrence of the non-compliance:			
A number of actions have been taken in response to the non-compliance: <ul style="list-style-type: none">- Provision of a legal instrument tracker to activity owners and representatives at site- Preparation and implementation of an induction module for site based personnel on instruments and their requirements- Hard copies of legal instruments made available at site for ease of reference- Preparation of a compliance and assurance register used to schedule and track compliance reporting requirements			
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: / /		

Condition no:	6	Date(s) of non-compliance:	November 2022
Details of non-compliance:			
Position of the causeway for the excess salt stockpile is not located as per Operating License Figure 1 of Schedule 1 — refer to Figure D of this report on the confirmed location of the causeway.			
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.			
There has been a net environmental benefit for the changed location of the causeway for the excess salt stockpile: <ul style="list-style-type: none"> - If the causeway had been built in the location permitted by the Operating License, a total area of 9.2 ha would have been disturbed including 5.2 ha of night parrot habitat; - The as built final location has avoided night parrot habitat and has disturbed at total area of 7.3 ha. 			
Cause (or suspected cause) of non-compliance:			
In readiness for final design, traffic analysis of the trucking movement (side tippers) and existing infrastructure (office, ponds and plant) resulted in the causeway of the excess salt stockpile not able to be safely constructed in the allocated location as per Schedule 1, Figure 1. In addition, habitat maps and heritage survey confirmed the as-built location was preferred. The net result was reduced environmental and social impacts due to the causeway footprint. For noting, the excess salt stockpile footprint remains as per Schedule 1, Figure 1 of the Operating License.			
Action taken to mitigate any adverse effects of non-compliance and prevent recurrence of the non-compliance:			
In response to this non-compliance, a check box has been added to the Ground Disturbance Permitting process requiring that, in the event a proposed activity is outside of, or non-compliant with a regulatory instrument, the Regulator must be notified, and the proposed change confirmed prior to commencement of the activity.			
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: / /		

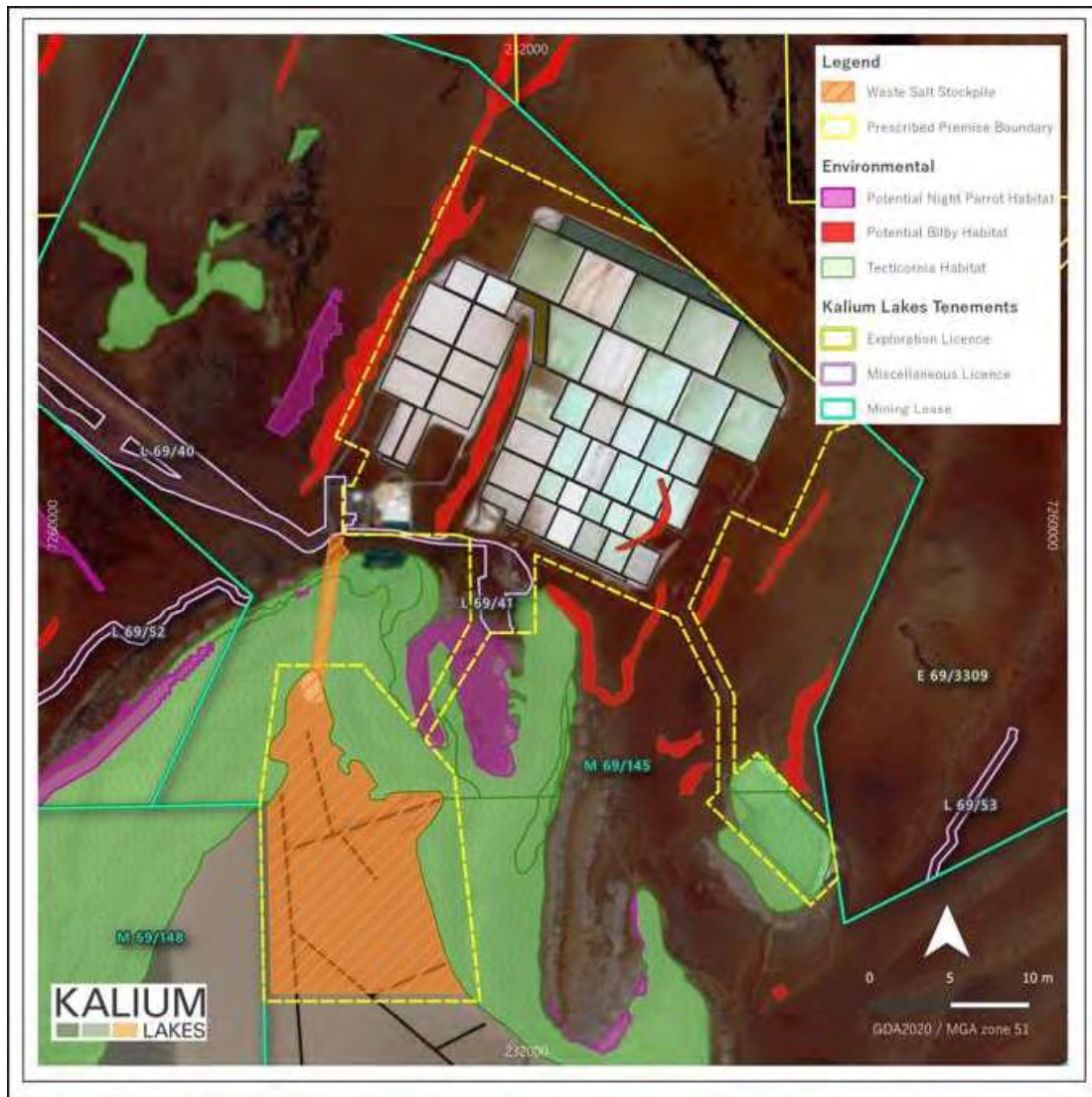


Figure D: location of the Causeway to the excess salt stockpile in the Operating License vs as built



Condition no:	7	Date(s) of non-compliance:	July 2022
Details of non-compliance:			
Waste types other than Class I & II have been disposed of in the Beyondie landfill during the reporting period. As a result, the landfill has received a higher volume than what is permitted: 56 tonnes vs 25 tonnes permitted per year.			
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 landfill contains mixed waste. Given the low rainfall received in the area, the risk of leachate from wastes other than Classes I and II within the exposure timeframe (~12 months) is considered low.			
Cause (or suspected cause) of non-compliance:			
A lack of waste segregation and holding options for Classes III and IV has led to non-compliance waste types and volumes being disposed to the landfill.			
Action taken to mitigate any adverse effects of non-compliance and prevent recurrence of the non-compliance:			
A number of actions have been achieved or are in progress at the site: <u>Achieved</u> <ul style="list-style-type: none">- Preparation and implementation of an induction module for users of the landfills- Sign off sheet to confirm people accessing the landfills have completed the induction prior to access- Requirement of a permit to access the landfills detailing waste types and volumes <u>In Progress</u> <ul style="list-style-type: none">- Implementation of a controlled waste service with a licensed controlled waste transporter- Remediation of the landfill to remove controlled wastes and dispose of the contaminated waste off site at a licensed premises			
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 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 :	[Redacted]	Signature:	[Redacted]
Name: (printed)	[Redacted]	Name: (printed)	[Redacted]
Position:	General Manager – ESG	Position:	CEO
Date:	1 March 2023	Date:	1 March 2023
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.