



Amendment Notice 1

Licence Number	L8148/2006/4
Licence Holder	Koolan Iron Ore Pty Ltd
ACN	099 455 277
Registered business address	First Floor 2 Kings Park Road WEST PERTH WA 6872
Date of amendment	17 February 2017
Prescribed Premises	Category 5: Processing and beneficiation of metallic and non-metallic ore Category 6: Mine dewatering Category 12: Screening, etc. of material Category 54: Sewage facility Category 58: Bulk material loading or unloading Category 64: Class II or III putrescible landfill site Category 73: Bulk storage of chemicals
Premises	Koolan Iron Ore Mine and Port Facility Mining Tenements M04/416, M04/417 and L04/29 KOOLAN ISLAND (BUCCANEER ARCHIPELAGO) WA 6733

Amendment

The Chief Executive Officer (CEO) of the Department of Environment Regulation (DER) has amended the above licence in accordance with section 59 of the *Environmental Protection Act 1986* as set out in this Amendment Notice.

Date signed: 16 February 2017

Alana Kidd

Manager Licensing (Resource Industries)

an officer delegated under section 20 of the *Environmental Protection Act 1986* (WA)

Amendment Notice

This notice is issued under section 59 of the *Environmental Protection Act 1986* (EP Act) to amend the licence issued under the EP Act for a prescribed premises as set out below. This notice of amendment is given under section 59B(9) of the EP Act.

A detailed risk review of the licence may occur within 12 months of Koolan Iron Ore Pty Ltd (Koolan) recommencing operations at the Premises to align the licence with DER's new approach towards risk-based regulation. Once finalised, this amendment will be included in the revised licence. Changes to the conditions imposed under this Amendment Notice may occur as part of the review.

Amendment Description

This Amendment Notice is the result of a written request by Koolan to increase the throughput for category 12 from 50,000 tonnes per annum (tpa) up to 2,000,000 tpa, and for an administrative change to correct the Licence amendment date.

In November 2014, a failure in part of the seawall at the Premises resulted in the main mined pit becoming inundated with seawater. During 2015 the mining rate at the Premises reduced because material could only be sourced from minor mined pits and as a result the Premises was eventually placed into care and maintenance in early 2016 due to the reduced rate.

Koolan has now entered a design phase and plan to rebuild the seawall so mining of the main pit can recommence in late 2017. The design and re-build concepts are based on a likelihood that the majority of the seawall mass would be retained in-situ and the breached part of the seawall would be re-built completely within the previous approved footprint. In order to re-build the seawall, Koolan will need up to 2,000,000 tonnes of graded fill (comprised of crushed rock) which will be sourced from mined overburden and pits at the Premises using mobile crushing plants at various locations.

The mobile crushing plants used for the production of armour rock and fill material for the reconstruction of the seawall were previously used to re-handle existing stockpiles of material that had been processed through the primary crushing circuit. The key difference is the increased production rate and the mobile crushers will be located at different locations around the Premises. These new locations are previously cleared or mined areas and do not alter the risk to the environment through reduced separation distances to sensitive premises.

The increase throughput for category 12 to 2,000,000 tpa is only expected to last one year which is the expected timeframe for reconstruction of the seawall.

Risk Assessment

Table 1 below applies a basic risk assessment for the potential emissions which may arise from the application. The table identifies whether these emissions present a material risk requiring regulatory control.

Table 1 – Risk assessment for proposed amendments once operational

Activity	Potential emission	Potential receptors	Potential pathway	Potential impacts	Material risk	Reasoning
Operation of mobile crushing plants, transport and stockpiling of quartzite and aggregate	Dust: associated with operation of the crushing plants, transporting of materials around the Premises and dust lift-off from stockpiles	Nearby residents: There are no sensitive community receptors near Koolan Island which may be affected by noise or dust. Koolan Island has been subjected to exploration and mining activity since 1907 with a substantial mining project operating from 1965.	Air: Particulate matter (fugitive dust)	Elevated total suspended particulates (TSP) can impact ambient environmental quality resulting in amenity impacts and can smother vegetation.	No	The Delegated Officer considers the material risk of dust emissions from the increased throughput to remain unchanged. The nature of the dust generated through the crushing of quartzite and aggregate is expected to be less than the previously approved category 5 iron ore operations which had a capacity of 4,000,000 tpa. The crushing activities will be temporary for a period of 12 months, with up to 2,000,000 tonnes of quartzite and aggregate processed during 2017 to produce aggregate for construction purposes. The source of dust emissions will be distributed across a number of locations. Dust management measures to be implemented include the use of water carts, enclosures and sprinklers. All the proposed locations are on waste rock landforms or quartzite material which has been previously cleared.
	Noise: associated with operation of the crushing plants		Air: Noise generated by the operation of the crushing plants	Amenity to nearby noise sensitive receptors	No	The Delegated Officer considers the material risk of noise emissions from the increased throughput to remain unchanged. Noise emissions from the facilities have been considered however given the lack of nearby receptors, remote location and the requirements to maintain noise levels at 85 decibels for worker occupational, health and safety requirements, noise emissions are considered insignificant and low risk.

Decision

The Delegated Officer has determined that the key emissions associated with the proposed increase in throughput for category 12 are fugitive dust and noise emissions.

A review of the original risk assessment for category 12 with a throughput of 300,000 tpa, shows the consequence was considered to be **Insignificant** and the likelihood of this consequence occurring to be **Possible**, with an overall risk rating of **Low**. The Delegated Officer considers there has been no change to the risk assessment outcome with the increase in throughput for category 12.

The Delegated Officer considers risks associated with this increase in throughput for category 12 are adequately controlled through existing conditions in the Licence and the general provisions of the EP Act with respect to the causing of pollution and unreasonable emissions.

DER has amended condition 1.3.5 Table 1.3.4 by increasing the throughput for category 12 to 2,000,000 tpa.

Amendment History

Instrument	Issued	Amendment
L8148/2006/4	12/06/2014	New Licence and conversion to new format
L8148/2006/4	18/06/2015	Licence amendment following Minister's appeal determination number 123 of 2014
L8148/2006/4	31/03/2016	Licence amendment to include category 12 to allow for the crushing and screening of quartzite to produce aggregate for construction purposes, increase the category 73 design capacity and make changes to the groundwater monitoring requirements. The Licence also updated in accordance with licence template version 2.9 and relevant DER guidance statements.
L8148/2006/4	29/04/2016	Amendment of Licence expiry date.
L8148/2006/4	19/05/2016	Licence amendment to change the approved production limits for each Licence category to the minimum threshold amount when a licence is required.
L8148/2006/4	17/02/2017	Amendment Notice 1 Licence amendment to increase the throughput for category 12

Amendment

1. The amendment date in the footer of the licence is amended by the deletion of the text shown in strikethrough below and the insertion of the text shown in underline below:

Amendment date: Thursday, 19 May 2017~~6~~

2. The approved premises category 12 production or design capacity on page 1 of the licence is amended from 50,000 tonnes per annual period to 2,000,000 tonnes per annual period.
3. Table 1.3.4 of the licence is amended by the deletion of the text shown in strikethrough below and the insertion of the text shown in underline below:

Table 1.3.4 Production or design capacity limits		
Category	Category description	Premises production or design capacity limit
5	Processing or beneficiation of metallic or non-metallic ore	50,000 tonnes of ore per annual period
6	Mine dewatering	50,000 tonnes per annual period
12	Screening, etc. of material	50,000 <u>2,000,000</u> tonnes per annual period
54	Sewage facility	100 cubic metres per day
58	Bulk material loading or unloading	100 tonnes per day
73	Bulk storage of chemicals	1,000 cubic metres in aggregate

4. The licence is amended by the addition of the following definitions below:

‘Annual Audit Compliance Report’ means a report in a format approved by the CEO as presented by the Licensee or as specified by the CEO from time to time and published on the Department’s website’

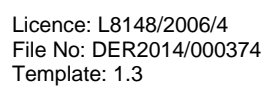
‘Department’ means the department established under section 35 of the Public Sector Management Act 1994 and designated as responsible for the administration of Division 3 Part V of the EP Act’

5. The licence is amended by the removal of the Annual Audit Compliance Report template in Schedule 2.
6. Condition 4.1.3 of the Licence is amended by the deletion of the text shown in strikethrough below and the insertion of the bold text shown in underline below.

~~4.1.3 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 annual period.~~ **The Licensee must submit to the CEO within 90 days after the end of the annual period, an Annual Audit Compliance Report indicating the extent to which the Licensee has complied with the Conditions of this Licence for the annual period.**

7. The Licence is amended by insertion of the map below in Schedule 1:

The location of the mobile crushing equipment is shown in the map below.



Appendix 1: Key Documents/References

	Document Title	Availability
1	DER <i>Guidance Statement on Regulatory principals</i> , July 2015	Accessed at https://www.der.wa.gov.au
2	DER <i>Guidance Statement on Setting conditions</i> , October 2015	
3	DER <i>Guidance Statement on Licence duration</i> , August 2016	
4	DER <i>Guidance Statement: Risk Assessment</i> , November 2016	
5	Licence amendment application and supporting documentation received 30 August 2016	DER record A1156676
6	DER notification of proposed amendment dated 3 November 2016	DER record A1191025
7	Koolan Island Ore Pty Ltd comments on draft 21 day amendment notice received 4 November 2016	DER record A1372796

Appendix 2: Summary of Licence Holder Comments

Comments received	Environmental risk	DER consideration of risk
4/11/2016. Koolan Island Ore Pty Ltd provided a map showing the locations for the mobile crushing equipment.	Nil risk – administrative change	The Delegated Officer has considered and agreed to the inclusion of the map in Schedule 1.