



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:	L8148/2006/4	Licence file number:	DER2014/000374-1
Licence holder name:	Koolan Iron Ore Pty Ltd		
Trading as:	Koolan Iron Ore Pty Ltd		
ACN:	099 455 277		
Registered business address:	First Floor, 2 Kings Park Road WEST PERTH WA 6872		
Reporting period:	01 / 01 / 2024 to 31 / 12 / 2024		

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); andsign 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; andsign 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 ¹
Category 5	2,858,934 t
Category 6	5,650,495 t
Category 12	48,250 t
Category 54	Average of 76.6 m ³ per day
Category 58	Maximum production of 52,800 t per day based on rated 2,200 tonnes per hour for the ship-loader conveyor.
Category 64	1,869.5 t

¹ Refer to AER for supporting documentation

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 ¹
Category 6	5,650,495 t

¹ Refer to AER for supporting documentation

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:	10	Date(s) of non-compliance:	20/11/2024
Details of non-compliance:			
<p>On 11 November 2024 KIO met with Fiona Westcott from the Department to advise of the potential future exceedance of the Category 6 dewatering discharge limit before the end of the Annual Period i.e., prior to the tonnage resetting on 1 January 2025. The need for a Licence amendment to increase the Category 6 dewatering limit was discussed. Following the meeting, a Licence amendment application was submitted on 28 November 2024 requesting an increase of the Category 6 limit to 10 million tonnes per annum and conversion of the W3 contingency dewatering discharge outlet to a routine dewatering outlet.</p> <p>The Category 6 dewatering discharge limit of 5,000,000 tonnes per Annual Period was exceeded on 20 November 2024. The measured value of 5,138,694 tonnes was taken on 27 November 2024 prior to notifying DWER via submission of an N1 Form on 28 November 2024. On 31 December 2024, an updated N1 Form was submitted to advise DWER of the total dewatering volume for the 2024 reporting period, which was 5,650,495 tonnes.</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>Mine dewater from Main Pit is a combination of groundwater, sea water seepage and rainfall. Since the end of October 2024, including the period of exceedance of the Category 6 licence limit, water quality within the in-pit sump within Main Pit has been sampled daily for TSS and weekly for Total Recoverable Hydrocarbons (TRH), metals, physicals and nutrients.</p> <p>TSS levels within Main Pit have generally remained low (<20 mg/L) due to the increased size of the in-pit sump allowing settlement prior to dewatering. This data, in addition to the other parameters tested to date, indicate a low risk of significant adverse environmental impact.</p> <p>In addition to water quality monitoring within the in-pit sump, KIO deployed Submersible Data Loggers (SDLs) at four monitoring locations adjacent to emissions points (W1/W1a and W3) to collect marine water quality data over the period of exceedance. The results of the SDL monitoring indicate there has been no measurable water quality impact associated with the exceedance.</p> <p>Further details of the SDL monitoring program are reported in the AER.</p>			

Section E – Details of non-compliance with licence condition	
Cause (or suspected cause) of non-compliance:	
<p>The primary contributing factors to the increase in dewatering discharge from Main Pit is seawater seepage together with naturally occurring groundwater within the ore body aquifer. Seepage from the high wall and early wet season rainfall also contributed to the exceedance of the Category 6 dewatering limit.</p>	
Action taken to mitigate any adverse effects of non-compliance and prevent recurrence of the non-compliance:	
<p>Since becoming aware of increased seepage volumes within Main Pit early in 2024, KIO has sought to better understand seepage characteristics (e.g., source location, rates of seepage, etc) and has investigated available options to reduce seepage where possible and thereby reduce the overall volume of dewatering required.</p> <p>Main Pit's proximity to the ocean suggests that seawater seepage will be difficult to fully control. In any case, further increases in the dewatering discharge volume from Main Pit are anticipated in 2025 and 2026, mainly due to increased groundwater volume as mining progresses deeper within eastern part of Main Pit over the next two years. For these reasons, to maintain operational compliance in relation to dewatering, KIO's preference is to increase the Category 6 dewatering limit to enable the surplus water to be returned to the ocean.</p>	
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: 28/11/24 and 31/12/2024

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:	10	Date(s) of non-compliance:	21/01/2024, 24/01/2024, 14/03/2024, 31/03/2024, 20/05/2024, 28/06/2024, 10/07/2024, 20/09/2024.
Details of non-compliance:			
<p>During the reporting period, the Category 54 production limit of 100 m³ per day was exceeded on seven (7) non-consecutive days. The annual average daily throughput through the plant of 74 m³ per day remained below the limit. KIO notified DWER of all but one exceedance (31 March 2024), via the submission of an N1 Form for each exceedance.</p> <p>The amendment of the Licence on 26 August 2024 increased the Category 54 limit to 130 m³ per day. A further potential exceedance of this limit was reported on 20 September 2024, initially as a daily throughput of 147 m³; however, secondary review of the discharge calculations following submission of the N1 Form reduced this value to 112 m³, bringing it below the new limit.</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 environmental effects of the eight (8) exceedances are considered by KIO to be minor at worst and likely negligible as the exceedance comprises a short-term increase in the daily volume of treated effluent reporting to the irrigation sprayfields. An increase above the Licence limit of the daily volume of treated effluent sent to irrigation sprayfields has the potential to cause temporary pooling; however, inspections of the irrigation sprayfields did not record evidence of temporary pooling. In any case, the environmental effects of temporary pooling at the irrigation fields over very short durations is not anticipated to be adverse in nature.</p>			
Cause (or suspected cause) of non-compliance:			
The causes of the exceedances were due to an increased number of personnel onsite due to operational activities, during days of handover where both panels were onsite and family visits.			
Action taken to mitigate any adverse effects of non-compliance and prevent recurrence of the non-compliance:			
The WWTP was upgraded in late 2024 to provide a more efficient and reliable plant with increased capacity. Aligned with a licence amendment on 26 August 2024, the Category 54 limit was raised to 130 kL per day for the remaining mine life. The upgraded WWTP was commissioned on 18 December 2024. Associated with the upgraded plant is a new irrigation sprayfield (L4), which was established per Department of Health requirements and is set for commissioning in early 2025.			
Was this non-compliance previously reported to DWER?			
<input checked="" type="checkbox"/> Yes, and			

Section E – Details of non-compliance with licence condition	
<input type="checkbox"/> Reported to DWER verbally	Date: / /
<input checked="" type="checkbox"/> Reported to DWER in writing	Date: 21/01/2024, 24/01/2024, 14/03/2024, 20/05/2024, 28/06/2024, 11/07/2024 and 21/09/2024

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:	04/03/2024, 08/03/2024, 24/03/2024, 26/03/2024, 27/03/2024, 01/05/2024, 20/05/2024, 21/05/2024, 22/10/2024.
Details of non-compliance:			
<p>A total of nine exceedances of the Licence limit for emissions of Total Suspended Solids (TSS) occurred during the reporting period (eight exceedances at the W1 emission point and one exceedance at the W3 emission point). DWER was notified of the exceedances through submission of quarterly ET1 Forms as required by the Licence. The TSS levels during these exceedance events were above the 20 mg/L limit for routine dewatering discharge at W1 and contingency dewatering at W3, ranging between 21.0 mg/L to 27.0 mg/L with mean of 24.3 mg/L.</p>			
<p>What was the actual (or suspected) environmental impact of the non-compliance?</p> <p>NOTE – please attach maps or diagrams to provide insight into the precise location of where the non-compliance took place.</p>			
<p>The environmental effects arising from minor elevations in TSS emissions beyond the Licence limit of 20 mg/L are not considered to have a significant adverse effect on the marine environment, due to naturally turbid receiving water, high tidal range and strong tidal flow of water surrounding Koolan Island. The dewatering discharge was tested for total recoverable hydrocarbons (TRH) on the first day of each contingency dewatering period, which returned results far below the Licence limit of 15 mg/L.</p>			
Cause (or suspected cause) of non-compliance:			
<p>Unlike the previous reporting period, there appears to be little association between elevated TSS values and moderate rainfall events during the wet season (November to April).</p> <p>Previously, significant rainfall events resulted in turbid runoff entering the sumps on the floor of Main Pit, which subsequently increased the TSS concentrations in mine dewater that was routinely transferred to the settlement pond for treatment. The increased volume of water requiring dewatering from Main Pit during and after these rainfall events decreased the retention time available in the settlement pond, impairing the effectiveness of the facility to decrease TSS to the acceptable level during these periods.</p> <p>During the reporting period, rainfall did not occur prior to or during the majority of days when TSS concentrations were exceeded between the 24 March to the 22 October 2024 (seven of nine exceedances). In-pit sump water quality parameters recorded on these days did not suggest any</p>			

Section E – Details of non-compliance with licence condition	
<p>significant change to water quality. Volumetric flow rates recorded for the 24 hours prior were generally below the annual average daily flow rate, therefore did not appear to affect the amount of time in the settlement pond to allow for retention.</p> <p>It is presumed operational conditions in Main Pit including the dewatering pump inlet location within the in-pit sump, pit floor conditions and the amount of vehicle movement, in addition to increased rates of seepage were the main contributors to elevated TSS values.</p>	
Action taken to mitigate any adverse effects of non-compliance and prevent recurrence of the non-compliance:	
<p>Typically, the management actions taken to reduce TSS levels from mine dewatering include:</p> <ul style="list-style-type: none"> ceasing discharge to the ocean; reducing pumping rates or ceasing dewatering (if possible); allowing the settlement pond to fill completely; checking the pump inlet height and positions within Main Pit sump(s); and checking sediment booms within the Settlement Pond. <p>During the reporting period the settlement pond underwent additional maintenance works similar to the campaign that commenced in 2023 and will be a recurring process as required to ensure TSS levels are maintained within licence limits. Silt booms continue to be deployed, maintained and redeployed when worn or snapped and have to date been highly effective at reducing TSS levels.</p>	
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: 19/04/2024, 12/07/2024, 24/10/2024, and 31/12/2024.

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:		Position:	
Date:	31.3.2025	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.