



## Annual Audit Compliance Report Form

*Environmental Protection Act 1986, Part V*

Section A – Licence Details			
Licence number:	L9124/2018/1	Licence file number:	DER2018/000472-1
Licence holder:	Karora (Lakewood) Pty Ltd		
Trading as:			
ACN:	659 952 066		
Registered address:	Level 6, 200 St Georges Terrace, Perth, WA 6000		
Reporting period:	01 / 10 / 2023 to 30 / 09 / 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"><li>• section C;</li><li>• section D if required; and</li><li>• sign the declaration in Section F.</li></ul>
<input checked="" 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
Category 5: Processing or beneficiation of ore	846,073 dry tonnes
Category 61: Liquid waste facility	0 tonnes


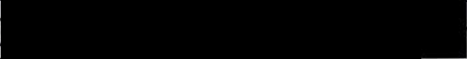

Section D – Statement of Actual Part 2 Waste Discharge Quantity	
Provide the actual Part 2 waste discharge quantity for this reporting period. Supporting documentation is to be attached.	
Prescribed Premises Category	Actual Part 2 Waste Discharge Quantity
Category 5: Processing or beneficiation of ore	846,073 dry tonnes

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:	1.2.2 & 1.2.3	Date(s) of non-compliance:	1 July 2024
Details of non-compliance:			
<p>The KCGM process water supply pipeline to Lakewood was accidentally punctured by a loader maintaining the haul road running along lease M26/367. The supply pipeline had been covered by mud during the high rainfall event. The pipeline was obstructed from the vision of the loader operator. The pipeline has a supply rating of 80 kl/hr. It is estimated a maximum of 20 kL of process water was released into the secondary containment bund. The volume discharged to the environment with storm water flows is difficult to estimate but would not have exceeded 20 kL.</p>			
What was the actual (or suspected) environmental impact of the non-compliance?			
<p><b>NOTE</b> – please attach maps or diagrams to provide insight into the precise location of where the non-compliance took place.</p>			
<p>The process water filled the secondary containment bund and mixed with storm water. The mixed water then flowed off site in the surface water diversion bunds toward Hannan Lake. The incident was not suspected to cause additional environmental harm to the receiving environment or Hannan Lake. The area has a long history of slime dumps built in the 1900's. These slime dumps consisted of tailings and caused the deterioration of vegetation and resulted in the contamination of the groundwater. Tailings are still evident on the soil surface in the area surrounding Lakewood. Over a long period of time, the tailings and contamination has flowed towards Hannan Lake that is saline.</p>			
Cause (or suspected cause) of non-compliance:			
<p>Dozer operator was pushing a hole into the road windrow to drain water following large rainfall events. The corner of the dozer bucket punctured the KCGM water supply pipeline to Lakewood Mill.</p>			
Action taken to mitigate any adverse effects of non-compliance and prevent recurrence of the non-compliance:			
<p>The pump for the supply of process water was immediately switched off and valves turned off to prevent backflow. The repaired pipeline was pushed back into the secondary containment drain, away from the road windrow.</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: 02 / 07 / 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:	1.2.2 & 1.2.3	Date(s) of non-compliance:	20 July 2024
Details of non-compliance:			
<p>The drilling contractor was conducting a search for water on L26/234. During pad preparation for the production bores, large sumps were excavated to capture water produced during drilling operations. The contractor began digging the sumps when the excavator contacted the borefield pipeline that supplies water to the Lakewood GPF. Saline water flowed out of the pipeline at an estimated rate of 5 L/s. The flow persisted for a period of approx. 18 hrs. It was estimated 330 kL was discharged to a nearby saline lake.</p>			
What was the actual (or suspected) environmental impact of the non-compliance?			
<p><b>NOTE</b> – please attach maps or diagrams to provide insight into the precise location of where the non-compliance took place.</p>			
<p>The water overflowed the sumps excavated for the installation of the production bores. The overflow water was directed into a nearby small saline lake. The overflow water was directed down a track into a natural saline lake and is not suspected to cause significant environmental harm to the receiving environment. The area has a long history of slime dumps built in the 1900's. These slime dumps consisted of tailings and caused the deterioration of vegetation and resulted in the contamination of the groundwater. Tailings are still evident on the soil surface in the area surrounding Lakewood. Over a long period of time, the tailings and contamination has flowed towards Hannan Lake that is saline.</p>			
Cause (or suspected cause) of non-compliance:			
<p>The secondary connection between the KCGM process water pipeline and the Lakewood borefield water supply pipeline was <u>unknown</u> to operators and the valve was <u>open</u>. This unexpected flow of water breached the sump volume, the water that overflowed was diverted into a nearby small saline lake.</p>			
Action taken to mitigate any adverse effects of non-compliance and prevent recurrence of the non-compliance:			
<p>During the incident investigation, it was discovered that the KCGM water supply pipeline was connected via a flange to the borefield pipeline. The flange has since been removed and photographic evidence supplied to DWER. Lakewood also developed a Water Management Plan that documents all water sources and transfers, including valves and pipelines.</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: 25 / 07 / 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 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.			
Signature <sup>2</sup> :			Signature:
Name: (printed)			Name: (printed)
Position:			Position:
Date:	2 December 2024	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.