STATEMENT THAT A PROPOSAL MAY BE IMPLEMENTED
(PURSUANT TO THE PROVISIONS OF THE
ENVIRONMENTAL PROTECTION ACT 1986)

DUPLICATION OF IRON ORE MINING OPERATION, YANDI MINE
MINING LEASE 270SA, HAMERSLEY RANGE
90 KM NORTH-WEST OF NEWMAN (969)

BHP IRON ORE PTY LTD

This proposal may be implemented subject to the following conditions:

1 Proponent Commitments
The proponent has made a number of environmental management commitments in order
to protect the environment.

1-1 In implementing the proposal, the proponent shall fulfil the commitments made in the
Consultative Environmental Review and in response to issues raised following public
submissions; provided that the commitments are not inconsistent with the conditions or
procedures contained in this statement.

A schedule of those environmental management commitments (December 1995) which
will be audited by the Department of Environmental Protection was published in
Environmental Protection Authority Bulletin 802 (Appendix 4) and a copy is attached.

2 Implementation
Changes to the proposal which are not substantial may be carried out with the approval of
the Minister for the Environment.

2-1 Subject to these conditions, the manner of detailed implementation of the proposal shall
conform in substance with that set out in any designs, specifications, plans or other
technical material submitted by the proponent to the Environmental Protection Authority
with the proposal.

2-2 Where, in the course of the detailed implementation referred to in condition 2-1, the
proponent seeks to change the designs, specifications, plans or other technical material
submitted to the Environmental Protection Authority in any way that the Minister for the
Environment determines, on the advice of the Environmental Protection Authority, is not
substantial, those changes may be effected.

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3 Proponent
These conditions legally apply to the nominated proponent.

3-1 No transfer of ownership, control or management of the project which would give rise to a need for the replacement of the proponent shall take place until the Minister for the Environment has advised the proponent that approval has been given for the nomination of a replacement proponent. Any request for the exercise of that power of the Minister shall be accompanied by a copy of this statement endorsed with an undertaking by the proposed replacement proponent to carry out the project in accordance with the conditions and procedures set out in the statement.

4 Environmental Management Programme
A detailed Environmental Management Programme should contribute to the development of long term management options through comprehensive monitoring and management practices.

4-1 Within twelve months of the formal authority issued to decision-making authorities under Section 45(7) of the Environmental Protection Act 1986, the proponent shall prepare a lease-wide Environmental Management Programme for Mining Lease 270SA, to the requirements of the Environmental Protection Authority.

This Programme shall detail the procedures and practices for protection of the environment during all phases of mining and include, but not be limited to the following:

1 groundwater monitoring and management;
2 surface water monitoring and management including measures for the protection of the integrity of Marillana Creek;
3 waste management, including overburden, liquid, solid and gaseous wastes;
4 pollution prevention measures, including noise and dust;
5 rolling development of rehabilitation plan for mine sites including, landscape management and environmental performance criteria; and
6 development of a comprehensive monitoring, management and reporting programme for the above.

4-2 The proponent shall implement the Environmental Management Programme required by condition 4-1, to the requirements of the Environmental Protection Authority on advice of the Department of Minerals and Energy, the Water Authority of Western Australia and the Department of Resources Development.

5 Decommissioning
The satisfactory decommissioning of the project, removal of the plant and installations and rehabilitation of the site and its environs is the responsibility of the proponent.

5-1 Within 24 months following commissioning of the Yandi C1/C2 mine and at least six months prior to decommissioning of any mine on Mining Lease 270SA, the proponent shall prepare a plan which:

1 describes the process for decommissioning and rehabilitation on the lease;
2 provides for long-term management of salinity in the mined-out pits;
3 provides for long-term management of any regional effects arising from mining the aquifer;
4 has the objective of protecting the water resources and phreatophytic plants of the area; and
5 develops a 'walk away' solution for the decommissioned mine sites,

to the requirements of the Environmental Protection Authority.
Note: A "walk away" solution means that the site shall either no longer require management at the time the proponent ceases mining operations, or if further management is deemed necessary, the proponent shall make adequate provision so that the required management is undertaken with no liability to the State.

5-2 The proponent shall implement the plan required by condition 5-1, to the requirements of the Environmental Protection Authority on advice of the Department of Minerals and Energy and the Department of Resources Development.

6 Time Limit on Approval
The environmental approval for the proposal is limited.

6-1 If the proponent has not substantially commenced the project within five years of the date of this statement, then the approval to implement the proposal as granted in this statement shall lapse and be void. The Minister for the Environment shall determine any question as to whether the project has been substantially commenced.

Any application to extend the period of five years referred to in this condition shall be made before the expiration of that period to the Minister for the Environment.

Where the proponent demonstrates to the requirements of the Minister for the Environment on advice of the Department of Environmental Protection that the environmental parameters of the proposal have not changed significantly, then the Minister may grant an extension not exceeding five years.

7 Compliance Auditing
To help determine environmental performance, periodic reports on progress in implementation of the proposal are required.

7-1 The proponent shall submit periodic Progress and Compliance Reports, in accordance with an audit programme prepared by the Department of Environmental Protection in consultation with the proponent.

Procedure

1 Unless otherwise specified, the Department of Environmental Protection is responsible for assessing compliance with the conditions contained in this statement and for issuing formal clearance of conditions.

2 Where compliance with any condition is in dispute, the matter will be determined by the Minister for the Environment.

Note
The proponent is required to apply for a Works Approval and Licence for this project under the provisions of Part V of the Environmental Protection Act.

Hon. Peter Foss, MLC
MINISTER FOR THE ENVIRONMENT

- 5 FEB 1996
Schedule of Environmental Management Commitments

which will be audited

by the Department of Environmental Protection

December 1995

DUPLICATION OF IRON ORE MINING OPERATION,
YANDI MINE, MINING LEASE 270SA
HAMERSLEY RANGE, 90 KM NORTH-WEST OF
NEWMAN (969)

BHP IRON ORE PTY LTD
1 BHP will prepare and implement an Environmental Management Programme (EMP) for the operations on ML 270SA to the requirement of the Department of Environmental Protection. The EMP will include the development of long-term management options and walk-away solutions for the site. The EMP will be reviewed and updated as necessary.

2 Regular assessment of monitoring results and management effectiveness will be reported as part of the EMP and according to existing arrangements as specified in the Iron Ore (Marillana Creek) Agreement Act, 1991.

3 Mine operations will be designed to cause minimum disturbance to the surface hydrological environment and the physical integrity of Marillana Creek will be maintained.

4 Monitoring of the dewatering effects on the riverine phreatophytes will be undertaken. Management will be affected by irrigation with dewatering discharge.

5 BHP will continue with the development of the regional groundwater model to assess longer term management options.

6 Baseline monitoring of the riverine vegetation will be undertaken prior to commissioning of the Yandi C1/C2 mine and again at regular intervals thereafter, to assess the potential impact arising from the mining operations.

7 Management of the area following completion of mining will be undertaken as follows:

1 Pre-existing drainage networks to be re-established as best meets the longer term management strategy and as approved by the DEP on advice from other Government agencies.

2 Revegetation activities will continue until stable communities are established.
Dear Sir

YANDICOOGINA IRON ORE PROJECT (STATEMENTS 357/405)

I refer to your letter, including the “Marillana Creek Regional Groundwater Model” submitted on 22 January 1998, in regard to conditions and commitments for the above project.

In regard to the report, I look forward to the submission of the completed study which is required by Commitment 405:P5 according to the agreed audit table. The review of the final report by the Water and Rivers Commission will be required by the Department of Environmental Protection to complete the assessment of the groundwater modelling studies.

In regard to your request for an extension of time to December 1998 to submit the Decommissioning Plan for the Yandicoogina C1/C2 Mines, I have determined that the additional time required does not constitute a substantial change to the proposal. I have made this determination on the basis that sufficient time is required to complete and review the relevant preparatory studies.

Accordingly, under delegation from the EPA and as allowed under Condition 405:M2.2.

• I consider that the additional time required for the submission of the Decommissioning Plan for the Yandicoogina C1/C2 Mines does not constitute a substantial change to the proposal as assessed by the EPA and published in Bulletin 802. The Decommissioning Plan for Yandicoogina C1/C2 Mines should now be submitted before 31 December 1998.
Please note that the above information refers to environmental issues for the operation phase of the Statement 5 February 1996 and does not replace any responsibilities you may have for seeking other approvals from other government agencies.

Yours faithfully

(Dr) Bryan Jenkins
CHIEF EXECUTIVE OFFICER
Date: 5.2.98

cc: Mr B Wood, Department of Resources Development
Ms K Anderson, Department of Minerals and Energy