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Published on 5 August 2008

Statement No. 772

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

**SPINIFEX RIDGE MOLYBDENUM PROJECT, 50 KILOMETRES NORTH-EAST
OF MARBLE BAR, SHIRE OF EAST PILBARA.**

Proposal: To develop an open pit mine and process 20 million tonnes per annum (Mtpa) of ore to produce approximately 23,000 tonnes per annum (tpa) of molybdenum concentrate and approximately 48,000 tpa of copper concentrate.

The Proposal is further documented in Schedule 1 of this statement.

Proponent: Moly Metals Australia Pty Ltd (ABN - 19 108 503 331)

Proponent Address: 46–50 Kings Park Road, West Perth, Western Australia,
6005

Assessment Number: 1657

Report of the Environmental Protection Authority: Bulletin 1285

Minister's appeal determination: 038 to 040 of 2008

The proposal referred to in the above report of the Environmental Protection Authority may be implemented. The implementation of that proposal is subject to the following conditions and procedures:

1 Proposal Implementation

1-1 The proponent shall implement the proposal as documented and described in Schedule 1 of this Statement subject to the condition and procedures of this Statement.

2 Proponent Nomination and Contact Details

- 2-1 The proponent for the time being nominated by the Minister for the Environment under sections 38(6) or 38(7) of the *Environmental Protection Act 1986* is responsible for the implementation of the proposal.
- 2-2 The proponent shall notify the Chief Executive Officer of the Department of Environment and Conservation (CEO) of any change of the name and address of the proponent for the serving of notices or other correspondence within 30 days of such change.

3 Time Limit of Authorisation

- 3-1 The authorisation to implement the proposal provided for in this statement shall lapse and be void within five years after the date of this statement if the proposal to which this statement relates is not substantially commenced.
- 3-1 The proponent shall provide the CEO with written evidence which demonstrates that the proposal has substantially commenced on or before the expiration of five years from the date of this statement.

4 Compliance Reporting

- 4-1 The proponent shall submit to the CEO environmental compliance reports annually reporting on the previous twelve-month period, unless required by the CEO to report more frequently.
- 4-2 The environmental compliance reports shall address each element of an audit program approved by the CEO and shall be prepared and submitted in a format acceptable to the CEO.
- 4-3 The environmental compliance reports shall:
 - 1. be endorsed by signature of the proponent's Executive Chairman or a person, approved in writing by the CEO, delegated to sign on behalf of the proponent's Executive Chairman;
 - 2. state whether the proponent has complied with each condition and procedure contained in this statement;
 - 3. provide verifiable evidence of compliance with each condition and procedure contained in this statement;
 - 4. state whether the proponent has complied with each key action contained in any environmental management plan or program required by this statement;

5. provide verifiable evidence of conformance with each key action contained in any environmental management plan or program required by this statement;
6. identify all non-compliances and non-conformances and describe the corrective and preventative actions taken in relation to each non-compliance or non-conformance;
7. review the effectiveness of all corrective and preventative actions taken; and
8. describe the state of implementation of the proposal.

4-4 The proponent shall make the environmental compliance reports required by condition 4-1 publicly available in a manner approved by the CEO.

5 Performance Review and Reporting

5-1 The proponent shall submit to the CEO a Performance Review Report at the conclusion of the first, second, fourth, sixth, eighth and tenth years after the start of implementation and then, at such intervals as the CEO may regard as reasonable, which addresses:

1. the major environmental risks and impacts; the performance objectives, standards and criteria related to these; the success of risk reduction/impact mitigation measures and results of monitoring related to management of the major risks and impacts;
2. the level of progress in the achievement of sound environmental performance, including industry benchmarking, and the use of best available technology where practicable; and
3. significant improvements gained in environmental management which could be applied to this and other similar projects.

6 Surface Water / Drainage and Groundwater

6-1 The proponent shall ensure that the run-off or seepage from the waste dumps and the tailings storage facility do not cause the quality of surface or ground water in or leaving the proposal area to exceed ANZECC (2000)* guidelines for aquatic ecosystem maintenance, taking into consideration natural background water quality.

Where ANZECC (2000)* does not provide a guideline value for contaminants of concern, the proponent shall develop and implement water and sediment guidelines using the methodology detailed in ANZECC (2000)*.

**Australian Water Quality Guidelines for Fresh and Marine Waters, ANZECC (October 2000, and its updates).*

- 6-2 Where the requirements of condition 6-1 are not met, the proponent shall provide proposed management measures to the CEO within three months.
- 6-3 The proponent shall implement the proposed management measures required by condition 6-2 to the satisfaction of the CEO.
- 6-4 The proponent shall monitor the quality of any run-off or seepage from the tailings storage facility and waste dumps to surface and ground water on and in proximity to the project area shown in Figure 2 in Schedule 1. This monitoring is to be done to the satisfaction of the CEO.
- 6-5 The proponent shall ensure that water levels in Coppin Gap Pool are not adversely affected by the implementation of the proposal.

From the commencement of mining, the proponent shall monitor the groundwater levels between the pit and Coppin Gap to detect groundwater level depression arising from mining activities. This monitoring is to be carried out to the satisfaction of the CEO.

- 6-6 The proponent shall submit monitoring programs relating to conditions 6-4 and 6-5 to the CEO prior to construction.
- 6-7 The proponent shall submit the results of the monitoring required by conditions 6-4 and 6-5 to the CEO.
- 6-8 The proponent shall provide proposed management measures to the CEO in the event that the monitoring required by condition 6-5 indicates that mining activities are causing depression of the water levels in Coppin Gap Pool.
- 6-9 The proponent shall implement the proposed management measures required by condition 6-8 to the satisfaction of the CEO.

7 Terrestrial Fauna

- 7-1 The proponent shall report the results of the autumn 2008 Short Range Endemic Survey (described on page 45 in Appendix F Environmental Management Programme of the Public Environmental Review) to the CEO, prior to the commencement of any ground-disturbing activities.
- 7-2 The proponent shall submit with the report required by condition 7-1, management measures required to protect the conservation status of any short range endemics located in the proposal area, to the CEO.
- 7-3 The proponent shall implement the management measures required by condition 7-2 to the satisfaction of the CEO.

8 Rehabilitation Plan

- 8-1 Prior to the commencement of productive mining, the proponent shall prepare a Rehabilitation Plan.
- 8-2 The Plan shall be prepared in consultation with Department of Environment and Conservation, the Department of Industry and Resources and the Department of Water.
- 8-3 The objectives of the Plan are to:
1. Ensure disturbed areas are rehabilitated using local provenance species as soon as possible following cessation of mining of those areas;
 2. Design rehabilitation of native vegetation to ultimately develop into viable ecological systems which are comparable and compatible with surrounding native vegetation and its land uses, and restores as closely as practicable the pre-disturbance biodiversity and functional values;
 3. Ensure planning, implementation, monitoring and reporting on rehabilitation is carried out in a manner consistent with industry best practice; and
 4. Ensure management of rehabilitation continues until affected areas are self sustaining.
- 8-4 The Plan shall:
1. specify the rate of rehabilitation, being either a minimum of 45ha per year on a three year rolling average or such other figure agreed in writing by the CEO where the area of disturbance is less than an average of 45ha per year;
 2. specify mechanisms for managing topsoil for use in rehabilitation;
 3. identify sources and methodologies for collecting and retaining local provenance seeds for use in rehabilitation;
 4. specify targets for success of rehabilitation initiatives;
 5. identify measures for monitoring the success of rehabilitation initiatives; and
 6. describe management responses to be adopted where monitoring indicates rehabilitation initiatives have not achieved identified targets.
- 8-5 The proponent shall implement the Plan to the satisfaction of the CEO.
- 8-6 During operations and decommissioning, the proponent shall not allow unrehabilitated areas of the tailings storage facility to exceed 150 hectares at any time.

- 8-7 The proponent shall make the final Plan publicly available in a manner approved by the CEO.

9 Decommissioning and Closure Plan

- 9-1 At least four years prior to the anticipated date of decommissioning and closure, or at a time otherwise agreed by the Minister, the Proponent shall prepare a Decommissioning and Closure Plan (the Plan) for proposal.

- 9-2 In preparing the Plan the Proponent shall consult with DEC and DoIR.

- 9-3 The objectives of the Plan are to

1. subject to 2, ensure that within two years following the cessation of productive mining, the proposal area will be comprise stable, self-sustaining and functioning landforms which are compatible with the surrounding landscape, and which contribute to the maintenance of the biodiversity observed at the outset of mining and the key environmental values over the long-term and facilitate the re-establishment of local provenance native species;
2. in relation to pit lakes:
 - i. to design the final landform to minimise the potential for native animals to become trapped or otherwise harmed by the presence of the pit lakes; and
 - ii. to ensure discharges from the pit lakes do not cause pollution or otherwise cause a significant impact on the environment.

- 9-4 The Plan shall include:

1. Removal or, if appropriate, retention of plant and infrastructure;
2. The rationale for the siting and design of plant and infrastructure to be retained as relevant to environmental protection;
3. Identification of contaminated areas, including provision of evidence of notification and proposed management measures to relevant statutory authorities; and
4. Relationship to and consistency with the Rehabilitation Plan required under condition 8.

- 9-5 The proponent shall implement the Decommissioning and Closure Plan until such time as the Minister determines, on advice of the CEO, that the proponent's decommissioning responsibilities have been fulfilled.

- 9-6 The proponent shall make the Decommissioning and Closure Plan publicly available in a manner approved by the CEO.

10 Visual Amenity

- 10-1 The proponent shall ensure that no project area infrastructure such as waste rock landforms, tailings storage facility, pit, topsoil stockpiles, processing plant, communication tower or evaporation ponds are visible from Coppin Gap Pool.
- 10-2 The proponent shall ensure that the proposed realignment of the Coppin Gap access road will be designed to minimise views of mining infrastructure.

Notes

1. Where a condition states “on advice of the Environmental Protection Authority”, the Environmental Protection Authority will provide that advice to the Department of Environment and Conservation for the preparation of written notice to the proponent.
2. The Environmental Protection Authority may seek advice from other agencies or organisations, as required, in order to provide its advice to the Department of Environment and Conservation.
3. The Minister for the Environment will determine any dispute between the proponent and the Environmental Protection Authority or the Department of Environment and Conservation over the fulfillment of the requirements of the conditions.
4. 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 1986*.

David Templeman MLA
MINISTER FOR THE ENVIRONMENT; CLIMATE CHANGE; PEEL

The Proposal (Assessment No. 1657)**General Description**

The proposal is to develop an open pit mine that will process 20 million tonnes per annum (Mtpa) of ore to produce approximately 23,000 tonnes per annum (tpa) of molybdenum concentrate and approximately 48,000 tpa of copper concentrate.

The proposal is described in the following document – Moly Metals Australia Pty Ltd: Public Environmental Review (August 2007).

Summary Description

A summary of the key proposal characteristics is presented in Table 1.

Table 1 – Summary of Key Proposal Characteristics

Element	Description
General	
Life of Mine	10 years
Total Area of Disturbance	Approximately 1600 hectares
Total Area of Rehabilitation	All disturbed areas excluding final pit area
Final Depth of Pit	Approximately 430 metres below creek level
Treatment Rate	20 million tonnes per annum
Molybdenum concentrate production	Approximately 23 000 tonnes per annum (max ~ 25 000 tonnes per annum)
Copper concentrate production	Approximately 48 000 tonnes per annum
Power Requirements	600 Gigawatt hours per annum
Power Generation	Gas fired power plant
Water Requirements	Approximately 10.5 Gigalitres per year
Water Source	Groundwater bores within the De Grey and Canning borefields
Annual Greenhouse Gas Emissions	Approximately 640 000 tonnes of carbon dioxide equivalent
Processing Plant	Secondary and tertiary crushing, grinding and milling circuit, float and leach circuits.
Tailings Storage Facility	Approximately 600 hectare filtered dry stacked tailings design.

Figures (attached)

Figure 1 – Regional Location Plan

Figure 2 – Project Layout

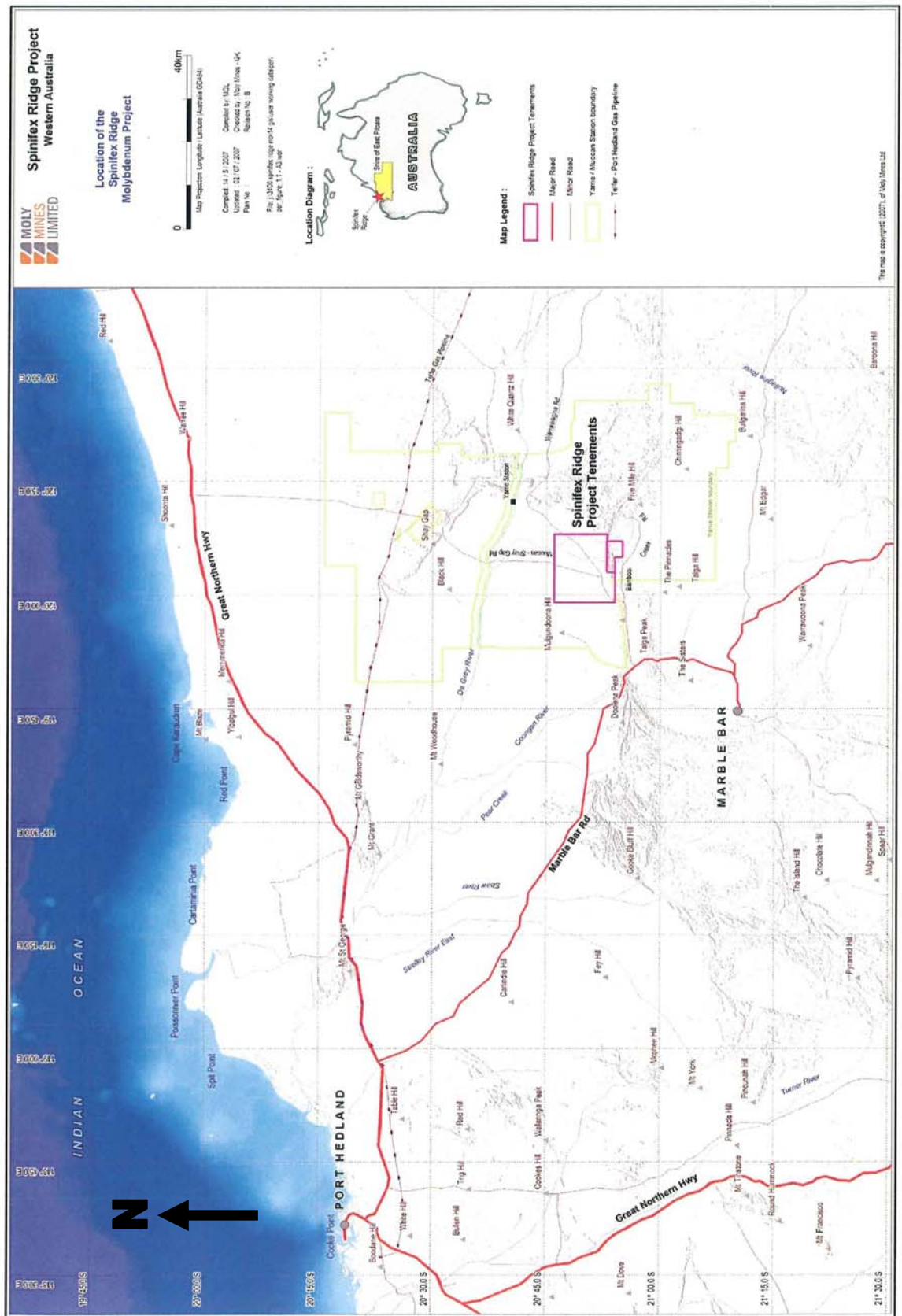


Figure 1: Regional Location Map

