

DR043141

14 February 2017

Mr Kim Taylor
General Manager
Office of the Environmental Protection
Authority
The Atrium, Level 8
168 St Georges Terrace
PERTH WA 600

Attention: Anthony Sutton

Dear Mr Taylor

**SINO IRON MINE CONTINUATION PROPOSAL – SECTION 38 REFERRAL –
ENVIRONMENTAL PROTECTION ACT 1986**

Please find enclosed a referral under section 38 of the *Environmental Protection Act 1986* (EP Act) for the Sino Iron Mine Continuation Proposal (Proposal).

This submission is made by CITIC Pacific Mining Management (CPM), on behalf of Sino Iron Pty Ltd (Sino Iron) and Korean Steel Pty Ltd (Korean Steel) proponents of the Iron Ore Mine, Downstream Processing (Direct-reduced and Hot-briquetted Iron) and Port at Cape Preston in Western Australia (approved under Ministerial Statement 635).

CPM confirms on behalf of Sino Iron and Korean Steel that the limitations identified within Report SIR16097_01 R003 Rev 1 (including under the headings scope of services, reliance on data and environmental conclusions) are limitations that apply only as between Strategen Consulting and CPM.

Accordingly, the Office of the Environmental Protection Authority is entitled to rely on the information provided as if it did not contain limitations.

If you require any further information please don't hesitate to contact us.

Yours sincerely



Chen Zeng
Chief Executive Officer
CITIC Pacific Mining Management Pty Ltd

Encl:

1. Section 38 EP Act referral form
2. Sino Iron Mine Continuation Proposal - Environmental Review (including appendices)

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Office of the Environmental Protection Authority	
File:	
1 5 FEB 2017	
A:	<input type="checkbox"/> For Information
fa:	<input type="checkbox"/> For Discussion
Officer:	<input type="checkbox"/> For Action
<input type="checkbox"/> Dir.AC	Response please:
<input type="checkbox"/> Dir. Bus Ops	<input type="checkbox"/> GM Signature
<input type="checkbox"/> Dir. SPPD	<input type="checkbox"/> Dir for GM (copy to GM)
<input type="checkbox"/> Dir. Strat Sup	<input type="checkbox"/> Dir Signature (copy to GM)
<input type="checkbox"/>	<input type="checkbox"/> Mgr Direct (copy to GM)



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Instructions for the referral of a Proposal to the Environmental Protection Authority under Section 38 of the Environmental Protection Act 1986

Purpose of these instructions

To assist referrers to fill out the EPA s38 referral form.

Purpose of the Referral Form

The Environmental Protection Authority (EPA) requires that referrers use this form for all proposals referred to the EPA under section 38 of the EP Act, to decide whether it is a valid referral and so that it receives sufficient information about a proposal to decide whether or not to assess it.

How to fill out this form

Advice

Proponents may contact the Office of the EPA if they need assistance to fill out this form.

Refer also to the *Administrative Procedures* and *Procedures Manual* for more information about the processes relating to the nomination of a proponent and change of a proponent.

Referrer information

Who is referring this proposal?

Check the relevant box as the EPA needs to know whether you are a proponent, decision-making authority or community member/third party.

Does the referrer request that the EPA treat any part of the referral information as confidential?

If you are a proponent, you may request that the EPA keep any or all of the proposal information confidential by checking the 'Yes' box.

Where the EPA agrees that the information is confidential, the EPA will not publish the confidential information as part of the referral information.

Referral declaration

For the EPA to accept a referral from an organisation, proponent or a decision-making authority, it must be signed by an authorised person – either a CEO or a person with evidence to act on behalf of the organisation.

Part A: Proponent and proposal description

Proponent Information

Complete the details and provide an Australian Company Number (or Australian Business Number for government agencies).

Proposal type

Check the relevant box for the type of proposal and any associated existing Ministerial Statement number/s, if relevant.

If you checked 'significant proposal' or 'proposal under an assessed planning scheme', please provide a brief justification (or reference to the section in the supplementary report that explains this). Refer to the EPA's *Statement of environmental principles, factors and objectives* for guidance on 'significance'.

Proposal description

Provide a clear proposal description, including maps and spatial information.

Proposal description

Provide a proposal description according to the EPA's *Instructions and template: Defining the key proposal characteristics*, including:

- a *general proposal description* that describes the key elements of a proposal that relate to the environment
- *key proposal characteristics* that quantify the limits or extent of the physical and operation elements (i.e. amount of clearing, rate of emissions and discharges etc).

Spatial data, maps and figures

The EPA *requires* maps and figures in the referral.

Provide spatial data in GIS format, that is geo-referenced and conforms to the following parameters:

- Data type: closed polygons that represent the proposal boundary (development envelope) and the activity areas for all physical elements of the proposal (footprint).
- Attribution: Name the development envelope and each activity area in the attribute table of the spatial data.
- Format: ESRI geodatabase or shapefile.
- Coordinate System: GDA94 (datum) and projected into the appropriate Map Grid of Australia (MGA) zone.

Provide maps and figures that are clear and readable, of appropriate scale, in either jpeg or pdf format and of good resolution (> 300 ppi).

Part B: Environmental impacts

The purpose of Part B is to provide sufficient detail for the EPA to decide whether or not to assess the proposal and if it decides to assess the proposal, the level of assessment.

Environmental factors

Check the boxes for the environmental factors that the proposal may have a significant impact on.

For each individual factor:

- complete a separate 'Potential environmental impacts table', or
- provide the information in a supplementary report according to the *Instructions and template: Environmental Review Document*.

Refer to the EPA's *Statement of environmental Principles, Factors and Objectives* for the list of factors and the EPA's *Framework for environmental considerations in EIA* for guidance for each factor.

Potential environmental impacts

Provide information about the anticipated environmental impacts of the proposal and the proposed application of the mitigation hierarchy to avoid, minimise, rehabilitate (and offset, if appropriate) those impacts.

EPA policy and guidance

Refer to the EPA's guidance for each factor in the EPA's Framework for environmental considerations in EIA.

Receiving environment

Describe the current condition, using appropriate baseline studies such as flora and vegetation surveys or water quality data.

This may include: regional context; known environmental values, current quality, sensitivity to impact, and current level of cumulative impacts.

If the proposal will impact increase a cumulative impact (such as on noise levels or air quality parameters) or on conservation significant species or communities, provide relevant information from other developments in the area.

Proposal activities

List the proposal-specific activities that will impact this environmental factor, considering direct and indirect impacts (e.g. impacts to flora and vegetation can be from clearing, ground water drawdown and dust.

Mitigation

Describe how you have applied the mitigation hierarchy (avoid, minimise, rehabilitate, offset) to reduce the potential environmental impacts of the proposal activities. Refer to the *WA Environmental offsets guidelines*:

- Avoid – avoid the adverse environmental impact
- Minimise – limit the degree or magnitude of the adverse impact
- Rehabilitate – restore the maximum environmental value that is reasonably practicable
- Offset – actions that provide environmental benefits to counterbalance significant residual environmental impacts or risks of a project or activity.

Assessment of impacts and identification of residual impacts

Evaluate the significance of the impacts (direct, indirect and cumulative) from the proposal activities on the environmental factor:

- quantify the predicted impacts (extent, duration, etc.) against the baseline condition acknowledging any uncertainty in predictions
- consider the impacts in a local and regional context, incorporating cumulative impacts; and
- compare against established environmental policies, guidelines, and standards.

Identify whether there may be residual impacts after applying the mitigation hierarchy and whether these are significant. If there may be significant residual impacts, discuss whether these may be offset under 'Management measures'.

Part C: Other approvals and regulation

State and Local Government approvals

The EPA needs accurate regulatory information to correctly identify decision-making authorities for the proposal. This information is important as it means that the relevant decision-making authorities are informed of decisions under the EP Act in relation to the proposal and the EPA confers with the correct decision-making authorities.

List the approvals required, e.g.:

Proposal activities	Land tenure/access	Type of approval	Legislation regulating the activity
Clearing		Native Vegetation Clearing Permit	<i>EP Act 1986</i> – Part V
Water abstraction / Dewatering		Licence	<i>RiWI Act 1914</i>
Mining		Mining proposal	<i>Mining Act 1979</i>

Commonwealth Government approvals

Complete this section if the proposal will potentially impact Matters of National Environmental Significance that are protected under the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act).

If the EPA decides to assess a proposal and the Commonwealth Department of the Environment and Energy has decided that the proposal is a controlled action, the proposal can be assessed by the EPA under the bilateral agreement between the State of WA and the Commonwealth Government, or as an accredited assessment.

If there are other approvals from the Commonwealth Government that may be required, such as a sea dumping permit, provide details in the box provided.

Including a supplementary report/s

A referrer may include a supplementary report/s instead of completing the 'Potential environmental impacts' table in Part B: Potential environmental impacts. The EPA requests that the referrer follow the format of the *Environmental Review Document* template when preparing a supplementary report and that the referrer includes the following:

- appropriate detail required by part B in the supplementary report
- cross-references in the referral form to the appropriate section/s in the supplementary report.

Submitting a completed Referral Form

Files must be below eight megabytes (8 MB) in size as they may be published on the EPA's website (exemptions apply) for public comment. To minimise file size, "flatten" maps and optimise pdf files.

The EPA prefers that referral forms (and any attachments and supplementary reports) are emailed but will also accept referrals submitted by post.

Email: Registrar@epa.wa.gov.au

or

Office of the Environmental Protection Authority
Locked Bag 10, East Perth WA 6892

Enquiries:

Telephone: 6145 0800


Fax: 6145 0895

Email: info@epa.wa.gov.au

Website: www.epa.wa.gov.au

End of Instructions (remove before submitting Referral)

Form for the referral of a proposal to the Environmental Protection Authority under Section 38 of the *Environmental Protection Act 1986*

Referrer information				
Who is referring this proposal?		<input checked="" type="checkbox"/> Proponent <input type="checkbox"/> Decision-making authority <input type="checkbox"/> Community member/third party		
Name Mr Chen Zeng		Signature 		
Position	Chief Executive Officer	Organisation	CITIC Pacific Mining Management Pty Ltd	
Email	Bruce.watson@citicpacificmining.com			
Address	45	St Georges Terrace		
	Perth	WA	6000	
Date	14 February 2017			
Does the referrer request that the EPA treat any part of the proposal information in the referral as confidential? <i>Provide confidential information in a separate attachment.</i>		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Referral declaration for organisations, proponents and decision-making authorities:				
I, <u>CHEN ZENG</u> , (full name) declare that I am authorised to refer this proposal on behalf of Sino Iron Pty Ltd and Korean Steel Pty Ltd and further declare that the information contained in this form is true and not misleading.				
Part A: Proponent and proposal description				
Proponent information				
Name of the proponent/s (including Trading Name if relevant)		Sino Iron Pty Ltd – ACN 058 429 708 Korean Steel Pty Ltd – ACN 058 429 600		
Australian Company Number(s) <input checked="" type="checkbox"/> OR Australian Business Number(s) <input type="checkbox"/>		Refer above		
Contact for the proposal (if different from the referrer) <i>Please include: name; physical address; phone; and email.</i>		Mr Bruce Watson CITIC Pacific Mining Management Pty Ltd 45 St Georges Terrace Perth WA 6000 T: 9226 8316 Bruce.watson@citicpacificmining.com		

<p>Does the proponent have the legal access required for the implementation of all aspects of the proposal?</p> <p><i>If yes, provide details of legal access authorisations / agreements / tenure.</i></p> <p><i>If no, what authorisations / agreements / tenure is required and from whom?</i></p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>The proponents are parties to the <i>Iron Ore Processing (Mineralogy Pty. Ltd.) Agreement Act 2002</i> and hold mining rights, subleases and access rights over tenure for the existing project authorized under MS635. To the extent further tenure is required, it is presently subject to tenure held by Mineralogy Pty Ltd, a co-proponent to the existing Approved Proposals under the above State Agreement and discussions are underway in relation to a further proposal for the purposes of the State Agreement to allow the operations contemplated by this environmental proposal.</p>
<p>Proposal type</p>	
<p>What type of proposal is being referred?</p> <p>For a change to an approved proposal please state the Ministerial Statement number/s (MS No./s) of the approved proposal</p> <p>For a derived proposal please state the Ministerial Statement number (MS No.) of the associated strategic proposal</p>	<p><input type="checkbox"/> significant – new proposal</p> <p><input checked="" type="checkbox"/> significant – change to approved proposal (MS No./s: 635 and 822)</p> <p><input type="checkbox"/> proposal under an assessed planning scheme</p> <p><input type="checkbox"/> strategic</p> <p><input type="checkbox"/> derived (Strategic MS No.: _____)</p>
<p>For a significant proposal:</p> <ul style="list-style-type: none"> Why do you consider the proposal may have a significant effect on the environment and warrant referral to the EPA? 	<p>Clearing for the Proposal will result in the disturbance of approximately 7366 ha of native vegetation with the majority of this occurring in habitat of low to moderate conservation significance and well represented in the region.</p> <p>The Proposal has potential impacts on surface water flows and quality but this will be managed to prevent significant effects on hydrology, inland environmental quality and marine environmental quality factors. Please refer to Section 2.3 in the Environmental Review Report (attached) for further details.</p>
<p>For a proposal under an assessed planning scheme, provide the following details:</p> <ul style="list-style-type: none"> Scheme name and number <p>For the Responsible Authority:</p> <ul style="list-style-type: none"> What new environmental issues are raised by the proposal that were not assessed during the assessment of the planning scheme? How does the proposal not comply with the assessed scheme and/or the environmental conditions in the assessed planning scheme? 	<p>N/A.</p>

Proposal description	
Title of the proposal	The Sino Iron Mine Continuation Proposal.
Name of the Local Government Authority in which the proposal is located.	City of Karratha
Location: a) street address, lot number, suburb, and nearest road intersection; or b) if remote the nearest town and distance and direction from that town to the proposal site.	Unnamed Road, Mardie Station, Cape Preston Located 80 km south west of Karratha in the Pilbara Region of Western Australia.
Proposal description – including the key characteristics of the proposal <i>Provide as an attachment to the form</i>	<p>The Proposal is an expansion of the existing Sino Iron Project approved under Ministerial Statement 635 (as amended). The Proposal is required to accommodate continuation of mine operations associated with the existing two billion tonnes mining rights afforded to Sino Iron and Korean Steel in accordance with existing commercial agreements.</p> <p>The Proposal includes the expansion of the mine pit, waste dumps and Tailings Storage Facilities. The proposed mine pit expansion will increase in depth from 220 m to approximately 400 m and the footprint of the Project will increase by up to 7336 ha (from 2734 ha to no more than 10 100 ha). The Proposal will also include the requirement to increase the discharge of groundwater from 2 GLpa to up to 8 GLpa from mine dewatering into the mouth of the Fortescue River.</p> <p>Please refer to Section 2.3 in the Environmental Review report (attached) for further detail.</p>
Have you provided electronic spatial data, maps and figure in the appropriate format? <i>Refer to instructions at the front of the form</i>	x Yes <input type="checkbox"/> No
What is the current land use on the property, and the extent (area in hectares) of the property?	The Proposal is located within the Mardie Station Pastoral Lease (approximately 225 000 ha), which is owned by Pastoral Management Pty Limited (PMPL, a wholly owned subsidiary of CITIC Limited) as a cattle station outside the approved mining areas. The Proposal is largely located within 'Area A' under the IOPAA.
Have you had pre-referral discussions with the OEPA? If so, quote the reference number and/or the OEPA contact.	Yes, no referral number yet identified.

Part B: Environmental impacts		
Environmental factors		
What are the likely significant environmental factors for this proposal?	<input type="checkbox"/> Benthic Communities and Habitat <input type="checkbox"/> Coastal Processes <input checked="" type="checkbox"/> Marine Environmental Quality <input type="checkbox"/> Marine Fauna <input checked="" type="checkbox"/> Flora and Vegetation <input type="checkbox"/> Landforms <input type="checkbox"/> Subterranean Fauna <input checked="" type="checkbox"/> Terrestrial Environmental Quality <input checked="" type="checkbox"/> Terrestrial Fauna <input checked="" type="checkbox"/> Hydrological Processes <input checked="" type="checkbox"/> Inland Waters Environmental Quality <input type="checkbox"/> Air Quality <input type="checkbox"/> Social Surroundings <input type="checkbox"/> Human Health	
<i>For the environmental factors identified above, complete the following table, or provide the information in a supplementary report. Please be sure to complete a separate table per factor identified above.</i>		
Potential environmental impacts		
1	EPA Factor	Information provided in Environmental Review report (attached)
2	EPA policy and guidance - What have you considered and how have you applied them in relation to this factor?	Information provided in Environmental Review report (attached)
3	Consultation – Outline the outcomes of consultation in relation to the potential environmental impacts	Information provided in Environmental Review report (attached)
4	Receiving environment - Describe the current condition of the receiving environment in relation to this factor.	Information provided in Environmental Review report (attached)
5	Proposal activities – Describe the proposal activities that have the potential to impact the environment	Information provided in Environmental Review report (attached)
6	Mitigation - Describe the measures proposed to manage and mitigate the potential environmental impacts.	Information provided in Environmental Review report (attached)

7	Impacts - Assess the impacts of the proposal and review the residual impacts against the EPA objective.	Information provided in Environmental Review report (attached)
8	Assumptions - Describe any assumptions critical to your assessment <i>e.g. particular mitigation measures or regulatory conditions.</i>	Information provided in Environmental Review report (attached)

Part C: Other approvals and regulation			
State and Local Government approvals			
Is rezoning of any land required before the proposal can be implemented? If yes, please provide details.		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
If this proposal has been referred by a decision-making authority, what approval(s) are required from you?		N/A	
Proposal activities e.g. clearing, dewatering, mining, processing, dredging,	Land tenure/access e.g. Crown land – LA Act, Min Act, CALM Act specify type	Type of approval e.g. Native Vegetation Clearing Permit, licence, mining proposal,	Legislation regulating the activity e.g. <i>EP Act 1986 – Part V, RiWI Act 1914, Mining Act 1979</i>
Clearing of native vegetation	IOPAA <i>Mining Act 1979</i>	Part IV assessment	<i>Environmental Protection Act 1986 – Part IV</i>
Abstraction / Dewatering	IOPAA <i>Mining Act 1979</i>	Section 5C Licence to take groundwater Section 26D Licence to construct wells Part IV assessment Part V assessment	<i>RiWI Act 1914</i> <i>Environmental Protection Act 1986 – Part IV</i> <i>Environmental Protection Act 1986 – Part V</i>
Mining and processing	IOPAA <i>Mining Act 1979</i>	Endorsement of additional Project Proposals	<i>Iron Ore Processing (Mineralogy Pty Ltd) Agreement Act 2002 as amended</i>
Disturbance of Aboriginal Heritage sites	IOPAA <i>Mining Act 1979</i>	Section 18 consent.	<i>Aboriginal Heritage Act 1972</i>
Commonwealth Government approvals			
Does the proposal involve an action that may be or is a controlled action under the <i>Environment Protection and Biodiversity Conservation Act 1999</i> (EPBC Act)?		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Has the proposed action been referred? If yes, when was it referred and what is the reference number (EPBC No.)?		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Date: 27 January 2017 EPBC No.: 2017/7862_____	
If referred, has a decision been made on whether the proposed action is a controlled action? If 'yes', check the appropriate box and provide the decision in an attachment.		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Decision – controlled action <input type="checkbox"/> Decision – not a controlled action	
Do you request that this proposal be assessed under the bilateral agreement or as an accredited assessment?		<input type="checkbox"/> Yes - Bilateral <input checked="" type="checkbox"/> No	

Part C: Other approvals and regulation	
State and Local Government approvals	
	<input type="checkbox"/> Yes - Accredited
Is approval required from other Commonwealth Government/s for any part of the proposal? <i>If yes, describe.</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Approval: