



Bauxite Hills Mine

EPBC 2015/7538

Annual Compliance Report

2018-2019 Financial Year Report

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1. Purpose

This compliance report details the progress of Metro Mining Limited (MML) against the requirements outlined in approval EPBC 2015/7358. For the purposes of reporting, MML has elected to report on a financial year basis.

2. Project Description

2.1 Project Name and Location

MML operates the Bauxite Hills Mine (BHM) comprising the tenements controlled by three entities, Aldoga Minerals Pty Ltd, Cape Alumina Pty Ltd and Gulf Alumina Pty Ltd. For reporting and administration purposes, Gulf Alumina Pty Ltd tenements will be referenced to as Skardon River (SR) and Aldoga Minerals Pty Ltd and Cape Alumina Pty Ltd tenements will be known collectively as Bauxite Hills (BH).

This report refers to the Bauxite Hills tenements (BH). All of which are located on Cape York Peninsula, in the Parish of Skardon within the Cook Shire. The Mine site is located approximately 85km north of Weipa and approximately 35 km to the north of Mapoon.

BH tenements are operated under an environmental authority for mining, EPML03398515.

The BH tenements includes open cut operations and haul roads, with all other activities associated with the mining of bauxite occurring on the adjacent SR tenements.

Bauxite product from BH tenements is transported via haul roads to the infrastructure at the Port of Skardon River and transhipped by barge to bulk carriers in deep water beyond the mouth of the river for export.

The BHM-BH tenements consist of four mining leases:

- ML 20676,
- ML 20688,
- ML 20689, and
- ML100130

2.2 Proposed action under the EPBC Act

To construct and operate a 24 hour bauxite mine and barge loading facility, 100 km north of Weipa, Queensland (as described in EPBC Act referral 2015/7538 received on 7 August 2015 and the variation to proposal to take an action received on 4 November 2015).

Date of decision is 23/6/2017, with construction activities commencing in September 2017 and mining commencing in April 2018. A decision to vary the conditions attached to the approval was received on the 11 September 2017. These decisions revoked conditions 2, 3, 4 and 6 of the original approval, deleted conditions 5, 14 and 20 and substitute with new conditions 5A and 5B. The definition sections were also modified to reflect changes in survey methodology and definitions of habitat and clearance.

2.3 Controlling Provision

This decision is made under sections 130(1) and 133 of the Environment Protection and Biodiversity Conservation Act 1999. and approved under the following sections:

- Listed threatened species and communities (sections 18 & 18A)
- Listed migratory species (sections 20 & 20A)
- Commonwealth marine areas (sections 23 & 24A)

EPBC threatened species means the following:

- Red goshawk (*Erythrotriorchis radiatus*);
- Masked owl (*Tyto novaehollandiae kimberli*);
- Bare-rumped sheath-tail bat (*Saccolaimus saccolaimus nudicluniatus*);
- Northern quoll (*Dasyurus hallucatus*); and
- Golden shouldered parrot (*Psephotus chrysopterygius*).

3. Compliance with conditions

3.1 Condition 1

The approval holder must not take the action outside of the project area.

Compliance statement:

All actions have been undertaken within the lease area.

3.2 Condition 5

Prior to the commencement of the action, the approval holder must submit an Offset Strategy for the written approval of the Minister. The Offset Strategy must be a framework for how the clearance of habitat for the Red Goshawk, Masked Owl (Northern), Bare-rumped Sheath-tail Bat and Black-footed Tree-rat (North Queensland) will be offset, and must:

- a) review relevant approved conservation advices, recovery plans and threat abatement plans;
- b) identify threats to Red Goshawk, Masked Owl (Northern), Bare-rumped Sheath-tail Bat and Black-footed Tree-rat (North Queensland), and potential recovery actions and research opportunities; and
- c) outline a process for developing Offset Projects, and a staged process for submitting Offset Projects to the Department for the written approval of the Department.

The approval holder must not commence the action until the Offset Strategy has been approved by the Minister in writing. The approved Offset Strategy must be implemented.

Compliance statement:

This Milestone is yet to be reached. The Offset Strategy that satisfies both approvals EPBC 2015/7538 and EPBC 2014/7305 has been submitted to the department and awaiting formal approval.

3.3 Condition 5A

Offset Projects submitted to the Department for approval in accordance with Condition 5 must:

- a) specify the location and nature of Offset Project activities;

- b) include project goal/s, budget and a detailed Offset Project description, including timeframes for implementing the Offset Project, and reporting and publishing of Offset Project results;
- c) demonstrate how the Offset Project is consistent with the Offset Strategy;
- d) outline consultations associated with developing the Offset Project, including the outcomes of those consultations;
- e) outline how the Offset Project complies with the principles of the EPBC Act Environmental Offsets Policy and, if relevant, details of how the Offset Project meet the criteria for research and educational programs identified in Appendix A of the EPBC Act Environmental Offsets Policy; and
- f) identify and manage risks associated with implementing the Offset Project.

The approval holder must not commence an Offset Project until the Offset Project has been approved in writing by the Department. The approved Offset Project must be implemented.

Compliance statement:

This Milestone is yet to be reached. The Offset Strategy that satisfies both approvals EPBC 2015/7538 and EPBC 2014/7305 has been submitted to the department and awaiting formal approval.

3.4 Condition 5B

The approval holder must expend on Offset Projects approved in accordance with condition 5A, at least \$2,817 (excluding GST) per hectare of habitat cleared during any financial year, by 30 June of the following financial year. The value of expenditure per hectare of habitat cleared must be annually adjusted in accordance with the Brisbane Consumer Price Index (CPI) fluctuations from 1 July 2017. The first adjustment is to be applied 1 July 2018. The approval holder must prepare and submit to the Department an annual impact reconciliation report by 31 July each year demonstrating compliance with this condition.

Compliance statement:

This Milestone is yet to be reached. The Offset Strategy that satisfies both approvals EPBC 2015/7538 and EPBC 2014/7305 has been submitted to the department and awaiting formal approval.

3.6 Condition 7

The approval holder must submit a Species Management Plan for the written approval of the Minister. The Species Management Plan must be prepared in

accordance with the Department's Environmental Management Plan Guidelines and include:

- a. details of measures that will be taken to avoid, mitigate and manage impacts to EPBC Act listed threatened species and their habitat during vegetation clearance, construction, operation and decommissioning of the action;
- b. measures to manage areas in the project area, that are not within the disturbance footprint, as habitat for EPBC Act listed threatened species;
- c. details of how rehabilitation and revegetation measures required under the Environmental Authority issued under the Environmental Protection Act 1994 (Qld) provides environmental outcomes for EPBC Act listed threatened species and their habitat;
- d. a monitoring program to determine the success of mitigation and management measures to ensure adaptive management for the duration of this approval; and
- e. details of how proposed management measures take into account relevant approved conservation advices and are consistent with the measures contained in relevant recovery plans and threat abatement plans.

Compliance statement:

A significant species management plan that satisfied both approvals EPBC 2015/7538 and EPBC 2014/7305 was submitted to the department as per the condition.

3.7 Condition 8

The approval holder must not commence the action until the Species Management Plan has been approved by the Minister in writing. The approved Species Management Plan must be implemented.

Compliance statement:

The Significant Species Management Plan was approved by the department prior to construction activities commencing in September 2017 and mining commencing in April 2018.

3.8 Condition 9

The approval holder must submit a Marine Management Plan for the written approval of the Minister for marine-related activities. The Marine Management Plan (MMP) must be prepared in accordance with the Department's Environmental Management Plan Guidelines and include:

- a. details of measures to avoid, mitigate and manage impacts to EPBC Act listed dolphin species, EPBC Act listed sawfish and river shark species, EPBC Act listed turtle species, the EPBC Act listed Dugong (Dugong dugon) and the environment of the Commonwealth marine area, including:
 - i. artificial light related impacts from shipping and barging activities, and anchored/moored vessels;
 - ii. shipping and barging activities, including management of bauxite dust and contamination spills;
 - iii. vessel strike, including restricting vessel speed limits to six (6) knots and the implementation of a transit lane in the Skardon River that follows the greatest water depth;
 - iv. underwater noise, including from pile driving activities, and shipping and barging activities; and
 - v. the risk of introduced marine pest species over the duration of this approval, including ballast water management.
- b. a monitoring program to determine the success of mitigation and management measures to ensure adaptive management for the duration of this approval;
- c. details of how proposed management measures take into account relevant approved conservation advices and are consistent with the measures contained in relevant recovery plans and threat abatement plans; and
- d. details of the timeframe for reviews of the approved Marine Management Plan, including to ensure that the Marine Management Plan is informed by the findings of the Sawfish and River Sharks Research Proposal required under EPBC Act approval 2014/7305.

Compliance statement:

The Marine Management Plan was approved by the department prior to construction activities commencing in September 2017 and mining commencing in April 2018.

3.9 Condition 10

The approval holder must not commence marine-related activities until the Marine Management Plan has been approved in writing by the Minister and baseline surveys for EPBC Act listed sawfish and river shark species required under EPBC Act approval 2014/7305 have been completed as determined in writing by the Department. The approved Marine Management Plan must be implemented.

Compliance statement:

The Marine Management Plan was approved by the department prior to construction activities commencing in September 2017 and mining commencing in April 2018.

3.10 Condition 11

Within 12 months of the approval of the Marine Management Plan required under EPBC Act approval 2014/7305, the approval holder must submit a Marine Debris Management Plan for the written approval of the Minister. The Marine Debris Management Plan must be prepared in accordance with the Department's Environmental Management Plan Guidelines and in consultation with key organisations. The Marine Debris Management Plan must include:

- a. a description of the measures that will be taken to reduce marine debris in the Skardon River and the Skardon River mouth;
- b. details on the location and scope of the proposed measures;
- c. details of how the proposed measures are consistent with Objective 6b in the Sawfish and River Sharks Multispecies Recovery Plan;
- d. details of how the proposed measures are consistent with the objectives and actions contained in the Threat abatement plan for the impacts of marine debris on vertebrate marine life;
- e. a timeline for implementation of the proposed measures; and
- f. a program to report on the effectiveness of the proposed measures.

Compliance statement:

A Marine Management Plan that satisfied both approvals EPBC 2015/7538 and EPBC 2014/7305 was submitted to the department as per the condition.

3.11 Condition 12

The approved Marine Debris Management Plan must be implemented for the duration of this approval.

Compliance statement:

The Marine Debris Management Plan that satisfied both approvals EPBC 2015/7538 and EPBC 2014/7305 submitted to the department is being implemented.

4. Administrative Conditions 13, 15 - 19

4.1 Condition 13

Within 20 days after the commencement of the action, the approval holder must advise the department in writing of the actual date of commencement.

Compliance statement:

The department was advised of the actual date of commencement as per the condition.

4.2 Condition 15

Within three (3) months of every 12 month anniversary of the commencement of the action, the approval holder must publish a report (the Annual Compliance Report) on its website addressing compliance with each of the conditions of this approval, during the previous 12 months. Documentary evidence providing proof of the date of publication must be provided to the Department at the same time as the Annual Compliance Report is published. Reports must remain published for the life of the approval. The approval holder must continue to publish the Annual Compliance Report each year until such time as agreed to in writing by the Minister.

Compliance statement:

The action commenced with Construction activities in September 2017, the annual compliance report was published 31/10/18 within the acceptable time frame as per the condition. However, MML failed to notify the Department of the report's publication to the website.

4.3 Condition 16

The approval holder must report any potential or actual contravention of the conditions of this approval to the Department in writing within two (2) business days of the approval holder becoming aware of a contravention.

Compliance statement:

There have been no potential or actual contravention of the conditions of this approval.

MML reported that they failed to notify the department upon publication of the 2017-2018 Annual Compliance Report to their website on 31/10/2018, it was reported within two business days of the approval holder becoming aware of the contravention.

4.4 Condition 17

Upon the direction of the Minister, the approval holder must ensure that an independent audit of compliance with the conditions of approval is conducted and a report submitted to the Minister. The approval holder must not commence the audit until the Minister approves the independent auditor and audit criteria in writing. The audit report must address the criteria to the satisfaction of the Minister.

Compliance statement:

MML were not directed by the Minister to conduct an independent audit in the 2018-2019 financial year.

4.5 Condition 18

The approval holder may choose to revise a management plan approved by the Minister under conditions 7, 9 and 11 without submitting it for approval under section 143A of the EPBC Act, if the taking of the action in accordance with the revised plan would not be likely to have a new or increased impact. If the approval holder makes this choice it must:

a. notify the Department in writing that the approved plan has been revised and provide the Department, at least four (4) weeks before implementing the revised plan, with:

- i. an electronic copy of the revised plan;
- ii. an explanation of the differences between the revised plan and the approved plan; and
- iii. reasons the approval holder considers that the taking of the action in accordance with the revised plan would not be likely to have a new or increased impact.

18A. The approval holder may revoke their choice under condition 18 at any time by notice to the Department. If the approval holder revokes the choice to implement a revised plan, without approval under section 143A of the EPBC Act, the plan approved by the Minister must be implemented.

18B. If the Minister gives a notice to the approval holder that the Minister is satisfied that the taking of the action in accordance with the revised plan would be likely to have a new or increased impact, then:

- a. condition 18 does not apply, or ceases to apply, in relation to the revised plan; and
- b. the approval holder must implement the plan approved by the Minister.

To avoid any doubt, this condition does not affect any operation of conditions 18 and 18A in the period before the day the notice is given.

At the time of giving the notice, the Minister may also notify that for a specified period of time that condition 18 does not apply for one or more Specified plans required under the approval.

18C. conditions 18, 18A and 18B are not intended to limit the operation of section 143A of the EPBC Act which allows the approval holder to submit a revised plan to the Minister for approval.

Compliance statement:

All management plans have been submitted and approved by the Minister as per the condition.

4.6 Condition 19

If, at any time after five (5) years from the date of this approval, the approval holder has not commenced the action, then the approval holder must not commence the action without the written agreement of the Minister.

Compliance statement:

The action has commenced within the time frame as per condition. Date of decision is June 2017, with construction activities commencing in September 2017 and mining commencing in April 2018.

Final Compliance statement:

Metro Mining Limited and Gulf Alumina Ltd. have complied with the general provisions of this approval for the reporting period. No changes to conditions or variations against conditions have occurred during the reporting period that have triggered any response to the general conditions within approval EPBC 2015/7538.