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Published on 2 February 2009

Statement No. 783

**STATEMENT TO AMEND CONDITIONS APPLYING TO A PROPOSAL  
(PURSUANT TO SECTION 46 OF THE  
ENVIRONMENTAL PROTECTION ACT 1986)**

**MAGELLAN LEAD CARBONATE PROJECT, WILUNA**

**Proposal:** The proposal includes an open-cut lead carbonate mine and processing facilities 30 kilometres west of the Wiluna townsite. The lead carbonate concentrate produced at the mine is transported in sealed bags within locked shipping containers by road from the mine site to Leonora and then by rail to the Port of Fremantle where it is exported.

**Proponent:** Magellan Metals Pty Ltd (ACN 075 523 661)

**Proponent Address:** 96 Welshpool Road  
WELSHPOOL WA 6106

**Assessment Number:** 1773

**Previous Assessment Numbers:** 1262 and 1690

**Previous Statement Number:** Statement No. 559 (published on 28 November 2000)

**Report of the Environmental Protection Authority:** 1314

**Previous Report of the Environmental Protection Authority:** Bulletins 996 and 1276

The implementation of the proposal to which the above reports of the Environmental Protection Authority relate is subject to the conditions and procedures contained in Ministerial Statement No. 559 (28 November 2000), as amended by the following:

**1 Proposal definition replaced**

The summary proposal description on page 1 of Statement No. 559, by decision of the Environmental Protection Authority under section 45C of the Act dated 27 January 2009, is deleted and replaced with:

“The proposal includes an open-cut lead carbonate mine and processing facilities 30 kilometres west of the Wiluna townsite. The lead carbonate concentrate produced at the mine is transported in sealed bags within locked shipping containers by road from the mine site to Leonora and then by rail to the Port of Fremantle where it is exported.”

## **2 Condition 3 amended**

Condition 3-3 of Statement No. 559 is amended by deleting “Department of Environmental Protection” and inserting “Chief Executive Officer of the Department of Environment and Conservation (CEO)”.

## **3 Condition 5 replaced**

Condition 5 of Statement No. 559 is deleted and replaced by the following:

### **“5 Compliance Reporting**

- 5-1 The proponent shall prepare and maintain a compliance assessment plan to the satisfaction of the CEO.
- 5-2 The proponent shall submit to the CEO, the compliance assessment plan required by condition 5-1 at least 6 months prior to the first compliance report required by condition 5-6. The compliance assessment plan shall indicate:
  - 1 the frequency of compliance reporting;
  - 2 the approach and timing of compliance assessments;
  - 3 the retention of compliance assessments;
  - 4 reporting of potential non-compliances and corrective actions taken;
  - 5 the table of contents of compliance reports; and
  - 6 public availability of compliance reports.
- 5-3 The proponent shall assess compliance with conditions in accordance with the compliance assessment plan required by condition 5-1.
- 5-4 The proponent shall retain reports of all compliance assessments described in the compliance assessment plan required by condition 5-1 and shall make those reports available when requested by the CEO.
- 5-5 The proponent shall advise the CEO of any potential non-compliance as soon as practicable.
- 5-6 The proponent shall submit a compliance assessment report annually from the date of amendment of this condition by Ministerial Statement 783 addressing the previous twelve month period or other period as agreed by the CEO. The compliance assessment report shall:

- 1 be endorsed by the proponent's Managing Director or a person, approved in writing by the Department of Environment and Conservation, delegated to sign on the Managing Director's behalf;
- 2 include a statement as to whether the proponent has complied with the conditions;
- 3 identify all potential non-compliances and describe corrective and preventative actions taken;
- 4 be made publicly available in accordance with the approved compliance assessment plan; and
- 5 indicate any proposed changes to the compliance assessment plan required by condition 5-1."

#### **4 Condition 6 replaced**

Condition 6 of Statement No. 559 is deleted and replaced with the following:

##### **"6 Dust control - Health, Hygiene and Environmental Management Program**

6-1 The proponent shall ensure that lead carbonate concentrate (other than minor quantities removed for product testing purposes) which is to be removed from the mine-site is dealt with only in accordance with the following procedures:

1. Prior to being removed from the mine-site, lead carbonate concentrate shall be:
  - a. placed into double laminated water-proof and sieve proof bags which are sealed so as to prevent the release of lead carbonate concentrate from the bag;
  - b. all visible dust shall be removed from the exterior of the bags before they are placed in a clean shipping container which when loaded is locked, so that the only material containing lead carbonate is in sealed bags within the container when the container leaves the mine-site.
2. The locked shipping containers shall be transported by road to a designated secured storage area in Leonora and then by rail from Leonora to Fremantle Port where they will be stored prior to being loaded onto vessels for export.
3. Unless required by a public official or public authority acting with lawful authority or an auditor engaged under condition 10-1(3), the shipping containers shall be kept locked and the seals on the bags shall not be broken between the time when the shipping container leaves the mine-site and the time it is removed from the State.
4. The moisture content of the lead carbonate concentrate in the sealed bags shall be at least 7.5% at all times between the time when the shipping container leaves the mine-site and the time it is removed from the State.

5. At all times after they are loaded with sealed bags of lead carbonate concentrate, the shipping containers shall only be lifted by top-lifting machines.
  6. All bags shall be inspected by an auditor engaged under condition 10 after they are sealed and before they are loaded into a shipping container, and all shipping containers shall be inspected by an auditor engaged under condition 10 before being removed from the mine-site.
- 6-2 Prior to removing shipping containers of lead carbonate concentrate from the mine-site at any time after 1 January 2009, the proponent shall prepare a Health, Hygiene and Environmental Management Program to the requirements of the Minister for Environment on advice of the CEO, the Department of Health and the Department of Mines and Petroleum.

This Health, Hygiene and Environmental Management Program shall make provision for the following matters in a manner which is consistent with the requirements of condition 6-1:

1. document standards, guidelines and codes of practice relating to the management of lead carbonate concentrate;
  2. detail the education and training of the workforce so as to minimise exposure of personnel and to identify areas of risk for lead carbonate exposure;
  3. detail rules and procedures to be applied in mining, processing and storage areas at the Wiluna mine-site to minimise disturbance of lead carbonate concentrate and to ensure that release to the environment is minimised;
  4. detail the process which will be applied to ensure ongoing assessment of the risk of lead carbonate contamination, including environmental biological monitoring to evaluate the environmental and health risks and determine appropriate control measures;
  5. review the existing storage and ship loading facilities at the Port, which is to be conducted by the proponent, prior to the existing facilities being used for lead carbonate concentrate, including
    - a. equipment to be used;
    - b. procedures and monitoring programs to identify potential pathways for lead carbonate concentrate to enter the environment; and
    - c. where equipment, management or revised procedures are found to pose a risk to the safe storage and ship loading of the lead carbonate concentrate, additional equipment, management or revised procedures are to be identified and acquired or implemented.
  6. detail rules and procedures to be applied for the packaging and transport of the lead carbonate concentrate from the mine-site through to export from the Port, including the use of top-loading machines for the transport of the shipping containers.
- 6-3 The proponent shall implement the Health, Hygiene and Environmental Management Program required by condition 6-2.

- 6-4 Revisions to the Health, Hygiene and Environmental Management Program may be approved by the Minister for Environment on advice of the CEO, the Department of Health and the Department of Mines and Petroleum.
- 6-5 The proponent shall implement revisions of the Health, Hygiene and Environmental Management Program required by condition 6-4.”

## **5 Condition 7-2 amended**

Condition 7-2 of Statement No. 559 is amended by:

- a. deleting “the” after the words “Minister for”; and
- b. deleting “Department of Environmental Protection” and inserting “CEO”.

## **6 Conditions 9 to 14 inserted**

The following conditions are inserted after condition 8 in Statement No. 559:

### **“9 Health, Hygiene and Environmental Monitoring Program**

- 9-1 Prior to removing shipping containers of lead carbonate concentrate from the mine-site at any time after 1 January 2009, the proponent shall prepare a Health, Hygiene and Environmental Monitoring Program to the requirements of the Minister for Environment on advice of the CEO, the Department of Health, and the Department of Mines and Petroleum.

This Health, Hygiene and Environmental Monitoring Program shall:

1. detail the baseline and periodic (maximum interval of 12 months) soil sampling program along the transport route, at the Leonora storage area and at the Port;
  2. detail and address the monitoring of air-borne lead dust around the bagging machine and in the concentrate storage shed;
  3. detail the monitoring of fixed soil sampling, dust deposition and air quality sampling sites and shall include, but not be limited to, having monitoring sites located within the port and adjacent to the transport route so as to provide an early warning of any fugitive dust; and
  4. detail the monitoring of lead in the port marine environment.
- 9-2 The proponent shall implement the Health, Hygiene and Environmental Monitoring Program required by condition 9-1
- 9-3 Revisions to the Health, Hygiene and Environmental Monitoring Program may be approved by the Minister for Environment on advice of the CEO, the Department of Health, and the Department of Mines and Petroleum.
- 9-4 The proponent shall implement revisions of the Health, Hygiene and Environmental Monitoring Program required by condition 9-3.

## **10 Accredited auditor**

- 10-1 Prior to removing shipping containers of lead carbonate concentrate from the mine-site at any time after 1 January 2009, the proponent is to engage the services of, and provide necessary funding for, an independent auditor accredited by an appropriate national body, to be approved by the Minister for Environment on the advice of the CEO. The auditor is to be engaged and funded to undertake the following in an independent manner:
1. Auditing the processes for the packaging and transport of the lead carbonate concentrate from the mine-site through to export from the Port, including the use of top-loading machines for the transport of the shipping containers;
  2. Inspecting all bags of lead carbonate concentrate after they are sealed, prior to and after they are loaded into shipping containers, and inspecting all shipping containers after they are loaded and locked and prior to their removal from the mine-site for the presence of material containing lead carbonate outside the sealed bags;
  3. Carry out random dust monitoring inside shipping containers, by selecting containers at random, without the knowledge of the proponent, and place dust monitors inside those containers prior to their removal from the mine-site, removing the monitors at the port to test for the presence of lead carbonate dust;
  4. Immediately reporting any findings to the CEO and the proponent of material containing lead carbonate outside the sealed bags after a shipping container is removed from the mine-site; and
  5. Reporting the findings of the inspections, auditing and monitoring to the reference group referred to in Condition 11-1.
- 10-2 Prior to removing shipping containers of lead carbonate concentrate from the mine-site at any time after 1 January 2009, the proponent shall, in consultation with the Department of Environment and Conservation, the Department of Health, and the Department of Mines and Petroleum, establish and document the detailed roles and responsibilities of the auditor engaged under condition 10.

## **11 Public reporting of outcomes of auditing and monitoring**

- 11-1 The proponent is to ensure that an auditor engaged under Condition 10 reports the findings of the inspections, auditing and monitoring, in the first instance, to an appropriate reference group with relevant community representation, as determined by the Minister for Environment, and make publicly available immediately thereafter. Until otherwise determined by the Minister, the reference group shall be the Fremantle Ports Inner Harbour Community Liaison Group established by the Fremantle Port Authority.
- 11-2 The proponent shall report all findings of the Health, Hygiene and Environmental Monitoring Program to the reference group referred to in Condition 11-1 at least once every calendar year.

## **12 Emergency Response Plan**

- 12-1 In the event that material containing lead carbonate is released from a shipping container into the environment at any point between the time the shipping container leaves the mine-site and the time it is removed from the State, the proponent shall ensure that all lead carbonate is removed from the affected environment.
- 12-2 Prior to removing shipping containers of lead carbonate concentrate from the mine-site at any time after 1 January 2009, the proponent shall develop a detailed Emergency Response Plan, to the requirements of the Minister for Environment on advice of the CEO, Fire and Emergency Service Authority, the Port Authority and relevant Local Governments. The Emergency response Plan shall include:
1. emergency response procedures to respond to the release of material containing lead carbonate from the shipping containers at any point between the time the shipping container leaves the mine site and the time it is removed from the State;
  2. emergency response procedures to respond to the release of material containing lead carbonate from the sealed bags into the shipping container at any point between the time the shipping container leaves the mine site and the time it is removed from the State;
  3. post-incident clean-up sampling to determine the effectiveness of the clean-up;
  4. procedures for reporting to the Department of Environment and Conservation and the relevant Local Government Authority.
- 12-3 The proponent shall implement the Emergency Response Plan required by condition 12-2.
- 12-4 Revisions to the Emergency Response Plan may be approved by the Minister for Environment on advice of the CEO, Fire and Emergency Service Authority, the Port Authority and relevant Local Governments.
- 12-5 The proponent shall implement revisions of the Emergency Response Plan required by condition 12-4.

## **13 Performance review**

- 13-1 Within 21 months of the first removal of shipping containers of lead carbonate concentrate from the mine-site after 1 January 2009 the proponent shall report to the Minister for Environment and the reference group referred to in Condition 11 on the following matters as they relate to the period ending 18 months after that first removal of shipping containers:
1. Report any non-compliance with conditions 6, 9, 10 and 12;
  2. Describe the causes of any non-compliance with those conditions;
  3. Describe the additional measures that have been put in place to ensure compliance;

4. Report the number of incidents of the presence of dust containing lead carbonate and those that can be attributed to the proponent's activities; and
5. Review the Health, Hygiene and Environmental Monitoring Program and suggestions for changes.

#### **14 Financial assurance**

- 14-1 As security for the due and punctual observance and performance by the proponent of the requirements of conditions 6-1 and 12-1, the proponent shall, prior to removing shipping containers of lead carbonate concentrate from the mine-site at any time after 1 January 2009, provide to the CEO, to be replaced every five years in accordance with 14-2, a financial assurance for the benefit of both the Minister and the CEO and which is in the form of an unconditional and irrevocable bank guarantee, from a guarantor acceptable to the CEO and in a form acceptable to the CEO, in the amount specified in condition 14-2.
- 14-2 The financial assurance shall be for an initial amount of AU\$5 million and shall be substituted every five years after the provision of the first guarantee with the fixed initial amount of each successive guarantee being indexed to inflation (being the Consumer Price Index, Perth).
- 14-3 In the event that the guarantor referred to in condition 14-1 terminates its liability under the bank guarantee by paying to the Minister or the CEO the balance of the financial assurance remaining unpaid, the CEO will hold the financial assurance (being the amount paid by the guarantor upon termination), as security for the due and punctual observance and performance by the proponent of the requirements of conditions 6-1 and 12-1, in an interest bearing account nominated by the CEO, with the interest accruing for the benefit of the Minister or the CEO.
- 14-4 The financial assurance may be called on or used in accordance with section 86E of the *Environmental Protection Act 1986* if the proponent fails to implement the proposal in accordance with conditions 6-1 or 12-1.
- 14-5 The financial assurance shall be discharged by the CEO and the Minister when the CEO has given the proponent written notice pursuant to section 86F(1) of the *Environmental Protection Act 1986*.

#### **15 Definitions**

In these conditions:

“mine-site” means the boundaries of mining tenement number(s) M53/502, M53/503, M53/504.”

#### **7 Notes deleted**

The notes after condition 8 in Statement No. 559 are deleted.

#### **8 Commitments 13 and 14 deleted**

Commitments 13 and 14 of the proponents commitments table are deleted.

## **9 Schedule 1 replaced**

Schedule 1 of Statement No. 559 is, by decision of the Environmental Protection Authority under section 45C of the Act dated 27 January 2009, deleted and replaced with:

### **“Schedule 1 (Revised)**

#### **The Proposal (Assessment No. 1262, 1690 and 1773)**

The development of an open-cut mine, waste rock dump, tailings storage facilities, associated infrastructure, and processing facilities approximately 30 kilometres west of Wiluna.

Lead concentrate produced at the mine will be contained in sealed bulk bags with a double-laminated wall within locked steel shipping containers and transported by road to Leonora and then by rail to the Port of Fremantle, where it will be exported.

A gas-fired power station and accommodation camp are constructed to service the mine-site.

The mining operations are being supplied with water from a borefield south-east of the mine.

The general arrangement of the mine and process facilities and a number of monitoring sites are documented in Figures 1, 2 and 3 (as attached to Statement No. 559).

The key proposal characteristics are presented in Table 1.

**Table 1: Key Proposal Characteristics Table.**

<b>Project characteristic</b>	<b>Quantities/Description</b>
Life of the project (mine production)	Up to 10 years
Size of ore body	Not more than 8.2 million tonnes
Depth of mine pit	Not more than 50 metres
Area of disturbance (including access)	Not more than 320 hectares
Major components: <ul style="list-style-type: none"> <li>• Open pit</li> <li>• Waste dumps</li> <li>• Infrastructure (plant site water supply, roads, accommodation camp, etc)</li> <li>• Tailings storage facilities</li> </ul> <b>TOTAL AREA</b>	55 hectares 138 hectares 57 hectares 70 hectares 320 hectares
Tailings storage facility (2 cells)	Combined total capacity of 4 million tonnes
Ore mining rate	1 million tonnes per year (maximum)
Solid waste materials	2.4 million tonnes per year (maximum)
Water supply: <ul style="list-style-type: none"> <li>• Source</li> <li>• Maximum hourly requirement</li> <li>• Maximum annual requirement</li> </ul>	Calcrete and chert aquifers southeast of the mine site 170 kilolitres per hour 1.5 million kilolitres per annum
Lead concentrate transport	Road to Leonora and then rail to the Port of Fremantle in sealed bulk bags within locked steel shipping containers.
Power generation	Natural gas – up to 139 terra joules per annum
Fuel storage: <ul style="list-style-type: none"> <li>• Capacity</li> <li>• Quantity used</li> </ul>	50 kilolitres of storage 1.8 million litres per year (approximately)”

[SIGNED 2 FEBRUARY 2009]

Hon Donna Faragher JP MLC  
**MINISTER FOR ENVIRONMENT; YOUTH**