



## EPBC 2017/8099 Annual Compliance Report 2020

Albemarle Lithium Hydroxide Manufacturing Plant, Kemerton WA

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Document No.:

**P-74211-0000-BA00-RPT-0275**

Rev.	Date	Status	Prepared By	Reviewed By	HSE Approval	Operations Approval	VP Engineering Approval
B	06-May-21	Draft	N. Croston	R. Srdarev	J. Day	C. Harkin	E. Berends
0	11-May-21	IFU	N. Croston	R. Srdarev	J. Day	C. Harkin	E. Berends

### Declaration of accuracy

In making this declaration, I am aware that sections 490 and 491 of the *Environment Protection and Biodiversity Conservation Act 1999* (Cth) (EPBC Act) make it an offence in certain circumstances to knowingly provide false or misleading information or documents. The offence is punishable on conviction by imprisonment or a fine, or both. I declare that all the information and documentation supporting this compliance report is true and correct in every particular. I am authorised to bind the approval holder to this declaration and that I have no knowledge of that authorisation being revoked at the time of making this declaration.

Signed	
Full name (please print)	Edwin Berends
Position (please print)	VP Engineering - Kemerton Project Director
Organisation (please print including ABN/ACN if applicable)	Albemarle Lithium Pty Ltd. ACN 618 095 471
Date	

## EXECUTIVE SUMMARY

This Compliance Report has been prepared by KASA Consulting on behalf of Albemarle Lithium Pty Ltd (ACN 618 095 471). The purpose of this Compliance Report is to satisfy the requirements of Condition 10 of *Environmental Protection and Biodiversity Conservation Act 1999* (EPBC Act) approval (EPBC 2017/8099) for the Albemarle Lithium Hydroxide Manufacturing Plant Project (the Project).

The approved action is to construct and operate a lithium hydroxide product manufacturing plant located in Kemerton Strategic Industrial Area, approximately 17 km north-east of Bunbury, Western Australia. The Project commenced in January 2019. This report covers the period from 2<sup>nd</sup> January 2020 – 1<sup>st</sup> January 2021.

A review of the project compliance against the conditions of EPBC 2017/8099 determined that one condition was non-compliant: Condition 10. This Condition relates to reporting and the identified technical non-compliance was administrative in nature and did not result in environmental harm.

To address the identified non-compliance DAWE requested that an Annual Compliance Report (ACR) for the period 2<sup>nd</sup> January 2020 – 1<sup>st</sup> January 2021 be prepared in accordance with the Annual Compliance Report Guidelines (DoE, 2014), to be submitted before the 22 May 2021. DAWE specified that no action will be taken regarding the initial failure to submit the ACR within 60 days. Submission of this report closes the corrective action raised to address the non-compliance.

## GLOSSARY

Term	Definition
ACN	Australian Company Number
ACR	Annual Compliance Report
DAWE	Department of Agriculture, Water and the Environment
DoEE	Department of the Environment and Energy
DRF	Declared Rare Flora
EP Act	<i>Environmental Protection Act 1986</i>
EPA	Environmental Protection Authority
EPBC Act	<i>Environment Protection and Biodiversity Conservation Act 1999</i>
GHG	Greenhouse Gas
Ha	Hectare
KSIA	Kemerton Strategic Industrial Area
LiOH	Lithium Hydroxide
MS-1085	Ministerial Statement 1085
NC	Non-compliance
NPI	Non-Process Infrastructure
PMP	Photographic Monitoring Point
SWIS	South West Interconnected System
The Project	Albemarle Lithium Hydroxide Manufacturing Plant Project
WMP	Water Management Plan

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## 1 DESCRIPTION OF ACTIVITIES

### 1.1 Purpose of Report

This Annual Compliance Report (ACR) has been prepared by KASA Consulting on behalf of Albemarle Lithium Pty Ltd (ACN 618 095 471). The purpose of this Compliance Report is to satisfy the requirements of Condition 10 of *Environmental Protection and Biodiversity Conservation Act 1999* (EPBC Act) approval EPBC 2017/8099 for the Albemarle Lithium Hydroxide Manufacturing Plant Project (the Project).

The approved action is to construct and operate a lithium hydroxide product manufacturing plant located in Kemerton Strategic Industrial Area, approximately 17 km north-east of Bunbury, Western Australia. The Project commenced in January 2019.

This ACR has been prepared to meet the requirements imposed on the Project by the Commonwealth Minister for Environment, through EPBC 2017/8099. Condition 10 of EPBC 2017/8099 specifically states:

*The approval holder must prepare a compliance report for each 12 month period following the date of commencement of the action, or as otherwise agreed to in writing by the Minister. The approval holder must:*

- a. publish each compliance report on the website within 60 business days following the relevant 12 month period;*
- b. notify the Department by email that a compliance report has been published on the website within five business days of the date of publication;*
- c. keep all compliance reports publicly available on the website until this approval expires;*
- d. exclude or redact sensitive ecological data from compliance reports published on the website; and*
- e. where any sensitive ecological data has been excluded from the version published, submit the full compliance report to the Department within 5 business days of publication.*

This ACR provides the status of compliance against all audit elements prescribed under EPBC 2017/8099 as well as an assessment of how implementation of the environmental management plans has met defined environmental objectives during the reporting period 2 January 2020 through 1 January 2021.

### 1.2 Report Structure

This ACR has been prepared in accordance with the former Department of Environment and Energy (DoEE) (now Department of Agriculture, Water and the Environmental (DAWE)) Annual Compliance Report Guidelines, 2014.

### 1.3 Project Details

The Kemerton Lithium Hydroxide Plant (the Project) proposal is for the construction and operation of a lithium hydroxide manufacturing plant, and associated infrastructure, within the Kemerton Strategic Industrial Area (KSIA), approximately 17 kms north-east of Bunbury, WA (Figure 1-1: Project Site Regional Location).

The Kemerton Lithium Hydroxide Plant is designed to process up to 1 million tonnes of spodumene ore concentrate, sourced from the Talison Greenbushes Operation. The ore concentrate will be processed within up to five lithium hydroxide product process trains, which are proposed to be brought online one at a time as production increases. These process trains operate using a combination of pyrometallurgical and hydrometallurgical operations to produce lithium hydroxide product and sodium sulfate by-product.

The lithium hydroxide product will be transported 155 km by road to the Port of Fremantle for export. Sodium sulfate by-product will also be transported by road to either Fremantle or Bunbury for export. Tailings will be transported by road to be disposed of at an approved facility, which remains outside the scope of this report.

Figure 1-1: Project Site Regional Location



## 2 SUMMARY OF PROPOSAL'S IMPLEMENTATION STATUS

### 2.1 Project Milestones

The Project was environmentally assessed and approved by DoEE (now DAWE) under sections 130(1) and 133(1) of the EPBC Act and under Part IV of the Western Australian *Environmental Protection Act 1986* (EP Act) by the Environmental Protection Authority (EPA). A summary of Environmental approvals issued is provided in Table 2-1 below.

**Table 2-1: Summary of Key Environmental Approvals History**

Jurisdiction	Instrument	Description	Date
Federal	EPBC 2017/8099	Granted approval for action to construct and operate a lithium hydroxide manufacturing plant	26 November 2018
State	Ministerial Statement (MS) - 1085	Gained environmental approval, Part IV, EP Act.	26 October 2018
State	Works Approval W6154/2018/1	Granted to the Works Approval Holder, subject to the prescribed conditions.	16 November 2018

#### 2.1.1 Notice of Substantial Commencement

Construction commenced on 2<sup>nd</sup> January 2019 and has progressed in accordance with the defined program.

### 2.2 Project Components

Non-Process Infrastructure (NPI) buildings comprise of a laboratory, site operations building, mess building, emergency building, wellness centre and gate houses. The processing plant comprises of five lithium hydroxide conversion trains that incorporate the following main areas:

- Spodumene delivery and stockpiling.
- Calcinating, acidifying and storage of acidified ore area.
- Leaching, purification, filtration and tailings collection area.
- Reactants delivery and storage area.
- Causticizing, and Sodium Sulphate Decahydrate crystallisation.
- Crude Lithium Hydroxide (LiOH) evaporation and crystallisation.
- Pure LiOH evaporation and crystallisation.
- Lithium hydroxide monohydrate drying, packaging and storage.
- Anhydrous sodium sulphate crystallisation – Li removal.
- Sodium sulphate drying, packaging and storage.
- Potassium collection building.
- Service plant and buildings including, boilers, cooling towers, raw and RO water, and air compressor building.
- Engineering Workshop/Warehouse and diesel tanks.

### 2.3 Project Issues

No major project issues that would have had a potential impact on environmental performance occurred during the reporting period.

Albemarle is currently constructing two of the five Kemerton lithium hydroxide trains. The two trains are currently scheduled to be commissioned in stages, with commissioning of the first train starting in the first half of 2021. The timing of the remaining three trains will be based on market demand.

Albemarle entered into the MARBL Lithium Operations joint venture with Mineral Resources Limited, which included sale of 40% interest in part of the Kemerton lithium hydroxide facility. Albemarle will continue to complete construction of the Kemerton lithium hydroxide facility and will then hand it over to MARBL Lithium Operations to operate.

Albemarle has explored various power supply options and is currently seeking approval to connect to the South West Interconnected System (SWIS). The plant will require an initial 29 MW capacity for two trains. As more trains are brought online and as production increases the power requirement of the Kemerton Plant will reach up to 60MW.

A Section 45C of the Western Australian *Environmental Protection Act, 1986* was submitted to the EPA on 17 October 2019 to address the following proposed changes to MS-1085:

- Reduce the authorised extent of clearing by 5.51 ha (5.33 ha of native vegetation and 0.18 ha of regenerated farmland).
- Reduce the size of the Development Envelope by 5.51 hectares (ha).
- Replace Figure 1-1 of Schedule 1 of MS-1085 to reflect the reduced size of the Development Envelope.
- Include construction and operation of a power station.

An application has also been submitted under Section 46 of the EP Act on 17<sup>th</sup> October 2019 to revise Condition 10-1 and Condition 10-2 (1) of MS-1085 and reflect the changes presented in the Section 45C application.

### 3 STATEMENT OF COMPLIANCE

Table 3-1 presents the compliance status of applicable Conditions prescribed in EPBC 2017/8099. Refer to Appendix A for the Statement of Compliance for MS-1085 Conditions referred to in the EPBC approval.

One administrative non-compliance with EPBC 2017/8099 was identified (by DAWE) during the current reporting period, against Condition 10. This concerned the content of the submitted 2020 Compliance Report not reflecting the requirements of the Annual Compliance Report Guidelines (DoE, 2014). The corrective action to address this non-compliance is to submit this report by 22 May 2021.

In relation to assessing conformance to approved management plan commitments, the following approach has been taken. Where a particular aspect of a management plan has not been demonstrated to be fully implemented, the management plan conditions and commitments are considered to have been complied with if sufficient evidence exists to demonstrate:

- The overall environmental objectives for that factor have been met.
- The management plan had otherwise been substantially implemented.
- Non-compliant items do not present a significant environmental risk and corrective actions have been initiated.

#### 3.1 Designations to Record Compliance

For the purposes of this report, compliance classifications were in accordance with Annual Compliance Report Guidelines (2014). The definitions of each status are as follows:

- Compliant – ‘Compliance’ is achieved when all the requirements of a condition have been met, including the implementation of management plans or other measures required by those conditions.
- Non-compliant – A designation of ‘non-compliance’ should be given where the requirements of a condition or elements of a condition, including the implementation of management plans and other measures, have not been met.
- Not applicable - A designation of ‘not applicable’ should be given where the requirements of a condition or elements of a condition fall outside of the scope of the current reporting period. For example, a condition which applies to an activity that has not yet commenced.

#### 3.2 Environmental Management Plans

This ACR presents a summary of how each management plan objective has been addressed and is supported by documentary evidence and data in the appended electronic evidence. The status of objectives for the Albemarle Operational Environmental Management Plans are listed below in Table 3-2.

**Table 3-1: Audit Findings – EPBC Approval 2017/8099 – Conditions**

Condition Number	Subject	Condition	Evidence/Comments	Status
1	Vegetation	For the protection of the protected matters, the approval holder must not clear more than 54.31 hectares of native vegetation and 33.39 ha of pine plantation within the project area.	Extent of clearing was 48.8 ha of native vegetation and 33.39 ha of pine plantation. Post clearing survey map provided by BGC Contracting. Cleared area coordinates confirmed by Wood personnel as complying with designated clearing boundaries (email: Post Clearing Survey 11/06/2019 from Kristina Chandra to Quyen Dao).	Compliant
2	Vegetation	To mitigate the impacts of the action to the protected matters, the approval holder must comply with and implement conditions 6-1 to 6-6 and 7-1 to 7-6 of Ministerial Statement 1085.	See findings for conditions 6-1 to 6-6 and 7-1 to 7-6 of Ministerial Statement 1085 in Appendix A.	Compliant
3	Offsets	To offset the impacts of the action to the protected matters, the approval holder must:	See below	
3a	Offsets	a. implement conditions 10-1 to 10-5 of Ministerial Statement 1085	The Offset Strategy is undergoing assessment by the regulator and will not be implemented prior to approval. Status of implementation of MS 1085 Conditions 10-1 to 10-5 detailed in Appendix A.	Not applicable
3b	Offsets	b. within 20 business days of finalizing the Offset Strategy required by conditions 10-1 to 10-5 of Ministerial Statement 1085, provide the Department with the offset attributes and a shapefile for the offset area required by condition 3a.	The Offset Strategy is dated 25th June 2020. Email sighted from DAWE (Assessment Officer Connor Skeels) dated 15 July acknowledging receipt of Offset Strategy from Preston Consulting.	Compliant
3c	Offsets	c. Within 20 business days of securing the offset area under a protection mechanism, as required by condition 10-2(4) of Ministerial Statement 1085, provide the Department with the final offset attributes and a final shapefile for the secured offset area.	Offset area not yet secured. The subdivision application for the offset area has been logged with the Department of Planning (confirmed by email from Development WA, Simon Thompson 17-11-20). Still awaiting decision (March 2021).	Not applicable

Condition Number	Subject	Condition	Evidence/Comments	Status
4	Reporting	The approval holder must:	See 4a – 4d comments below	
4a	Reporting	a. notify the Department in writing of any proposed changes to the conditions of the Ministerial Statement 1085 no later than 2 business days after the approval holder: i. proposes such a change in writing; or ii. becomes aware of a proposal for such a change.	A s46 application was submitted to EPA Services, dated 26 Oct 2019, to revise Condition 10-1 and Condition 10-2 (1) of MS-1085 and reflect the changes presented in the Section 45c application. Letter to DoEE dated 28 Oct 2019 notifying them of the proposed change and email submission sighted; dated 26 Oct 2019. Still awaiting decision from EPA (March 2021).	Compliant
4b	Reporting	b. publish each management plan/offset strategy provided for under conditions 2 and 3 on the approval holder's website within 20 business days of the date the management plan/offset strategy is approved by the Western Australian Government	FVMMP and Water MP available on the Albemarle website. Letter from DBCA dated 19 August 2020 acknowledges receipt of Offset Strategy; however, no formal approval provided. DBCA letter specifies formal reservation of areas within KSIA under the CALM Act may not be feasible. The Offset Strategy is not published on Albemarle's website as it has not been formally approved.	Compliant
4c	Reporting	c. keep management plans and offset strategy published on the approval holder's website until at least the end date of this approval	See 4b comment above.	Compliant
4d	Reporting	d. exclude or redact sensitive ecological data from management plans/offset strategy published on the website or provided to a member of the public.	Ecological data in management plans not considered sensitive.	Not applicable
5	Reporting	The approval holder must notify the Department in writing of the date of commencement of the action within 10 business days after the date of commencement of the action.	Letter from DOEE dated January 2019 (reference 2017/8099) acknowledging email notification (10 January 2019) from Albemarle of commencement of action on 2 January 2019.	Compliant
6	Stakeholder	If the commencement of the action does not occur within 5 years from the date of this approval, then the approval holder must not commence the action without the prior written agreement of the Minister.	Action has commenced therefore condition not applicable.	Not applicable

Condition Number	Subject	Condition	Evidence/Comments	Status
7	Records	The approval holder must maintain accurate and complete compliance records	At the time of the audit sampled records were readily available, well maintained and accurate.	Compliant
8	Records	If the Department makes a request in writing, the approval holder must provide electronic copies of compliance records to the Department within the timeframe specified in the request.	No formal written request for records sighted.	Not applicable
9	Records	The approval holder must ensure that any monitoring data (including sensitive ecological data), surveys, maps, and other spatial and metadata required under conditions of this approval, is prepared in accordance with the Department's Guidelines for biological survey and mapped data (2018) and submitted electronically to the Department within three months of the submission of the compliance report.	Monitoring data has been made available via an electronic link in the 2020 MS 1085 Compliance Report appendix (published on Albemarle website).	Compliant
10	Reporting	The approval holder must prepare a compliance report for each 12 month period following the date of commencement of the action, or as otherwise agreed to in writing by the Minister. The approval holder must: <ul style="list-style-type: none"> <li>a. publish each compliance report on the website within 60 business days following the relevant 12 month period;</li> <li>b. notify the Department by email that a compliance report has been published on the website within five business days of the date of publication;</li> <li>c. keep all compliance reports publicly available on the website until this approval expires;</li> <li>d. exclude or redact sensitive ecological data from compliance reports published on the website; and</li> <li>e. where any sensitive ecological data has been excluded from the version published, submit the full compliance report to the Department within 5 business days of publication.</li> </ul>	Transmittal sighted demonstrating 2021 Annual Compliance Assessment Report submitted to DWER on 22 January 2021; and was published on the Albemarle website on 13 May 2020. This was initially understood to satisfy the requirements of the EPBC approval regarding submission of an ACR; however, subsequent correspondence has identified that a separate ACR is required by DAWE. Additionally, no evidence was sighted of DAWE being notified that the report had been made available on the company's website. Correspondence from DAWE has requested an ACR for the period 2nd January 2020 - 1st January 2021 is prepared in accordance with Commonwealth Guidelines and is submitted before the 22 May 2021. DAWE specified that no action will be taken regarding the failure to submit the ACR within 60 days.	Non-compliant

Condition Number	Subject	Condition	Evidence/Comments	Status
11	Reporting	The approval holder must notify the Department in writing of any: incident; non-compliance with the conditions; or non-compliance with the commitments made in plans. The notification must be given as soon as practicable, and no later than two business days after becoming aware of the incident or non-compliance. The notification must specify: a. the condition which is or may be in breach; and b. a short description of the incident and/or non-compliance.	No incidents or non-compliances with conditions or commitments have occurred to date; with the exception of the administrative non-compliance against Condition 10 (above), which was identified by the Department.	Not applicable
12	Reporting	The approval holder must provide to the Department the details of any incident or non-compliance with the conditions or commitments made in plans as soon as practicable and no later than 10 business days after becoming aware of the incident or non-compliance, specifying: a. any corrective action or investigation which the approval holder has already taken or intends to take in the immediate future; b. the potential impacts of the incident or non-compliance; and c. the method and timing of any remedial action that will be undertaken by the approval holder.	No incidents or non-compliances with conditions or commitments have occurred to date, with the exception of the administrative non-compliance against Condition 10 (above), which was identified by the Department. The Department specified the corrective action, which requires Albemarle to submit the Compliance Report by 22 May 2021.	Not applicable
13	Auditing	The approval holder must ensure that independent audits of compliance with the conditions are conducted as requested in writing by the Minister.	No audits have been requested by the Minister to date; however, independent internal quarterly audits are conducted by KASA Consulting on behalf of Albemarle.	Not applicable

Condition Number	Subject	Condition	Evidence/Comments	Status
14	Auditing	For each independent audit, the approval holder must: a. provide the name and qualifications of the independent auditor and the draft audit criteria to the Department; b. only commence the independent audit once the audit criteria have been approved in writing by the Department; and c. submit an audit report to the Department within the timeframe specified in the approved audit criteria.	No audits have been requested by the Minister to date.	Not applicable
15	Auditing	The approval holder must publish the audit report on the website within 10 business days of receiving the Department's approval of the audit report and keep the audit report published on the website until the end date of this approval.	No audits have been requested by the Minister to date.	Not applicable
16	Reporting	Within 30 days after the completion of the action, the approval holder must notify the Department in writing and provide completion data. NOTE: Completion data means an environmental report and spatial data information clearly detailing how the conditions of this approval have been met. The Department's preferred spatial data format is shapefile.	The action is not yet complete.	Not applicable

**Table 3-2: Environmental Management Plans Objective's Status**

EMP	Subject	Key Objectives	Target	Status	Comments
FVMMP	Orchids	Avoid indirect impact to known threatened orchid species	No reportable decline of nearby Endangered/ Declared Rare Flora (DRF) <i>Drakaea elastica</i> individuals or habitat, attributable to the Project	<b>Compliant</b>	Annual vegetation survey undertaken 11-13 August 2020. The survey report (GHD, 2020) identified no reportable decline of nearby Endangered/ Declared Rare Flora (DRF) <i>Drakaea elastica</i> individuals or habitat, attributable to the Project during the reporting period.
FVMMP	TEC/PEC	Avoid indirect impact to vegetation and flora ( <i>Banksia</i> Woodland TEC / Low lying <i>Banksia attenuata</i> woodlands or shrublands PEC) outside of the Development Envelope.	No reportable decline to adjacent areas representative of the <i>Banksia</i> Woodlands of the Swan Coastal Plain TEC/ Low lying <i>Banksia attenuata</i> woodlands or shrublands PEC, attributable to the Project. No incidents of fire originating within, and spreading outside of, the Development Envelope.	<b>Compliant</b>	Monitoring of the <i>Banksia</i> Woodland TEC undertaken in August 2020 compared the vegetation condition, species richness and species density at permanently established transects and Photographic Monitoring Points (PMPs). The survey report (GHD, 2020) identified no statistical differences ( $p > 0.5$ ) between species richness or species densities between the base survey in 2018 (GHD, 2018b) and the 2019 (GHD, 2019a) or 2020 surveys at any of the monitoring transects or control transects. A review of the project incident register confirmed no incidents of fire had been recorded within the development envelope.
FVMMP	Clearing	Avoid clearing or removal of vegetation and flora ( <i>Banksia</i> Woodland TEC / Low lying <i>Banksia attenuata</i> woodlands or shrublands PEC) outside of the Development Envelope.	No incidents of vegetation clearing outside of the approved Development Envelope.	<b>Compliant</b>	No clearing undertaken during the reporting period. No further clearing is anticipated at this stage.

EMP	Subject	Key Objectives	Target	Status	Comments
FVMMP	Weeds	Prevent introduction and/or spread of weeds into adjacent areas.	No new Declared Weeds or Weeds of National Significance within surrounding vegetation, attributable to the Project. No significant increase in weed cover within immediately adjacent vegetation, attributable to the Project.	<b>Compliant</b>	Quarterly weed surveys have identified no discernible changes in weedy grass or herb densities and new weed species during the reporting period. No occurrences of * <i>Gomphocarpus fruticosus</i> (Narrowleaf Cottonbush), a species listed as Declared Pest under the <i>Biosecurity and Agriculture Management Act 2007</i> have been recorded following identification and removal of two plants in 2019. All vehicles and mobile equipment coming to site are required to complete a hygiene inspection as per the Vehicles, Mobile Plant and Equipment procedure (Doc. No. 606541-7400-AA00-PRO-0011). Records of inspections sighted.
FVMMP	Dieback	Prevent introduction and/or spread of Dieback into adjacent areas.	No evidence of new Dieback infestation identified within immediately adjacent areas/vegetation resulting from the Project.	<b>Compliant</b>	Quarterly Phytophthora dieback surveys have identified no signs of new occurrences of Dieback infestations within the survey area.
Water MP	Water	To ensure that the quality and quantity of surface water and groundwater flows from the site are maintained relative to pre-development conditions, to protect the receiving environment.	To not exceed trigger values for process related analytes.	<b>Compliant</b>	Quarterly groundwater monitoring program in 2020 continued to identify numerous trigger level exceedances against the management plan Tier 1 trigger limits during the reporting period; however, Tier 2 assessments had been undertaken and all exceedances could be attributed to background concentrations that were not associated with site activities.

## 4 REFERENCES

- Ecoedge (2018). *Lot 42 Wellesley Road North, Kemerton Offset Site Study Repor*. Bunbury, Western Australia: Prepared for GHD on behalf of Albemarle, unpublished.
- GHD (2018a). *Flora and Vegetation Management Plan Rev.1; 30 November 2018*.
- GHD (2018b). *Banksia Woodland Threatened Ecological Community and Drakaea elastica Baseline Monitoring*. Unpublished report prepared for Albemarle Lithium Pty Ltd, Perth.
- GHD (2019a). *Banksia Woodland Threatened Ecological Community and Drakaea elastica First Year Monitoring (November 2019)*. Unpublished report prepared for Albemarle Lithium Pty Ltd, Perth.
- GHD (2020). *Banksia Woodland Threatened Ecological Community and Drakaea elastica Second Year Monitoring (November 2020)*. Unpublished report prepared for Albemarle Lithium Pty Ltd, Perth.
- Preston Consulting (2019). *Albemarle Kemerton Plant Offset Strategy – Ministerial Statement 1085*. Prepared for Albemarle (ALB-KEM-PLA-01) 24 October 2019.
- RPS (2020). *Annual Compliance Report for 2019 for Water Mangement Plan (EWP72723.008) Rev 0 (26 March 2020)*.

# APPENDICES

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Appendix A: MS 1085 Conditions – Compliance Status

Audit Code	Subject	Requirement	Evidence	Status
MS-1085: M6-1	Flora and vegetation	The proponent shall ensure that the construction and ongoing operation of the proposal is undertaken in a manner that avoids direct or indirect impacts to Threatened Flora and communities, including Glossy-leafed Hammer Orchid ( <i>Drakaea elastica</i> ), Dwarf Bee-orchid ( <i>Diuris micrantha</i> ), Dwarf Hammer-orchid ( <i>Drakaea micrantha</i> ), Banksia Woodlands of the Swan Coastal Plain and Low lying <i>Banksia attenuata</i> woodlands or shrublands outside of the Albemarle Development Envelope, as shown in Schedule 1.	Albemarle ensures avoidance of direct and indirect impacts to Threatened Flora and communities through implementation of the Albemarle Kemerton Plant Flora and Vegetation Management Plan. Monitoring of the Banksia Woodland TEC undertaken annually to compare the vegetation condition, species richness and species density at permanently established transects and Photographic Monitoring Points (PMPs). The most recent survey report from the August 2020 survey (GHD, 2020) identified no measurable or visual change in the vegetation condition of the monitoring or control transects, all ratings for each plot remain stable. Vegetation condition ranged from Very Good to Good condition, which was the same as the 2018 (GHD, 2018b) and 2019 (GHD, 2019a) surveys. No statistical differences ( $p > 0.5$ ) were detected between species richness or species density for years 2018, 2019 and 2020 at any of the monitoring transects or control transects.	Compliant
MS-1085: M6-2	Flora and vegetation	Prior to ground-disturbing activities or as otherwise agreed by the CEO, the proponent shall prepare and submit a Flora and Vegetation Monitoring and Management Plan (the Plan) to the CEO. The Plan shall: <ol style="list-style-type: none"> <li>when implemented, substantiate and ensure that condition 6-1 is being met;</li> <li>detail the proposed frequency, timing and indicative locations of Threatened Flora and Communities monitoring to be implemented during construction and operational phase of the Albemarle Plant;</li> <li>specify management actions for potential impacts including but not limited to those from weeds, <i>Phytophthora cinnamomi</i> (Dieback), increased fire risk and litter, and changes to surface water and groundwater regimes that will be implemented during construction and operations to ensure the management objective in condition 6-1 is achieved;</li> <li>specify trigger criteria that will trigger the implementation of contingency actions to prevent direct or indirect impacts to Threatened Flora and Communities outside of the Development Envelope; and</li> <li>specify management or contingency actions to be implemented in the event that the criteria identified required by condition 6-2(4) have been triggered.</li> </ol>	Flora and Vegetation Management Plan Rev.1; 30 November 2018 (GHD, 2018a) sighted (available on Albemarle website). Letter acknowledging receipt and satisfaction with the plan received from Anthony Sutton Executive Director of DWER on 3 Dec 2018 (ref. DWERA-001672).	Completed (Compliant)
MS-1085: M6-3	Flora and vegetation	In the event that the monitoring specified in the Plan indicates that the criteria specified in the Plan have been triggered, the proponent shall: <ol style="list-style-type: none"> <li>report such findings to the CEO within 21 days of the criteria being triggered;</li> <li>provide evidence to the CEO which allows for determination of the likely cause of the trigger criteria being reached and to identify any additional contingency actions required to prevent the criteria being triggered in the future; and</li> <li>if the triggering of the criteria is determined by the CEO to be a result of activities undertaken in implementing the proposal, immediately implement the management and/or contingency actions specified in the FVMMP and continue implementation of those actions until the trigger criteria are met, or until the CEO has confirmed by notice in writing that it</li> <li>has been demonstrated that the objective in condition 6-1 will continue to be met and implementation of the management and/or contingency actions is no longer required.</li> </ol>	The most recent survey report from the August 2020 survey (GHD, 2020) identified no measurable or visual change in the vegetation condition of the monitoring or control transects, all ratings for each plot remain stable and no criteria had been triggered.	Not applicable
MS-1085: M6-4	Flora and vegetation	The proponent may review and revise the FVMMP.	Approved Flora and Vegetation Management Plan Rev.1; 30 November 2018 (Wood, 2018a) current.	Not applicable
MS-1085: M6-5	Flora and vegetation	The proponent shall review and revise the FVMMP as and when directed by the CEO.	The CEO has not requested the Flora and Vegetation Monitoring and Management Plan be reviewed.	Not applicable

Audit Code	Subject	Requirement	Evidence	Status
MS-1085: M6-6	Flora and vegetation	The proponent shall implement the latest version of the FVMMP, which the CEO has confirmed by notice in writing, satisfies the requirements of condition 6-2.	The CEO confirmed the FVMMP satisfied the requirements of condition 6-2 in a letter dated 3 Dec 2018 (ref. DWERA-001672). Sighted records and monitoring reports (GHD 2019, GHD 2020) demonstrate the plan was being effectively implemented.	Compliant
MS-1085: M7-1	Water Management Plan	The proponent shall ensure that construction and ongoing operation of the proposal is undertaken in a manner that: <ul style="list-style-type: none"> <li>maintains the quality and quantity of off-site surface and groundwater, to the receiving environment including but not limited to the Threatened Orchid habitat.</li> </ul>	Monitoring undertaken in accordance with the Water Management Plan Rev.1, 4 December 2018. Summary of compliance provided in Annual Compliance Report 2019 for Water Management Plan (RPS, 2020).	Compliant
MS-1085: M7-2	Water Management Plan	Prior to ground-disturbing activities or as otherwise agreed by the CEO, the proponent shall prepare and submit a Water Management Plan to the CEO, on the advice of the Department of Water and Environmental Regulation. The Plan shall: <ol style="list-style-type: none"> <li>when implemented, substantiate and ensure that condition 7-1 is being met;</li> <li>specify management actions including but not limited to those from potential impacts from Acid Sulphate Soils, stormwater runoff and sedimentation) that will be implemented during construction and operations to ensure the management objective in condition 7-1 is achieved;</li> <li>detail the proposed frequency, timing and indicative locations of groundwater and surface water monitoring for potential contamination;</li> <li>specify trigger criteria that will trigger the implementation of contingency actions to prevent impacts to the receiving environment including Threatened Flora outside of the Development Envelope;</li> <li>specify management or contingency actions to be implemented in the event that the criteria identified required by condition 7-2(4) have been triggered.</li> </ol>	The Water Management Plan Rev.1, 4 December 2018.  Correspondence from DWER (ref DWERA-001671) specified the submitted WMP was considered to have met the requirements of condition 7 of MS-1085.	Completed (Compliant)
MS-1085: M7-3	Water Management Plan	In the event that the monitoring specified in the Plan indicates that the criteria specified in the Plan have been triggered, the proponent shall: <ol style="list-style-type: none"> <li>report such findings to the CEO within 21 days of the criteria being triggered;</li> <li>provide evidence to the CEO which allows for determination of the likely cause of the trigger criteria being reached and to identify any additional contingency actions required to prevent the criteria being triggered in the future; and</li> <li>if the triggering of the criteria is determined by the CEO to be a result of activities undertaken in implementing the proposal, immediately implement the management and/or contingency actions specified in the Plan and continue implementation of those actions until the trigger criteria are met, or until the CEO has confirmed by notice in writing that it has been demonstrated that the objective in condition 7-1 will continue to be met and implementation of the management and/or contingency actions is no longer required.</li> </ol>	Some elevated parameters were detected during 2019 and 2020 monitoring programs; however, the Annual Compliance Report 2019 for Water Management Plan (RPS, 2020) specified that all the exceedances identified through routine monitoring events were assessed and considered to be due to natural background variations; and therefore, criteria for notifying the CEO had not been triggered.  As per the approved Water Management Plan water quality data collected during the construction phase is required to further assess the baseline water quality at the site, particularly with regards to parameters that have not previously been monitored at the site but are related to potential operational phase impacts. The trigger values will be reviewed and set following the collection of a more significant baseline dataset prior to operations commencing.	Compliant
MS-1085: M7-4	Water Management Plan	The proponent may review and revise the Water Management Plan.	The Water Management Plan had not been updated in 2020.	Not applicable
MS-1085: M7-5	Water Management Plan	The proponent shall review and revise the Water Management Plan as and when directed by the CEO.	Albemarle is required to update the Water Management Plan prior to operations commencing.	Not applicable
MS-1085: M7-6	Water Management Plan	The proponent shall implement the latest version of the Water Management Plan, which the CEO has confirmed by notice in writing, satisfies the requirements of condition 7-2.	Surface and groundwater monitoring records demonstrated that quarterly groundwater and monthly surface water monitoring programs had been implemented in accordance with the approved WMP (Wood, 2018d), the interim trigger values are to continue to be used throughout the 2020 monitoring period and until the end of the construction phase of the plant. Before operational phase monitoring commences, a new set of trigger values will be set based on the baseline dataset gathered in 2019 and 2020.	Compliant

Audit Code	Subject	Requirement	Evidence	Status
MS-1085: M10-1	Offsets	The proponent shall undertake an offset with the objective of counterbalancing the significant residual impact to 6.37 ha of 'low lying <i>Banksia attenuata</i> woodlands or shrublands' and 45.73 ha of foraging habitat, including 14.45 ha of potential breeding habitat for Carnaby's Black Cockatoo ( <i>Calyptorhynchus latirostris</i> ), Forest Red-tailed Black Cockatoo ( <i>Calyptorhynchus banksii naso</i> ) and Baudin's Black Cockatoo ( <i>Calyptorhynchus baudinii</i> ) as a result of implementation of the proposal.	Albemarle to undertake offset in accordance with Offset Strategy upon approval under Condition 10.2. S46 and S45C application to change condition 10-1 of MS-1085 to remove reference to "6.37 ha of low-lying <i>Banksia attenuata</i> woodlands or shrublands" has been submitted and is currently being assessed by the EPA (Assessment 2232).	In progress
MS-1085: M10-2	Offsets	<p>Within twelve months of the publication of this Statement, the proponent shall prepare and submit an Offset Strategy to the CEO. The Offset Strategy shall:</p> <ol style="list-style-type: none"> <li>identify an initially unprotected area or areas to be protected and managed for conservation that contains the Priority Ecological Community and foraging habitat values identified in condition 10-1;</li> <li>demonstrate how the proposed offset counterbalances the significant residual impact through consideration of the six principles and completion of the WA Offsets Template, as described in the WA Environmental Offsets Guidelines 2014, and the Environment Protection and Biodiversity Conservation Act 1999 Environmental Offsets Policy (October 2012) in conjunction with the associated Offsets assessment guide;</li> <li>identify the environmental values of the offset area(s);</li> <li>commit to a protection mechanism for any areas of land acquisition, being either the area is ceded to the Crown for the purpose of conservation, or the area is managed under other suitable mechanisms as agreed by the CEO;</li> <li>if any land is to be ceded to the Crown for the purpose of conservation, the proponent will identify: <ol style="list-style-type: none"> <li>the quantum of, and provide funds for, the upfront works associated with establishing the conservation area;</li> <li>the quantum of, and provide a contribution of funds for, the management of this area for the first 20 years after completion of purchase, and</li> <li>an appropriate management body for the ceded land.</li> </ol> </li> <li>identify any threats to offset values and provide management and/or rehabilitation actions to be undertaken to address the threats including: <ol style="list-style-type: none"> <li>the objectives and targets to be achieved, including completion criteria;</li> <li>management and/or rehabilitation actions and a timeframe for the actions to be undertaken;</li> <li>funding arrangements and timing of funding for conservation activities; and</li> <li>monitoring requirements for activities.</li> </ol> </li> <li>define the role of the proponent and/or any third parties.</li> </ol>	<p>An Offset Strategy was submitted to the CEO (Email to <a href="mailto:registrar@dwer.wa.gov.au">registrar@dwer.wa.gov.au</a>) on 24/10/2019 (sent by Gavin Edwards, Preston Consulting on behalf of Albemarle). The email included the following attachments:</p> <ul style="list-style-type: none"> <li>Albemarle Kemerton Plant Offset Strategy (ref- ALB-KEM-PLA-01) (Preston, 2019) and appendices one, two and three.</li> </ul> <p>A review of the Offset Strategy identified that its content was consistent with the requirements of this condition.</p> <ul style="list-style-type: none"> <li>Unprotected area identified, and Offset report 'Lot 42 Wellesley Road North, Kemerton Offset Site Study Report' (Ecoedge, 2018) confirms area contains Priority Ecological Community (Floristic Community Type 21c 'Low lying <i>Banksia attenuata</i> woodlands and shrublands') and 45.73ha of foraging habitat.</li> <li>Offset report included assessment against the 'six principles'.</li> <li>Environmental values identified in Offset report.</li> <li>Offset strategy states Albemarle is proposing to undertake a land acquisition and transferring it to conservation estate as an offset for the significant residual impact of the Proposal.</li> <li>Detailed discussion will occur with DBCA on the offset activities and costs once the EPA approve the s46. Twenty year cost management estimate prepared by consultant (Natural Area Consulting Management Services) 'Lot 42 Wellesley Road North, Kemerton Offset Site 20 Year Management Estimate' was considered by DBCA to be commensurate with DBCA's expectations for similar conservation areas.</li> <li>Section 8.3 of the Offset Strategy identifies management actions.</li> <li>Threats and response mechanisms are defined in Section 9 of the Offset Strategy.</li> <li>Roles and responsibilities are defined in Section 13 of the Offsets Strategy.</li> </ul>	Compliant
MS-1085: M10-3	Offsets	<p>After receiving notice in writing from the CEO, on advice of the Department of Biodiversity, Conservation and Attractions, that the Offset Strategy satisfies the requirements of condition 10-2, the proponent shall:</p> <ol style="list-style-type: none"> <li>implement the actions in accordance with the requirements of the approved Offsets Strategy; and</li> <li>continue to implement the approved Offset Strategy until the CEO has confirmed by notice in writing that it has been demonstrated that the completion criteria in the Offset Strategy have been met and therefore the implementation of the actions is no longer required.</li> </ol>	Albemarle Kemerton Plant awaiting response from the Department whether the Strategy satisfies the requirements of condition 10-2. DBCA have provided initial comment on the Offset Strategy; however, the Department is not expected to provide formal notice regarding the adequacy of the Offset strategy until the Section 45c is approved by EPA.	In progress
MS-1085: M10-4	Offsets	The proponent shall review and revise the Offset Strategy as and when directed by the CEO.	The CEO has not yet directed Albemarle to review and revise the Offset Strategy.	Not applicable
MS-1085: M10-5	Offsets	The proponent shall implement the latest version of the Offset Strategy, which the CEO has confirmed by notice in writing, satisfies the requirements of condition 10-2.	Offset Strategy yet to be approved and implemented.	Not applicable