



EPBC 2017/8099 Annual Compliance Report 2022-23

26 October 2022 to 25 October 2023

Albemarle Lithium Hydroxide Manufacturing Plant, Kemerton WA

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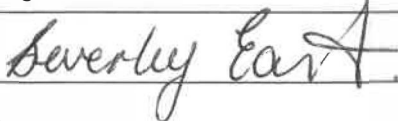
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| Rev. | Date | Status | Prepared By | Reviewed By | Env Approval | EA Approval | Operations Approval |
|------|-----------|--------|-------------|-------------|--------------|-------------|---------------------|
| 1 | 19-Jan-24 | Final | N. Croston | E. Ganser | D. Coulson | B. Bell | S. Bemis |
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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): | Beverley East |
| Position (please print): | Country Manager, VP Australia External Affairs |
| Organisation (please print including ABN/ACN if applicable): | Albemarle Lithium Pty Ltd. ACN 618 095 471 |
| Date: | 19 January, 2024 |

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EXECUTIVE SUMMARY

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 ACR 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 (KSIA), approximately 17 km north-east of Bunbury, Western Australia. The Project commenced in January 2019.

This is the fourth ACR and covers the compliance reporting period 26 October 2022 to 25 October 2023. A request to amend the compliance reporting period was submitted to the Department of Climate Change, Energy, the Environment and Water (DCCEEW) on 10 October 2023 to align the compliance reporting period with that authorised for the State approval, Ministerial Statement-1085 (MS1085). As at the time of writing, this amendment request has not been granted.

It is noted that following assessment of a request to amend implementation conditions under section 46 of the Western Australian *Environmental Protection Act 1986* (EP Act), Ministerial Statement 1187 (MS-1187) was approved on 14 March 2021. Under this approval, Conditions 9 and 10 of MS-1085 have been replaced by Conditions 9 and 10 of MS-1187.

A review of the Project compliance against the conditions of EPBC 2017/8099 identified that no conditions were non-compliant, and no notifiable incidents occurred during the reporting period.

Environmental Management Plans (EMPs) were being implemented as required and EMP objectives had been met. Vegetation and water monitoring programs have detected no material impacts.

Monitoring of the Banksia Woodland threatened ecological community (TEC) undertaken in September 2022 to compare the vegetation condition, species richness and species density at permanently established transects and Photographic Monitoring Points (PMPs) identified vegetation to be in very good condition, with no change evident compared to the 2018 – 2021 surveys. Species richness and species density in the 2022 survey was equal or greater than in previous years.

Ongoing monitoring programs for water quality and vegetation has confirmed that the quality and quantity of off-site surface and groundwater has been maintained and there has been no adverse impact on the receiving environment.

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TABLE OF CONTENTS

| | |
|--|-----|
| DECLARATION OF ACCURACY..... | II |
| EXECUTIVE SUMMARY..... | IV |
| GLOSSARY..... | VII |
| 1 DESCRIPTION OF ACTIVITIES..... | 1 |
| 1.1 Project Description..... | 1 |
| 1.2 Purpose of Report..... | 1 |
| 1.3 Report Structure..... | 2 |
| 2 SUMMARY OF PROPOSAL’S IMPLEMENTATION STATUS..... | 4 |
| 2.1 Project Milestones..... | 4 |
| 2.1.1 Notice of Substantial Commencement..... | 5 |
| 2.2 Project Components..... | 5 |
| 2.3 Project Issues..... | 5 |
| 3 STATEMENT OF COMPLIANCE..... | 7 |
| 3.1 Designations to Record Compliance..... | 7 |
| 3.2 Environmental Management Plans..... | 7 |
| 3.3 New Environmental Risks..... | 7 |
| 3.4 Corrective Actions..... | 7 |
| 3.5 Approval Conditions and Compliance Table..... | 8 |
| 4 REFERENCES..... | 17 |

LIST OF TABLES

| | |
|---|----|
| Table 2-1: Summary of Key Environmental Approvals History..... | 4 |
| Table 3-1: Audit Findings – EPBC Approval 2017/8099 – Conditions..... | 8 |
| Table 3-2: Audit Findings – EPBC Approval 2017/8099 – MS-1085 Conditions..... | 11 |
| Table 3-3: Environmental Management Plans Objective’s Status..... | 15 |

LIST OF FIGURES

| | |
|---|---|
| Figure 1-1: Project Site Regional Location..... | 3 |
|---|---|

GLOSSARY

| Term | Definition |
|--------------|--|
| ACN | Australian Company Number |
| ACR | Annual Compliance Report |
| CAR | Compliance Assessment Report |
| DBCA | Department of Biodiversity, Conservation and Attractions (WA) |
| DCCEEW | Department of Climate Change, Energy, the Environment and Water (Cth) |
| DMIRS | Department of Mines, Industry Regulation and Safety (WA) |
| DoEE | Department of the Environment and Energy (now DCCEEW) |
| DRF | Declared Rare Flora |
| DWER | Department of Water and Environmental Regulation (WA) |
| EMP | Environmental Management Plan |
| EP Act | <i>Environmental Protection Act 1986</i> (WA) |
| EPA | Environmental Protection Authority (WA) |
| EPBC Act | <i>Environment Protection and Biodiversity Conservation Act 1999</i> (Cth) |
| FVMMP | Flora and Vegetation Management and Monitoring Plan |
| ha | Hectare |
| KSIA | Kemerton Strategic Industrial Area |
| LiOH | Lithium Hydroxide |
| MS-1085 | Ministerial Statement 1085 |
| MS-1187 | Ministerial Statement 1187 |
| NPI | Non-Process Infrastructure |
| OEMP | Operational Environmental Management Plan |
| PMP | Photographic Monitoring Point |
| SWIS | South West Interconnected System |
| TEC | Threatened Ecological Community |
| Project, the | Albemarle Lithium Hydroxide Manufacturing Plant Project |
| WMP | Water Management Plan |
| WoNS | Weed of National Significance |

1 DESCRIPTION OF ACTIVITIES

1.1 Project Description

The Albemarle Lithium Hydroxide Manufacturing Plant Project (the Project) refers to the construction and operation of a lithium manufacturing plant and associated infrastructure, within the Kemerton Strategic Industrial Area (KSIA), located approximately 17 km north-east of Bunbury, Western Australia (Figure 1-1: Project Site Regional Location).

The Kemerton Lithium 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 up to a total of 100,000 tonnes of lithium hydroxide product and up to 200,000 tonnes of sodium sulphate by-product per year. Up to 1.1 million tonnes of tailings will also be produced.

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

1.2 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 ACR is to satisfy the requirements of Condition 10 of *Environmental Protection and Biodiversity Conservation Act 1999* (EPBC Act) approval EPBC 2017/8099 for the Project.

The approved action is to construct and operate a lithium hydroxide product manufacturing plant located in the KSIA, 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 and Water, 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.

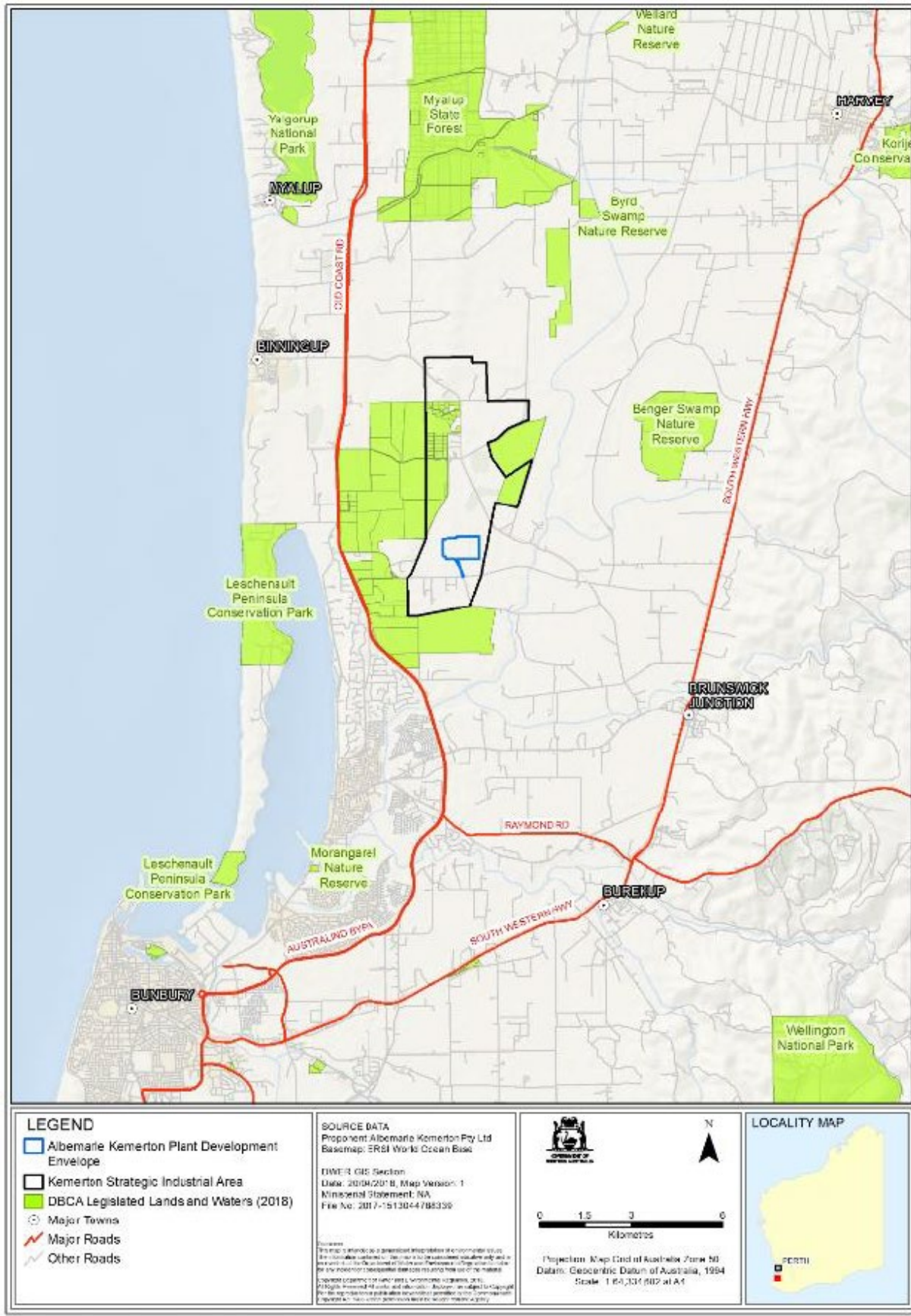
This ACR provides the status of compliance against all audit elements prescribed under EPBC 2017/8099, as well as an assessment of how implementation of the Environmental Management Plans (EMPs) has met defined environmental objectives during the reporting period 26 October 2022 through 25 October 2023.

A request to amend the compliance reporting period was submitted to the Department of Climate Change, Energy, the Environment and Water (DCCEEW) on 10 October 2023 to align the compliance reporting period with that authorised for the State approval, Ministerial Statement-1085 (MS1085). As at the time of writing, this amendment request has not been granted.

1.3 Report Structure

This ACR has been prepared in accordance with the Department of Climate Change, Energy, the Environment and Water (DCCEEW) Annual Compliance Report Guidelines, 2023.

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 the Department of the Environment and Energy (DoEE; now DCCEEW) 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 Minister for Environment (State). 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 – 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 |
| State | Works Approval Amendment W6154/2018/1 | Amendment to works approval W6154/2018/1 in respect of product capacity, premises boundary and clarifications to design specifications. | 10 March 2021 |
| State | Ministerial Statement – 1187 | Conditions 9 and 10 of Ministerial Statement 1085 (Greenhouse Gas Management and Offsets) deleted and replaced with implementation conditions set out in MS-1187. A concurrent S45C was granted on the same day for MS-1085 to reduce the area of clearing and development envelope, replace the proposal figure and include construction and operation of a power station. | 14 March 2022 |
| State | Works Approval Amendment W6154/2018/1 | Amendment to works approval W6154/2018/1 to update infrastructure and legal address, construct and operate waste transfer station. | 23 June 2022 |
| State | Works Approval Amendment W6154/2018/1 | Amendment to update street address and change authorised duration and sample frequency for environmental commissioning for train 1. | 09 June 2023 |
| Federal | Amendment to EPBC 2017/8099 | Amendment request submitted 10 October 2023 to re-align compliance reporting dates and address administrative and contemporisation changes to the authorisation (under assessment) | |

2.1.1 Notice of Substantial Commencement

Construction commenced on 2 January 2019. DoEE (now DCCEEW) were provided with notice of substantial commencement by email on 10 January 2019 and acknowledged receipt via letter (DoEE ref. 2017/8099).

2.2 Project Components

Non-Process Infrastructure (NPI) buildings comprise a laboratory, site operations building, mess building, emergency building, wellness centre and gate houses. The authorisation for the processing plant allows for five lithium hydroxide conversion trains (trains 1 and 2 have been built) 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.

As of 25 October 2023, Albemarle has constructed two of the five Kemerton lithium hydroxide trains to provide up to 50,000 tonnes per year lithium hydroxide conversion capacity.

During the reporting period (May 2023), Albemarle announced its final investment decision for construction of trains 3 and 4 with works associated with those now commenced. This construction activity will be progressed over the coming years with train 3 anticipated to commence commissioning in 2026. No final investment decision was made regarding train 5 during the reporting period.

During the reporting period (on 18 October 2023), Albemarle acquired the 40% interest in trains 1 and 2 that was held by Mineral Resources Limited. Accordingly, Albemarle now owns (and operates) 100% of all trains of the Project and the MARBL Joint Venture (and MARBL Lithium Operations Pty Ltd) no longer has any interest in the Project.

Albemarle has explored various power supply options and is currently connected to the South West Interconnected System (SWIS). The plant will require an initial estimated 29 MW capacity for two trains. As more trains are brought online and production increases, the power requirement of the Kemerton Plant will reach up to an estimated 58 MW.

3 STATEMENT OF COMPLIANCE

Table 3-1 presents the compliance status of applicable Approval Conditions prescribed in EPBC 2017/8099. Refer to Table 3-2 for the Statement of Compliance for MS-1085 and MS-1187 Conditions referred to in the EPBC approval.

No non-compliances with EPBC 2017/8099 were identified during the current reporting period.

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 or not yet implemented aspects do not present a significant environmental risk and corrective actions or implementation activities have been initiated.

3.1 Designations to Record Compliance

For the purposes of this report, compliance classifications were in accordance with DCCEEW's Annual Compliance Report Guidelines (2023). The following designations have been used to record findings in this ACR:

- **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-compliant' must 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' must 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 that 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. The status of objectives for the Albemarle Operational Environmental Management Plans (OEMPs) are listed in Table 3-3 below.

3.3 New Environmental Risks

No new environmental risks have been identified during the reporting period.

3.4 Corrective Actions

No corrective actions have been identified under this ACR.

3.5 Approval Conditions and Compliance Table

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

| Cond. No. | Area | 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). | 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 MS-1085 in Table 3-2 below. | Compliant |
| 3 | Offsets | To offset the impacts of the action to the protected matters , the approval holder must: | | |
| 3a | Offsets | Implement conditions 10-1 to 10-5 of Ministerial Statement 1085 | Conditions 10-1 to 10-5 of MS-1085 have been superseded by Conditions 10-1 to 10-5 of MS-1187. Status of implementation of Ministerial Conditions 10-1 to 10-5 is detailed in Table 3-2 below. | Compliant |
| 3b | Offsets | Within 20 business days of finalising 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 3.a. | The Offset Strategy is yet to be finalised. Email sighted from the Department of Agriculture, Water and the Environment (DAWE; now DCCEEW) Assessment Officer dated 15 July 2020 acknowledging receipt of Offset Strategy; however, formal acceptance yet to be received. In response to a request from DCCEEW (email dated 26 September 2023), Albemarle provided the revised draft Offset Strategy to DCCEEW (via email dated 26 September 2023). The revised draft Offset Strategy is under assessment with the State Government. | Not Applicable |
| 3c | Offsets | 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 currently being secured. The subdivision application for the offset area was logged with the Department of Planning in 2020 (confirmed by email from DevelopmentWA, 17 November 2020). During the reporting period, DevelopmentWA advised an amendment would be required to the subdivision plan to correct for a road reserve. A revised subdivision application process is underway in consultation with DevelopmentWA. | Not Applicable |
| 4 | Reporting | The approval holder must: | | |
| 4a | Reporting | 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 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. Letter to DoEE dated 28 October 2019 notifying them of the proposed change. Following assessment of s46 application, MS-1187 issued on 15 March 2022, amending conditions 9 and 10 of MS-1085. | Compliant |
| 4b | Reporting | 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. | The approved Flora and Vegetation Management and Monitoring Plan (FVMMP) (Wood 2018a) and Water Management Plan (Wood 2018b) are available on the Albemarle website: https://www.albemarle.au/sustainability/kemerton-permits-approvals . Letter from the Department of Biodiversity, Conservation and Attractions (DBCA) dated 19 August 2020 acknowledges receipt of Offset Strategy. A revised Offset Strategy was submitted to the Department of Water and Environmental Regulation (DWER) EPA Services on 31 May 2023; however, as of 25 October 2023, Albemarle were awaiting a decision on the acceptability of the Strategy. | Compliant |
| 4c | Reporting | Keep management plans and offset strategy published on the approval holder's website until at least the end date of this approval. | See comment above. | Compliant |
| 4d | Reporting | 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 (now DCCEEW) dated January 2019 (reference 2017/8099) acknowledging email notification (10 January 2019) from Albemarle of commencement of action on 2 January 2019. | Compliant |

| Cond. No. | Area | Condition | Evidence / Comments | Status |
|-----------|-------------|--|--|----------------|
| 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 |
| 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; however, compliance records provided with submission of each CAR to state regulators (Department of Water and Environmental Regulation (DWER)). | Compliant |
| 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 associated with the 2021-22 Compliance report provided via an electronic link in the report appendix. Report to be 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: 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. | The 2021-2022 ACR (P-74211-0000-BA00-RPT-0279) (Albemarle, 2022) was the third ACR prepared for the Project. The 2021-2022 ACR (Albemarle, 2022) was published on the Albemarle website on 25 January 2023: https://www.albemarle.au/sustainability/regulatory-compliance-reporting All three ACR reports were available on the Albemarle website. No ecological data considered sensitive. | Compliant |
| 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 notifiable incidents or non-compliances with conditions or commitment occurred during the reporting period. | Not applicable |
| 12 | Reporting | The approval holder must provide to the Department the details of any incident or noncompliance 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 notifiable incidents or non-compliances with conditions or commitments occurred during the reporting period. | 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 yet requested by the Minister. | Not applicable |
| 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 yet requested by the Minister. | Not applicable |

| Cond. No. | Area | Condition | Evidence / Comments | Status |
|-----------|-----------|---|--|----------------|
| 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 yet requested by the Minister. | 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 . | The action is not yet complete. | Not applicable |

Table 3-2: Audit Findings – EPBC Approval 2017/8099 – MS-1085 Conditions

| Condition No. | Area | Condition | Evidence / Comments | Status |
|---------------|----------------------|--|---|----------------|
| MS1085: 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-leaved 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 FVMMP. Monitoring of the Banksia Woodland threatened ecological community (TEC) is undertaken annually to compare the vegetation condition, species richness and species density at permanently established transects and Photographic Monitoring Points (PMPs). Year 4 monitoring, undertaken in September 2022, identified vegetation to be in very good condition, with no change evident compared to the 2018 – 2021 surveys. Year 5 monitoring was undertaken in September 2023; however, the report was not available at the time of writing. Species richness and species density in the 2022 survey was equal or greater than for years 2018 – 2021. | Compliant |
| MS1085: 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"> when implemented, substantiate and ensure that condition 6-1 is being met; 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; 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; 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 specify management or contingency actions to be implemented in the event that the criteria identified required by condition 6-2(4) have been triggered. | FVMMP Plan Rev. 1; 30 November 2018 (GHD, 2018a) sighted (available on Albemarle website). Letter acknowledging receipt and satisfaction with the plan received from Executive Director of DWER on 3 Dec 2018 (ref. DWERA-001672). | Compliant |
| MS1085: 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"> report such findings to the CEO within 21 days of the criteria being triggered; 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 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 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. | No criteria had been triggered. Year 4 monitoring, undertaken in September 2022 (Onshore Environmental, 2022), identified vegetation to be in very good condition, with no change evident compared to the 2018 – 2021 surveys. Year 5 monitoring was undertaken in September 2023; however, the report was not available at the time of writing. Species richness and species density in the 2022 survey was equal or greater than for years 2018 – 2021. | Not applicable |
| MS1085: M6-4 | Flora and vegetation | The proponent may review and revise the FVMMP. | The FVMMP was reviewed and revised by Albemarle and an updated FVMMP submitted in May 2021. This has been further amended to reflect review comments received from DWER; however, final approval was yet to be received as of 25 October 2023. | Compliant |
| MS1085: 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 FVMMP be reviewed. The update of the FVMMP was initiated by Albemarle. | Not applicable |

| Condition No. | Area | Condition | Evidence / Comments | Status |
|---------------|-----------------------|---|--|----------------|
| MS1085: 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 December 2018 (ref. DWERA-001672). The FVMMP has been implemented (see Table 3.3 of this report for specific findings). | Compliant |
| MS1085: 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"> maintains the quality and quantity of off-site surface and groundwater, to the receiving environment including but not limited to the Threatened Orchid habitat. | Ongoing monitoring programs for water quality and vegetation has confirmed that the quality and quantity of off-site surface and groundwater has been maintained and there has been no adverse impact on the receiving environment (see detailed findings below). | Compliant |
| MS1085: 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 (WMP) to the CEO, on the advice of the Department of Water and Environmental Regulation. The Plan shall: <ol style="list-style-type: none"> when implemented, substantiate and ensure that condition 7-1 is being met; 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; detail the proposed frequency, timing and indicative locations of groundwater and surface water monitoring for potential contamination; 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; and specify management or contingency actions to be implemented in the event that the criteria identified required by condition 7-2(4) have been triggered. | Water Management Plan (WMP) Rev. 1, 4 December 2018. (Doc. No. 606541-4500-DV00-PLN-0004). Correspondence from DWER (ref DWERA-001671) specified the submitted WMP was considered to have met the requirements of condition 7 of MS-1085. | Compliant |
| MS1085: 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"> report such findings to the CEO within 21 days of the criteria being triggered; 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 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. | Quarterly groundwater and monthly surface water monitoring reports to date have concluded that the concentrations of process related analytes recorded are consistent with historical levels and are not considered to be related to construction or operational activities and are attributed to background levels. | Compliant |
| MS1085: M7-4 | Water Management Plan | The proponent may review and revise the WMP. | A revised WMP with proposed trigger levels was submitted to DWER on 17 January 2022. Response from DWER received 15 June 2022 with requirement for amendments. As of the 25 October 2023 audit, a further update of the WMP was in progress. | Compliant |
| MS1085: M7-5 | Water Management Plan | The proponent shall review and revise the WMP as and when directed by the CEO. | The CEO has not requested the WMP be reviewed and revised. | Not applicable |
| MS1085: M7-6 | Water Management Plan | The proponent shall implement the latest version of the WMP, which the CEO has confirmed by notice in writing, satisfies the requirements of condition 7-2. | Correspondence from DWER (ref DWERA-001671) indicating the submitted WMP meets the requirements of condition 7.2 of MS-1085. Ongoing quarterly compliance audits have confirmed the WMP is being implemented, including the quarterly groundwater and monthly surface water monitoring programs. | Compliant |

| Condition No. | Area | Condition | Evidence / Comments | Status |
|---------------|---------|---|--|-----------|
| MS1187: 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. | <p>Following assessment of s46 application, MS-1187 issued on 15 March 2022, replacing Condition 10 of MS-1085 with Condition 10 of MS-1187.</p> <p>Offset strategy prepared and submitted (see findings for MS-1187 10-1 to 10.5 below).</p> <p>An offset area has been identified and a subdivision application for the offset area has been logged with the Department of Planning. Revisions to the subdivision are required to address DevelopmentWA requirements regarding the road reserve. This revised subdivision process is underway in consultation with DevelopmentWA.</p> <p>At the time of writing, Albemarle were awaiting feedback from DWER EPA Services on the 2023 version of the Offset Strategy.</p> | Compliant |
| MS1187: 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"> 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; 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; identify the environmental values of the offset area(s); 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; 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"> the quantum of, and provide funds for, the upfront works associated with establishing the conservation area; 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 an appropriate management body for the ceded land. 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"> the objectives and targets to be achieved, including completion criteria; management and/or rehabilitation actions and a timeframe for the actions to be undertaken; funding arrangements and timing of funding for conservation activities; and monitoring requirements for activities. define the role of the proponent and/or any third parties. | <p>Offset Strategy prepared and submitted in October 2019 (Albemarle Kemerton Plant Offset Strategy Doc ID. ALB-KEM-PLA-01) (Preston, 2019). Email to DBCA (15 July 2020) sighted with updated Offset Strategy (Rev 1, 25 June 20) and appendices; and formal request for confirmation that the offset strategy and cost estimate is adequate. Albemarle did not receive comments or approval of the Offset Strategy on this version. A revised Offset Strategy was submitted on 31 May 2023 to incorporate minor and administrative changes associated with the S45C and S46 outcomes and the amended subdivision requirements.</p> <p>As of 25 October 2023 Albemarle awaiting feedback from DWER/EPA Services.</p> <p>Requirements of the condition are addressed by specific content in the Offset Strategy, evidence includes:</p> <ul style="list-style-type: none"> Unprotected area identified, and Offset report Lot 42 Wellesley Road North, Kemerton Offset Site Study Report (June 2018) confirms area contains Priority Ecological Community (Floristic Community Type 21c 'Low lying <i>Banksia attenuata</i> woodlands and shrublands') and 45.73 ha of foraging habitat. Offset report Lot 42 Wellesley Road North, Kemerton Offset Site Study Report (June 2018) prepared including assessment against the "six principles". Environmental values identified in Offset report Lot 42 Wellesley Road North, Kemerton Offset Site Study Report (June 2018). 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. Email to DevelopmentWA from Albemarle (20 July 2020) identifying 81 ha offset area and requesting subdivision plan to progress transfer of land to the crown. A subdivision application for the offset area has been logged with the Department of Planning (confirmed by email from DevelopmentWA, 17 November 2020). The Offset Site is proposed to be a conservation estate vested in the Conservation and Parks Commission of WA (the Commission) and managed by DBCA. 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. Section 8.3 of the Offset Strategy identifies management actions. Threats and response mechanisms are defined in Section 9, objectives, targets and completion criteria are defined in Section 10 of the Offset Strategy and monitoring requirements are defined in Section 11. Roles and responsibilities are defined in Section 13 of the Offsets Strategy. | Compliant |

| Condition No. | Area | Condition | Evidence / Comments | Status |
|------------------|---------|---|---|----------------|
| MS1187: M10-3 | Offsets | 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: 1. implement the actions in accordance with the requirements of the approved Offsets Strategy; and 2. 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. | Albemarle Kemerton Lithium Plant awaiting response from the DWER whether the Strategy satisfies the requirements of condition 10-2. DBCA have provided initial comment on the Offset Strategy; however, as of 25 October 2023, Albemarle were awaiting feedback from DWER EPA Services. | Not applicable |
| MS1187: M10-4 | Offsets | The proponent shall review and revise the Offset Strategy as and when directed by the CEO. | No formal request received from CEO to update Offset Strategy; however, the Offset Strategy has been revised and resubmitted for approval. | Not applicable |
| MS1187: 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. | Albemarle Kemerton Lithium Plant awaiting response from DWER EPA Services whether the Strategy satisfies the requirements of condition 10-2. Offset Strategy yet to be implemented. | Not applicable |

Table 3-3: 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. | Compliant | Year 4 annual vegetation survey undertaken in September 2022. The survey report (Onshore Environmental, 2022) identified no reportable decline of nearby Endangered / Declared Rare Flora (DRF) <i>Drakaea elastica</i> individuals or habitat, attributable to the Project. |
| 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. | Compliant | Monitoring of the <i>Banksia</i> Woodland TEC undertaken in September 2022 compared the vegetation condition, species richness and species density at permanently established transects and PMPs. The survey report (Onshore Environmental, 2022) identified no statistical differences ($p > 0.5$) between species richness or species densities between the base survey in 2018 (GHD, 2018b) and subsequent annual surveys at any of the monitoring transects or control transects (GHD, 2019a), (GHD, 2020) (Onshore Environmental, 2021). |
| 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. | Compliant | No incidents of vegetation clearing outside of the approved development envelope recorded. |

| 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. | Compliant | Quarterly weed surveys have identified no discernible changes in weedy grass or herb densities and new weed species. A spring 2023 survey identified two patches of blackberry, which is a Weed of National Significance (WoNS) and one occurrence of arum lily, which is a declared pest; however, the draft stated that no WoNS or declared pests were attributable to the Project |
| 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. | Compliant | A spring 2023 survey identified no evidence of new Dieback infestation within immediately adjacent areas / vegetation resulting from the Project. |
| 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. | Compliant | Quarterly groundwater and monthly surface water monitoring reports to date have concluded that the concentrations of process related analytes recorded are consistent with historical levels and are not considered to be related to construction or operational activities and are attributed to background levels. |

4 REFERENCES

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