

**Appendix 7**  
**Response to EPA s40(2)(a)**  
**Request for Additional Information**  
**(November 2021)**



23 December 2021

Professor Matthew Tonts  
Chair, Environmental Protection Authority  
Environmental Protection Authority  
Prime House  
8 Davidson Terrace  
JOONDALUP WA 6027

C/o: Aidan Walsh  
EIA South Branch, EPA Services  
Department of Water and Environmental Regulation  
by email: Aidan.Walsh@DWER.wa.gov.au

Dear Professor Tonts

**EARL GREY LITHIUM PROJECT - REVISED PROPOSAL (EPA ASSESSMENT NO. 2315)  
RESPONSE TO SECTION 40(2)(a) NOTICE AND SUBMISSION OF AMENDED  
ENVIRONMENTAL REVIEW DOCUMENT**

I refer to the Earl Grey Lithium Project Revised Proposal submitted for assessment to the Environmental Protection Authority (EPA) on 30 August 2021, and the subsequent EPA decision notice dated 27 October 2021 identifying the Revised Proposal will be assessed at the level of 'Referral Information' with a 2-week public review period. I also refer to the Section 40(2)(a) Notice subsequently issued by EPA dated 12 November 2021 requesting additional information on the Revised Proposal, including requested amendments to Covalent Lithium's Environmental Review Document.

Covalent Lithium has considered and addressed each of the additional information requests identified by EPA as outlined in Table 1 attached to this letter. The Environmental Review Document has been amended to reflect the additional information now provided, with the amended Environmental Review Document (Revision 1) appended to this letter.

Following from the additional information now provided, the Environmental Review Document can be released for public review. Should the EPA require any further information, it is considered this further information can be provided by Covalent Lithium during the assessment process (i.e. in parallel with, or following, the public review period).

Based upon discussions with representatives for EPA (EPA Services at the Department of Water and Environmental Regulation (DWER)), Covalent Lithium understands the target milestones for the EPA's assessment of the Revised Proposal to be:

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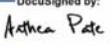
- 1) January 2022 - Public review period
- 2) March 2022 – EPA Board consideration of Revised Proposal

The target milestones above are required to enable the environmental approval of the Revised Proposal to be granted in May 2022 to meet the hard project schedule. As the changes for the Revised Proposal represent a minor change to the Approved Proposal, Covalent Lithium believe these target timeframes are considered to be achievable. To assist in this timing, the EPA Services (DWER) may opt to commence assessment of this project in parallel with the public review period.

Covalent Lithium would be happy to discuss the Revised Proposal with the EPA Chair and Deputy Chair, prior to the EPA Board consideration in March 2022. Covalent Lithium extends an invitation to the EPA Board to visit the Earl Grey Lithium Project operations during this period if it would be useful to assist with informing the EPA's understanding of the environmental values present.

Should you have any queries on the Revised Proposal or require further information, please contact Ms Anthea Pate, Covalent Lithium's Manager Environment, Approvals and Safety, by telephone on 0409 365 133 or by email at [Anthea.Pate@CovalentLithium.com](mailto:Anthea.Pate@CovalentLithium.com).

Yours sincerely

DocuSigned by:  
  
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Anthea Pate  
Manager Environment, Approvals and Safety

Attachments:

1. Covalent Lithium Pty Ltd (2021) Earl Grey Lithium Project Revised Proposal: Environmental Review Document. Report prepared by Hawkins S of Globe Environments Australia Pty Ltd for Strategen-JBS&G (JBS&G Australia Pty Ltd) on behalf of Covalent Lithium Pty Ltd. Revision 1. December 2021.
2. Table 1 - *Environmental Protection Act 1986 (WA)* Section 40(2)(a) Notice Request for Further Information

**TABLE 1 - ENVIRONMENTAL PROTECTION ACT 1986 (WA) SECTION 40(2)(A) NOTICE REQUEST FOR FURTHER INFORMATION**

EPA REQUEST	COVALENT LITHIUM RESPONSE	ERD AMENDMENT
FLORA AND VEGETATION		
<p><u>Characterisation of Impact</u></p> <p>The impacts of the revised proposal on flora and vegetation have not been clearly characterised in the Earl Grey Lithium Project Revised Proposal Environmental Review Document (ERD) Revision 0 (JBS&amp;G Australia Pty Ltd 2021).</p> <p>For each significant species and community, the additional impact of the revised proposal should be stated as both an amount and percentage. For example, the revised proposal will result in additional clearing of 512 individuals of <i>Microcorys elatoides</i> (DBCA-P1) and result in a 7.24 percent increase in the cleared area from the original proposal.</p> <p>The extent of the impact should also be included in the Proposal Content Document (see requirement 6 for more details).</p>	<p>Covalent Lithium has amended the Environmental Review Document (ERD) in Section 5 <i>Flora and Vegetation</i> to include a percentage value for the direct effects to flora taxa (in addition to the number of individuals, as was previously identified). The percentage values compare the number of individuals within the area of the Approved Proposal and the Revised Proposal, using the currently known regional population as the basis for calculating the percentage values (or where such data was not available, the recorded number of individuals within the Survey Area has been used).</p> <p>Similarly, the ERD in Section 5 <i>Flora and Vegetation</i> has been amended to include a percentage value for the direct effects to vegetation units (in addition to the area of each vegetation unit, as previously identified). The percentage values compare the area of each vegetation unit within the area of the Approved Proposal and the Revised Proposal, using the extent of each vegetation unit within the Survey Area as the basis for calculating the percentage values. The EPA may note that the area of each vegetation unit (upon which percentages have been based) is limited to the extent of the Survey Area, and it may be expected that each vegetation unit has a broader local and/or regional extent than the current mapping may indicate.</p> <p>The extent of clearing of native vegetation (which includes flora taxa and vegetation units) has been included within the Proposal Content Document in Section 2 <i>The Proposal</i> as "Clearing of no more than 442 ha of native vegetation, within a Development Envelope of 2,347 ha".</p>	<p>Section 5 <i>Flora and Vegetation</i></p> <p>Section 2 <i>The Proposal</i> (Proposal Content Document)</p>
<p><u>Use of Existing Disturbance</u></p> <p>The ERD does not justify why the proposed solar plant would be located within the undisturbed area. Please provide an explanation as to why an existing disturbed area has not been chosen to site the solar plant, summarise the cumulative impact of the additional disturbance, and describe how you have considered the EPAs mitigation hierarchy.</p>	<p>The proposed Solar Plant location is <u>not</u> located within an undisturbed area. Accordingly, no changes to the ERD have been adopted.</p> <p>Section 1.2 <i>The Revised Proposal</i> in the ERD under the sub-heading of 'Solar Plant' states:</p> <p>"The location of the proposed Solar Plant covers a spatial area of approximately 43 ha, comprising 32 ha of native vegetation and 11 ha of existing cleared / disturbed land."</p> <p>The existing disturbance within the area for the proposed Solar Plant is also visible from the aerial imagery provided in Figure 1-2.</p> <p>Section 4.3. <i>Mitigation Hierarchy</i> outlines the application of the EPA's 'Mitigation Hierarchy', and specifically in relation to flora and vegetation is further outlined within Section 5.5. <i>Mitigation Hierarchy</i>. As stated, the Indicative Site Layout for the Proposal comprises &gt; 45 % previously cleared / disturbed land associated with the abandoned Mt Holland Mine Site; with the use of previously cleared / disturbed land being a key environmental management approach adopted by Covalent Lithium for both the Approved Proposal and the Revised Proposal.</p> <p>It should be noted there are no other suitable locations having greater levels of existing land disturbance within which the Solar Plant could otherwise be located.</p>	<p>No amendment required</p>

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<b>TERRESTRIAL FAUNA</b>		
<p><u>Characterisation of Impact</u></p> <p>The impacts of the revised proposal on Terrestrial Fauna have not been clearly characterised in the ERD. For each significant species, the additional impact of the revised proposal should be stated in both amount and percentage in the ERD.</p> <p>The extent of the impact should also be included in the Proposal Content Document (see requirement 6 for more details).</p>	<p>Covalent Lithium has amended the ERD in Section 6 <i>Terrestrial Fauna</i> to include a percentage value for the direct effect to fauna habitat (in addition to the spatial area (hectares) for fauna habitat, as previously identified). The percentage values compare the area of fauna habitat within the area of the Approved Proposal and the Revised Proposal, using the total extent of each fauna habitat type mapped within the Survey Area as the basis for the percentage values. It should be noted the total area of each fauna habitat (upon which percentages have been based) is limited to the extent of the Survey Area, however, based upon the regional distributions of the fauna taxa present the extent of fauna habitat is undoubtedly more abundant across the local area and the broader region than the area and percentage values indicate.</p> <p>As identified in Section 6.6 <i>Environmental Effects of the Proposal</i>, the Approved Proposal and the Revised Proposal are not anticipated to result in direct effects (i.e. mortality) to individuals of fauna taxa of conservation significance. Accordingly, values and percentages for <i>individuals</i> of each fauna taxa are not provided in the ERD.</p> <p>The extent of clearing of native vegetation (i.e. fauna habitat) is identified within the Proposal Content Document in Section 2 <i>The Proposal</i> as "Clearing of no more than 442 ha of native vegetation, within a Development Envelope of 2,347 ha".</p>	<p>Section 6 <i>Terrestrial Fauna</i></p> <p>Section 2 <i>The Proposal</i> (Proposal Content Document)</p>
<p><u>Malleefowl Monitoring</u></p> <p>The monitoring and grading of mounds are consistent with the National Malleefowl Monitoring Manual. However, the following information is recommended to be included in the monitoring report (Ecoscape 2021a) and addressed in the ERD:</p> <ul style="list-style-type: none"> <li>the methodology for the malleefowl monitoring should include the intensity of the Light Detection and Ranging (LiDAR) surveys e.g. number of detection points per square metre and the density and spacing of flight lines and how potential mounds are identified (application of the algorithm) of the mounds are analysed, verified and false negatives accounted for; and</li> <li>clarification that all potential malleefowl mounds identified using LiDAR will be verified by ground truthing.</li> </ul>	<p>The Ecoscape report has been amend to provide further information on the LiDAR methodology used (e.g. number of detection points per square metre, how potential nest mounds identified), and to provide confirmation to EPA that all potential Malleefowl nest mounds identified by LiDAR were ground-searched to verify if the potential locations did (or did not) contain Malleefowl nest mounds.</p> <p>The amended Ecoscape (2021a) report is provided to EPA, and the ERD has been updated in Section 6 <i>Terrestrial Fauna</i> to cite this amended report (in lieu of the former report version).</p>	<p>Section 6 <i>Terrestrial Fauna</i></p> <p>Ecoscape (2021a) report amended</p>

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<p><u>Short range endemics</u></p> <p>The critically endangered arid bronze azure butterfly (<i>Ogyris subterrestris petrina</i>) was identified in the desktop study, however, was not identified during the 10,000km search area (Bennelongia). EPA notes that revised proposal includes targeted survey for the sugar ant <i>Camponotus</i> sp. nr. <i>Terebrans</i>. Please provide further context or clarification for undertaking surveys for this species.</p>	<p>The ERD identifies the Ecoscape (2021b, 2021c) biological field surveys within the list of terrestrial fauna surveys completed for the Development Envelope. Based upon the results of the Ecoscape (2021b, 2021c) biological field surveys, the Arid Bronze Azure Butterfly <i>Ogyris subterrestris petrina</i> is considered to not to occur within the Development Envelope. Accordingly, the ERD does not provide a detailed assessment of a potential for an effect to this taxon, and further consideration by EPA or Covalent Lithium of this taxon in the ERD is not necessary.</p> <p>To provide context (and as discussed with representatives for EPA Services at the pre-referral meeting on 29 July 2021), biological field surveys for Mineral Resources' Parker Range Haul Road (EPA Assessment No. 2297) identified the presence of a <i>Camponotus</i> sp. nr. <i>terebrans</i> sugar ant colony, which may (or may not) indicate the presence of <i>Ogyris subterrestris petrina</i>. That sugar ant colony was recorded approximately 125 kilometres north of the Earl Grey Lithium Project mine operations. The sugar ant is the host for <i>Ogyris subterrestris petrina</i>; being a listed 'Threatened' fauna taxon under both the Commonwealth <i>Environment Protection and Biodiversity Conservation Act 1999</i> (C'th) and the State <i>Biodiversity Conservation Act 2016</i> (WA) at the level of 'Critically Endangered'. In consideration of the proximity of the recorded sugar ant colony, Covalent Lithium engaged Ecoscape to undertake biological field surveys for the sugar ant only as a pre-emptive and precautionary measure. As stated above, <i>Ogyris subterrestris petrina</i> is considered to not to occur within the Development Envelope. Accordingly, Covalent Lithium considers it is not necessary for the ERD to provide a detailed assessment on this taxon, and further consideration on this taxon is not necessary.</p>	<p>No amendment required</p>
<b>INLAND WATERS / TERRESTRIAL ENVIRONMENTAL QUALITY</b>		
<p>The EPA does not have enough information to determine whether the change from dry to wet tailings will cause a significant impact to either inland waters or terrestrial environmental quality. Please provide the following information:</p> <ul style="list-style-type: none"> <li>• whether the change from dry to wet tailings will affect/change the site water balance;</li> <li>• whether the tailings would be decanted prior to disposal;</li> <li>• modelling which demonstrates the movement of potential seepage from the tailings storage facility (TSF); and</li> <li>• a discussion on any potential impacts of seepage on groundwater quality.</li> </ul> <p><u>Tailing Storage Facility</u></p> <p>There is not enough information regarding the TSF to assess the potential impacts from this facility. The ERD should be updated to provide the following information:</p>	<p>Covalent Lithium has amended the ERD in Section 1.2 <i>Revised Proposal</i>, Section 2.5 <i>Waste Rock and Tailings</i> and Section 7 <i>Other Environmental Factors</i> to provide further information to address each of the items listed in the EPA request, and additionally provides copies of relevant TSF infrastructure design reports, peer review and additional geochemical assessment to the EPA for information.</p> <p>To provide context, the change from 'dry' to 'wet' tailings disposal will not result in a significant effect to 'Inland Waters' and 'Terrestrial Environmental Quality' noting:</p> <ul style="list-style-type: none"> <li>◦ A change the local site water balance is not expected as the additional water supply requirements will be met through the Goldfields water pipeline (not from groundwater)</li> <li>◦ Tailings are not proposed to be decanted prior to disposal to the Tailings Storage Facility (TSF), however, the TSF design includes water removal via a decant pump to enable water return to the process plant for reuse.</li> <li>◦ The environmental risk of seepage from the TSF is low in consideration of the absence of local surface water features, groundwater at &gt; 50 m depth and saline/hypersaline, nil groundwater-dependent native vegetation present, and the tailings being environmentally benign.</li> </ul> <p>The use of 'wet' tailings is a conventional mining practice within Western Australia, and the use of 'wet' tailings by the Proposal is considered to be of low environmental risk.</p>	<p>Section 1.2 <i>Revised Proposal</i></p> <p>Section 2.5 <i>Waste Rock and Tailings</i></p> <p>Section 7 <i>Other Environmental Factors</i></p> <p>Additional reports on design assessments, peer review and geochemical assessments provided</p>

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<ul style="list-style-type: none"> <li>• construction details including the type (e.g. in-pit) and depth of the TSF</li> <li>• provide discussion regarding the availability of competent, non-fibrous rock for the construction and closure of the TSF;</li> <li>• describe whether the TSF would be lined; and</li> <li>• proposed monitoring.</li> </ul>	<p>The area of the TSF does not intersect any major surface water drainage lines or creek lines. Groundwater occurs at a depth of &gt; 50 m below ground level; such that no groundwater-dependent vegetation is present. Groundwater quality is typically saline to hypersaline, with groundwater abstraction for mining operations being the only known beneficial use of the local groundwater.</p> <p>The Tailings Storage Facility has been subject to multiple design assessments, peer reviews and geochemical assessments. The location of the TSF occurs within the approved Development Envelope and Indicative Site Layout for the Approved Proposal. Nil additional native vegetation clearing necessary for the TSF. Covalent Lithium has been liaising with the State Department of Mines, Industry Regulation and Safety (DMIRS) in relation to the TSF in order to meet the statutory requirements under the State <i>Mining Act 1978</i> (WA).</p> <p>As previously outlined in the supplied report by MBS (2017a) (as considered by EPA in assessment of the Approved Proposal), geochemical assessment has confirmed the tailings to be environmentally benign (non-reactive, non-polluting, non-acid forming, and moderately alkaline) with no significant environmental risks identified (including nil risk to groundwater). The more recent geochemical assessment by Graeme Campbell &amp; Associates (2021) reinforces the previous geochemical assessment outcomes; confirming the tailings to be non-acid forming due to negligible sulfides, slight to moderate enrichment in other naturally occurring elements (e.g. lithium), with the tailings water neutral to alkaline (pH 7-8) and low salinity; all being reflective of the benign nature of the ore stream and minimal use of reagents during metallurgical recovery.</p> <p>The Coffey (2021) design report identifies the proposed TSF will be developed as a combined Integrated Waste Landform / Tailings Storage Facility (IWL/TSF); comprising an 'inner' TSF surrounded by a waste rock landform. The TSF incorporates the following general specifications:</p> <ul style="list-style-type: none"> <li>◦ Area of approximately 80 ha, with construction to an elevation of 457 m Australian Height Datum (AHD) (maximum 27 m height above ground level).</li> <li>◦ Liner of clay-rich saprolite mine waste materials, which meets the earthworks specification of percentage fines content (silt and clay content finer than 75 microns) in excess of 25 %.</li> </ul> <p>As outlined by Coffey (2021), the TSF design accords to all relevant State Government and industry guidelines.</p> <p>The Coffey (2021) assessment considered the following items which may be relevant to potential environmental effects to 'Inland Waters':</p> <ul style="list-style-type: none"> <li>◦ Seepage assessment</li> <li>◦ Water balance assessment (including climatic factors of rainfall and evaporation)</li> </ul> <p>In relation to seepage from the TSF, the Coffey (2021) design report identifies that the water from the TSF (comprising supernatant and surface stormwater) will be managed to minimise seepage from the TSF to the groundwater by:</p> <ul style="list-style-type: none"> <li>◦ Water removal via a decant pump located within a central decant tower within the TSF, with decanted water pumped back to the process plant (via a shaded return</li> </ul>	

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	<p>water pond with the crest width accommodating of a HDPE liner anchor trench on the upstream perimeter) for re-use.</p> <ul style="list-style-type: none"> <li>o A cut-off trench of 4 m width and 2 m depth will be excavated beneath the perimeter TSF embankment and backfilled with clayey mine waste (saprolite).</li> </ul> <p>Coffey (2021) identifies the total seepage loss from the TSF was modelled at up to approximately 120 m<sup>3</sup>/d under normal operating conditions.</p> <p>Overall, the environmental risk of seepage from the TSF is considered to be low in consideration of:</p> <ul style="list-style-type: none"> <li>o Absence of local surface water features (major drainage lines or creek lines)</li> <li>o Groundwater being at &gt; 50 m below ground level, and being saline to hypersaline</li> <li>o Absence of groundwater-dependent native vegetation</li> <li>o The tailings being environmentally benign (non-reactive, non-polluting, non-acid forming, moderately alkaline)</li> </ul> <p>In context with the above, Coffey (2021) identifies there would be little benefit in control measures to prevent seepage entirely, and accordingly, Coffey identifies the TSF can be appropriately managed through standard measures to <i>minimise</i> seepage (i.e. water removal and recycling via decant pump, cut-off trench beneath perimeter embankment). Consistent with the Coffey (2021) conclusion, Graeme Campbell &amp; Associates (2021) also notes that as the groundwater is saline-to-hypersaline there would be little environmental benefit to be gained from implementing stringent seepage-control measures.</p> <p>In relation to water balance, Coffey (2021) identifies the water balance for the TSF will result in an annual shortfall of up to approximately 0.44 GL/y (0.443 Mm<sup>3</sup>/y). This water balance shortfall can readily be met through external water supply received to site via the water pipeline authorised under the Approved Proposal.</p> <p>As outlined by Coffey (2021), the TSF design incorporates a 1 m thick cover of non-acid forming competent waste rock covering the top surface of the tailings (refer Page 79 Section 18.2, with design identified on Page 750 in Drawing No 754-PERGE276922-013). Mine designs and geological/geochemical assessments indicate a sufficient mass of waste rock materials (competent, non-acid forming, non-fibrous) are available to enable successful closure of the TSF.</p> <p>Covalent Lithium will undertake environmental monitoring of the groundwater surrounding the TSF during mine operations, as part of understanding any potential environmental effects which may affect mine closure. The environmental monitoring will include groundwater levels and groundwater quality within bores to be established surrounding the TSF, as identified in the Coffey (2021) design report (refer Page 85 Section 16, with locations identified on Page 785 in Drawing No 754-PERGE276922-012). The details of the environmental monitoring will be outlined within the Mine Closure Plan to be submitted under the <i>Mining Act 1978</i> (WA) and regulated by DMIRS.</p>	
<p><u>Waste characterisation</u></p> <p>DMIRS have advised that during the Mining Proposal assessment, several more recent waste characterisation reports from MBS (including two dated 2020 and one from 2021) had been provided.</p>	<p>Covalent Lithium has amended the ERD in Section 2.5 <i>Waste Rock and Tailings</i> and Section 7 <i>Other Environmental Factors</i> to cite the additional waste rock geochemical characterisation assessments completed since the EPA (2019) assessment of the Approved Proposal, and additionally provides copies of these reports to the EPA for information.</p>	<p>Section 2.5 <i>Waste Rock and Tailings</i></p>





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<p>Please provide these updated reports for review, and update the ERD if necessary, based on this more recent information.</p>	<p>Covalent Lithium has been liaising with the State Department of Mines, Industry Regulation and Safety (DMIRS) in relation to the Mining Proposal and Mine Closure Plan to meet the statutory requirements under the State <i>Mining Act 1978 (WA)</i>. The <i>Mining Act 1978 (WA)</i> assessment processes has considered geochemical characterisation of the waste rock materials extracted from the Mine Pit, with these reports submitted to DMIRS as part of the mining assessment processes.</p> <p>The results of the subsequent waste rock geochemical characterisation assessments outlined by MBS (2020a, 2020b, 2021a, 2021b) are not inconsistent with the initial geochemical characterisation assessment of MBS (2017) previously considered by EPA (2019) in the assessment of the Approved Proposal.</p> <p>To note, the Revised Proposal does not include any changes to the Mine Pit which may alter the types or volumes of waste rock materials to be extracted or disposed of.</p> <p>For the purpose of waste rock management, the waste rock types to be excavated from the Mine Pit include fresh waste rock (geochemically benign, erosion resistant), transitional waste rock (slightly-moderately saline, low soluble toxicants, varying erosion resistance) and oxide waste rock (low soluble toxicants, saline, dispersive). As outlined by MBS (2021a, 2021b), the geochemical characterisation results identify the following key outcomes for the waste rock materials:</p> <ul style="list-style-type: none"> <li>o Fresh rock waste materials (37 % of total waste rock by bank cubic metres) were classified as non-acid forming and geochemically benign with low levels of soluble metals and metalloids. Water leachates were alkaline with low salinity. Fresh waste rock material is suitable for general use within the mining area, as rock armouring or as a construction material.</li> <li>o Transitional waste rock materials (25 %) were classified as non-acid forming, with circum-neutral pH, slightly to moderately saline, with low levels of metals and metalloids. Transitional material is suitable as a subsoil water storage layer for rehabilitation underneath available topsoils on flat surfaces. Potential for long-term placement on exposed batter slopes would require further assessment as to physical strength and resistance to erosion.</li> <li>o Oxide waste rock materials (38 %) were classified as non-acid forming, naturally saline and sodic, and low in soluble metals and metalloids except for significant levels of exchangeable aluminium acidity. Oxide mine waste is not suitable for placement on external surfaces as a growth medium (saline, dispersive, aluminium acidity) with disposal to be through encapsulation within a waste landform or via in-pit backfilling (with cover of suitable waste rock materials).</li> <li>o All waste rock materials were low in naturally occurring radioactive materials, with no specific management measures required.</li> </ul> <p>Covalent Lithium notes that approximately half of the total waste rock mass may contain naturally-occurring fibrous materials (amphibole minerals, in the form of non-asbestiform actinolite and anthophyllite), which will require management in their handling and disposal. Glossop Consultancy (2021) assessed the fibrous materials present and identified the number of respirable fibres to be low, and accordingly, the potential risk from airborne exposure is also low. Waste rock potentially containing fibrous materials will be encapsulated with a minimum of 1 m of</p>	<p>Section 7 <i>Other Environmental Factors</i></p> <p>Additional reports on geochemical assessments provided</p>

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	<p>competent, non-acid forming and non-fibrous waste rock materials within the Waste Rock Landforms and in-pit backfilling. Encapsulation is considered an appropriate long-term approach to minimise the risk of mobilisation of fibrous materials from weathering events (e.g. erosion by wind, water). Whilst Glossop Consultancy (2021) noted a potential for asbestiform actinolite and anthophyllite to exist, such concentrations (if present) would likely be below the level of detection limits for bulk materials sampling (&lt; 0.001 % by weight); such that the waste rock materials fall below the classification levels for defining asbestos and the waste rock materials can be used (mined and disposed) without the need for additional restrictions.</p> <p>Physical and geochemical characterisation of waste rock materials will be an ongoing process during mining; consistent with the conditions imposed by DMIRS under the State Mining Act 1978 (WA) for the Approved Proposal. The approach for ongoing physical and geochemical characterisation provides a mechanism by which waste rock material properties are identified, managed and appropriately disposed of in a manner which minimises the potential for risk to the environment.</p> <p>Covalent Lithium considers that waste rock geochemical characterisation can continue to be appropriately assessed by DMIRS through the Mining Act 1978 (WA) (without duplication of regulation by EPA).</p>	
<b>OFFSET STRATEGY</b>		
<p>The ERD has identified the following significant residual impacts associated with the revised proposal:</p> <ul style="list-style-type: none"> <li>clearing of 512 individual <i>Microcorys elatoides</i>,</li> <li>clearing of 56 hectares of potential Malleefowl (<i>Leipoa ocellata</i>) habitat; and,</li> <li>clearing of 56 hectares of potential Chuditch (<i>Dasyurus geoffroii</i>) habitat.</li> </ul> <p>The EPA notes that the offsets strategy for the Earl Grey Lithium Project (Ministerial Statement 1118) proposal has not yet been approved. Please provide further discussion on whether:</p> <ul style="list-style-type: none"> <li>the new impacts would be addressed as part of the existing (MS1118) offset strategy requirements;</li> <li>evidence regarding discussion undertaken with Department of Agriculture, Water and the Environment (DAWE); and</li> <li>whether you propose to refer the revised proposal to the DAWE for consideration.</li> </ul>	<p>The ERD in Section 5 <i>Flora and Vegetation</i> identifies that the environment effect of the Revised Proposal to flora and vegetation values is not considered to be environmentally significant, and accordingly, additional environmental offsets in relation to flora and vegetation values has not been proposed. With specific regard to the flora taxon <i>Microcorys elatoides</i> (DBCA-P1), the context for the application of environmental offsets for <i>Microcorys elatoides</i> (DBCA-P1) at the time of the Statement 1118 approval is relevant; noting the distribution and population numbers for this taxon have increased substantially in subsequent years. At the time of the EPA (2019) assessment of the Approved Proposal, <i>Microcorys elatoides</i> (DBCA-P1), then known as <i>Microcorys</i> sp. Mt Holland (DBCA-P1), was of concern due to being a newly discovered taxon with a restricted distribution and &lt; 11,000 individuals recorded regionally (with a projected estimate of &lt; 45,000 individuals). The Approved Proposal was anticipated to affect 6,246 individuals of <i>Microcorys elatoides</i>; representing approximately 14 % of the projected regional population estimate. As outlined within the ERD for the Revised Proposal, the Indicative Site Layout for the Approved Proposal and the Revised Proposal (combined) coincide 7,579 individuals of <i>Microcorys elatoides</i>, with the regional population now at &gt; 85,000 individuals; the total effect now being substantially lower at &lt; 9 % of the revised regional population. In this context, the environmental effect of the Approved Proposal and the Revised Proposal (combined) to <i>Microcorys elatoides</i> is not considered to be environmentally significant, and accordingly, additional environmental offsets for this taxon have not been proposed within the ERD. The ERD has been amended in Section 8 <i>Environmental Offsets</i> to provide this additional context as outlined above.</p> <p>The ERD in Section 6 <i>Terrestrial Fauna</i> identifies that the clearing of an additional 56 ha of fauna habitat occupied by listed 'Threatened' fauna taxa Malleefowl <i>Leipoa ocellata</i> and Chuditch <i>Dasyurus geoffroii</i> may be considered environmentally significant at a local scale, and accordingly,</p>	<p>Section 8 <i>Environmental Offsets</i></p> <p>Section 1.6 <i>Environmental Assessment Process</i></p> <p>Appendix 2 <i>Stakeholder Consultation Register</i></p>

EPA REQUEST	COVALENT LITHIUM RESPONSE	ERD AMENDMENT
	<p>Covalent Lithium proposes to provide an addition of a land acquisition environmental offset through amendment of the Threatened Fauna Land Acquisition Strategy under Condition 8 of the Statement 1118 approval. As outlined within the ERD in Section 8.2 <i>Environmental Offsets for Revised Proposal</i>, the addition of a land acquisition environmental offset for the Revised Proposal will similarly seek to provide for the acquisition, management (for conservation), monitoring and rehabilitation of currently unprotected habitat area(s) for <i>Leipoa ocellata</i> and <i>Dasyurus geoffroii</i>. A number of preliminary land acquisition targets have been identified which contain suitable habitat for which biological field surveys are currently being undertaken. Subject to the EPA considering the Revised Proposal to be environmentally acceptable, Covalent Lithium anticipates that the EPA will recommend to the Minister for Environment that an environmental condition is imposed to requires an environmental offset for the additional 56 ha of fauna habitat clearing associated with the Revised Proposal; either through an amendment of the Threatened Fauna Land Acquisition Strategy (Condition 8 of the Statement 1118 approval), or through a separate (additional) Threatened Fauna Land Acquisition Strategy.</p> <p>In relation to stakeholder consultation, the ERD in Section 3 <i>Stakeholder Engagement</i> identifies the Commonwealth Department of Agriculture, Water and the Environment (DAWE) as a key stakeholder, with Appendix 2 of the ERD identifying the dates and discussion points from consultation with DAWE on the Revised Proposal (meetings in June 2021 and July 2021).</p> <p>Section 1.6 <i>Environmental Assessment Process</i> identifies that the Revised Proposal will be subject to environmental assessment by DAWE in accordance with Section 143 of the <i>Environment Protection and Biodiversity Conservation Act 1999</i> (C'th) as a variation to the EPBC Decision 2017/7950 approval applying to the Approved Proposal. Covalent Lithium submitted the variation request to DAWE in October 2021. The ERD has been amended in Section 1.6 <i>Environmental Assessment Process</i> to identify that Covalent Lithium submitted the variation request to DAWE in October 2021.</p>	
GREENHOUSE GAS EMISSIONS		
<p><i>The Earl Grey Lithium Project GHG Emissions Determination (Greenbase 2021) is missing information required by EPAs "Environmental Factor Guideline: Greenhouse Gas Emissions" (EPA 2020). In line with the EPAs guideline, please provide the following information:</i></p> <ul style="list-style-type: none"> <li>• credible estimates of scope 1, scope 2 and scope 3 GHG emissions (annual and total) over the life of a proposal</li> <li>• a breakdown of GHG emissions by source inclusive of, but not limited to, stationary energy, fugitives, transport, and emissions associated with changes to land use</li> <li>• projected emissions intensity (emissions per unit of production) for the proposal and benchmarking against other comparable projects.</li> </ul>	<p>Covalent Lithium has an important role to play in addressing greenhouse gas emissions and climate change. Lithium is a key component of lithium batteries needed for the storage of renewable energy in households and electric vehicles.</p> <p>The Revised Proposal will result in a net <u>decrease</u> in the emissions from the Approved Proposal through the construction and operation of the Solar Farm. The modelled emissions for both the Approved Proposal and the Revised Proposal fall under the indicated threshold emissions level indicated in the EPA (2020) document <i>Environmental Factor Guideline: Greenhouse Gas Emissions</i>.</p> <p>Greenbase has amend the emissions report to include the additional information now requested by EPA (including Scope 3 emissions, breakdown of emissions by source, and emissions intensity/benchmarking). The ERD has been amended to cite the revised Greenbase report, and with the modelled emissions levels included within the Proposal Content Document tables.</p> <p>As noted within the ERD, greenhouse gas emissions can be appropriately reported and regulated in accordance with the <i>National Greenhouse and Energy Reporting Act 2007</i> (C'th) (without duplication of regulation by EPA).</p>	<p>Section 2 <i>The Proposal</i> (Proposal Content Document)  Greenbase (2021) report amended</p>

EPA REQUEST	COVALENT LITHIUM RESPONSE	ERD AMENDMENT
PROPOSAL CONTENT DOCUMENT		
<p><i>Amendments to the Environmental Protection Act 1986 (EP Act) were passed by the Western Australian Parliament in November 2020. Amendments relating to Part IV of the EP Act came into force on 22 October 2021.</i></p> <p><i>As part of these amendments, proponents need to prepare a Proposal Content Document (PCD). Instructions on how to prepare a PCD are located on the EPA website: <a href="https://www.epa.wa.gov.au/forms-templates/instructions-how-define-content-proposal">https://www.epa.wa.gov.au/forms-templates/instructions-how-define-content-proposal</a></i></p> <p><i>The template provided with these instructions provides the structure for defining the general proposal content description and the Proposal content elements for new proposals, for changes to proposals during referral and assessment and for changes to approved proposals.</i></p>	<p>Covalent Lithium notes the recent amendments to the State <i>Environmental Protection Act 1986</i> (WA) and the EPA's revised procedures, in particular, the change from a 'Key Proposal Characteristics' table to the 'Proposal Content Document'. Both the Approved Proposal and the Revised Proposal have previously adopted a 'Key Proposal Characteristics' table approach.</p> <p>The ERD in Section 2 <i>The Proposal</i> includes a Table 2-1 <i>Key Proposal Characteristics</i> to provide a comparison of the Approved Proposal and the Revised Proposal. The ERD in Section 2 <i>The Proposal</i> has been amended to include an additional Table 2-2 and Table 2-3 to include a 'Proposal Content Document' format for the Proposal (Approved Proposal and Revised Proposal combined). The structure of Table 2-2 and Table 2-3 align to the Proposal Content Document Structure identified within the recent EPA (2021) document <i>How to Identify the Content of a Proposal</i>.</p>	<p>Section 2 <i>The Proposal</i> (Proposal Content Document)</p>
OTHER MATTERS		
-	<p>As outlined during the meeting discussion with representatives for EPA Services and Covalent Lithium on 19 November 2021, the following points may also be noted.</p> <ul style="list-style-type: none"> <li>o The general form and content of the revised ERD (Revision 1) remains largely intact, with amendments to address the EPA's additional information requirements incorporated within the existing structure. Specifically, the requested additional information on the preliminary environmental factors of 'Inland Waters', 'Terrestrial Environmental Quality' and 'Greenhouse Gas Emissions' has been provided within the existing document format; without the need for new separate chapters on these matters.</li> <li>o The ERD has been revised to reflect the EPA's revised suite of guidelines and procedures released in October 2021.</li> </ul>	<p>Section 2 <i>The Proposal</i> (Proposal Content Document)</p> <p>Section 2.5 <i>Waste Rock and Tailings</i></p> <p>Section 7 <i>Other Environmental Factors</i></p> <p>EPA guidelines and procedures changed throughout ERD</p>