



Covalent Lithium Pty Ltd
Kwinana Lithium Hydroxide Refinery

Compliance Assessment Report (MS 1170)
Section 45(5) of the *Environmental Protection Act 1986*

30 March 2022

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JBS&G Australia Pty Ltd T/A Strategen-JBS&G

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1. Introduction

1.1 Purpose of this Report

This Compliance Assessment Report (CAR) addresses the status and compliance of operations at the Covalent Lithium Pty Ltd Kwinana Lithium Hydroxide Refinery (the Project) with respect to the conditions provided within Ministerial Statement (MS) 1170. This CAR has been prepared for the purpose of meeting the requirement of Condition 4-3 of MS 1170, which is to:

“assess compliance with conditions in accordance with the Compliance Assessment Plan (CAP) required by Condition 4-1.”

1.2 Project Background

Covalent Lithium Pty Ltd (hereafter referred to as Covalent Lithium), the appointed manager for the Joint Venture between subsidiaries of Wesfarmers Limited (Wesfarmers) and Sociedad Química y Minera de Chile (SQM), was approved for the development of the Earl Grey Lithium Project, which is located approximately 105 kilometres (km) south of the Southern Cross township in Western Australia and related refinery in Kwinana Beach, approximately 40 km south of Perth.

The Project involves the construction and operation of a Lithium Hydroxide Refinery at Lot 15 Mason Road, Kwinana Beach. The Project is intended to process Spodumene ore concentrate, sourced from and produced at the Earl Grey Lithium Project site in Mount Holland, to produce battery-grade Lithium Hydroxide Monohydrate. The key components of the Project are summarised in Table 1.1.

Table 1.1: Key Components of the Project

Element	Proposed Extent
Physical Elements	
Development Envelope	Clearing a maximum of 11.2 ha of native vegetation, within an Indicative Footprint of 44.5 ha and Development Envelope of 76.0 ha
Indicative Footprint	
Clearing Footprint	
Operational Elements	
Processing of Spodumene ore	Maximum of 382,860 dry tonnes per annum
Lithium hydroxide production	Maximum of 50,276 dry tonnes per annum
Wastewater disposal	Maximum of 252 Megalitres per annum
Refinery coproduct	Maximum of 116,531 dry tonnes per annum Sodium Sulphate Anhydrous (Na ₂ SO ₄)
Derived waste volume	Maximum of 380,551 dry tonnes per annum Delithiated Beta Spodumene; Maximum of 9,479 dry tonnes per annum Mixed Salt Material; and Maximum of 4,394 dry tonnes per annum Polished Filter Material.

1.3 Environmental Approval to Implement the Project

The Project was referred under Section 38, Part IV of the *Environmental Protection Act 1986* (WA) (EP Act) and was assessed by the Environmental Protection Authority (EPA) at a Referral Information with additional information required under Section 40 (2) (a) of the EP Act' Level of Assessment. The Project was granted conditional environmental approval by the Minister for Environment on 15 July 2021, subject to conditions contained in MS 1170 (Appendix A), including requirements for Covalent Lithium to monitor and report compliances (Condition 4-3).

2. Current Status

The Project was granted environmental approval on 15 July 2021 through the MS 1170 approval under the EP Act by the WA Minister for Environment.

Construction commenced in 2021, with completion due mid-2024. Production will commence when a licence is granted under Part V of the EP Act and will be undertaken in accordance with the following State-approved management plans:

- The Greenhouse Gas Management Plan (MS 1170: Condition 2);
- The Waste Management Plan (MS 1170: Condition 4);
- The Environmental Management Plan: Monitoring and Adaptive Management (MS 1170: Condition 5);
- The Environmental Management Plan: General Provisions (MS 1170: Condition 6).

These plans are not required until production has commenced or, in the case of the Waste Management Plan, prior to the reuse of refinery co-product.

3. Audit Methodology

3.1 Audit Plan

3.1.1 Purpose & Scope

Conditions 9-1, 9-2, and 9-3 of MS 1170 state:

Condition 9-1: *“The proponent shall prepare and maintain a Compliance Assessment Plan which is submitted to the CEO at least six (6) months prior to the first Compliance Assessment Report required by condition 9-5, or prior to implementation of the proposal, whichever is sooner, or as agreed in writing by the CEO.”*

Condition 9-2: *“The Compliance Assessment Plan shall indicate:*

- (1) the frequency of compliance reporting;*
- (2) the approach and timing of compliance assessments;*
- (3) the retention of compliance assessments;*
- (4) the method of reporting of potential non-compliances and corrective actions taken;*
- (5) the table of contents of Compliance Assessment Reports; and*
- (6) public availability of Compliance Assessment Reports.”*

and

Condition 9-3: *“After receiving notice in writing from the CEO that the Compliance Assessment Plan satisfies the requirements of condition 9-2, the proponent shall assess compliance with conditions in accordance with the Compliance Assessment Plan required by condition 9-1.*

A Compliance Assessment Plan (CAP) (Revision 0) was submitted to the Department of Water and Environmental Regulation (DWER) on 23 August 2021. The CAP was revised and then resubmitted (Revision 1) on 4 November 2021. This revision was approved by DWER on 18 January 2022. This CAR has been prepared for Covalent Lithium to fulfil the requirements of MS 1170: Condition 9-3 by assessing compliance with the conditions of MS 1170 in accordance with the approved CAP.

The first CAR is due to be submitted to DWER by 31 March 2022.

3.1.2 Methodology

The audit was undertaken over the course of the reporting period and included email correspondence with relevant personnel (Table 3.1) and review of relevant documents provided by the Proponent.

Table 3.1: Personnel Consulted During the Audit

Personnel	Business	Position	Purpose
Anthea Pate	Covalent Lithium	Approvals Manager	To obtain verifiable evidence to assist in determining Covalent Lithium’s compliance with MS 1170 and associated management plans.
Alysia Woodward	360 Environmental	Coordinator	
Joshua Hall	Strategen-JBS&G	Advisor	
Tim Bowra	Strategen-JBS&G	Project Director	
Andrew Winzer	Strategen-JBS&G	Project Manager	
Ryan Tomkins	Strategen-JBS&G	Project Scientist	

3.1.3 Audit Terminology

The ‘Status’ field of the audit table describes the implementation of the action and compliance with the audit element. Although the Chief Executive Officer (CEO) of DWER makes the final determination of compliance, it is necessary to update this field each reporting period, as a given project progresses. Formerly the Office of the Environmental Protection Authority (OEPA) (2012a; 2012b; 2012c; and 2012d), DWER has prepared updated guidance related to the preparation of compliance audits, including generic expressions that are used to identify the status of each action (Table 3.2).

Table 3.2: Action Implementation Status

Status	Description
Compliant	Implementation of the proposal has been carried out in accordance with requirements of the audit.
Completed	A requirement with a finite period of application has been satisfactorily completed.
Not Required At This Stage (NRATS)	The requirements of the audit element were not triggered during the reporting period.
Potentially Non-compliant	Possible or likely failure to meet the requirements of the audit element.

Source: The Office of the Environmental Protection Authority (OEPA) 2012b.

4. Audit Results

4.1 Proposed Changes to the Compliance Assessment Plan

Covalent Lithium proposes to amend the CAP to change the current reporting period to a calendar reporting period (1 January to 31 December, and reporting by 30 April). The justification for this will be to align with the CAR for the Earl Grey Lithium Project, and to ensure sufficient time for the completion/inclusion of third-party environmental monitoring reports (e.g., greenhouse gas monitoring, etc.).

4.2 Compliance with Ministerial Statement 1170

The results of the audit of MS 1170 are presented in Table 4.1 below. A signed Statement of Compliance has been included in Appendix B.

4.2.1 Compliance with Conditions of Ministerial Statement 1170

Of the 35 conditions of MS 1170 (Table 4.1):

- Nine (9) were found to be 'Compliant'
- None were found to be 'Completed'
- 26 were found to be 'Not Required At This Stage'
- None were found to be 'Potentially Non-compliant'

Table 4.1: Audit Table of Compliance with Ministerial Statement 1170

Audit Code	Subject	Requirement	How	Phase	Timeframe	Evidence	Comment	Status
1.1	Limitations and Extent of the Proposal	<p>When implementing the proposal, the proponent shall ensure the proposal does not exceed the following extents in this condition:</p> <ul style="list-style-type: none"> Development Envelope - 76 ha. Disturbance Footprint - up to 44.5 ha. Direct disturbance of native vegetation - up to 11.2 ha. Processing of spodumene ore - up to 382,860 dry tonnes per annum. Lithium hydroxide production - up to 50,276 dry tonnes per annum. Wastewater production via Sepia Depression Ocean Outfall Line at Cape Peron - up to 252 Megalitres per annum. Refinery co-product - up to 116,531 dry tonnes per annum Sodium Sulphate Anhydrous. Refinery process derived waste volume - up to 380,551 dry tonnes per annum Delithiated Beta Spodumene; up to 9,479 dry tonnes per annum Mixed Salt Material; and up to 4,394 dry tonnes per annum Polished Filter Material. Project life – 40 years 	Implement the Proposal as per extent in condition	Overall	Ongoing	<p>Compliance Assessment Report (2021)</p> <p>P001_NearMap_15032022</p>	<p>Following being granted environmental approval by the WA Minister for Environment in July 2021, construction of the Project substantially commenced; therefore, only the development envelope, disturbance footprint and direct disturbance of native vegetation were auditable components of the Project.</p> <p>Based on the latest satellite imagery of 15 Mason Rd, Kwinana Beach WA 6167, the extent of the development envelope, disturbance footprint and direct disturbance of native vegetation have not exceeded their proposed extent.</p>	Compliant
2.1	Greenhouse Gas Management	<p>The proponent shall take measures to ensure that net Greenhouse Gas (GHG) emissions do not exceed:</p> <ol style="list-style-type: none"> The first emissions limit, for the period between the commencement date and 30 June 2025; 799,370 tCO_{2-e} for the period between 1 July 2025 and 30 June 2030; 649,685 tCO_{2-e} for the period between 1 July 2030 and 30 June 2035; 500,000 tCO_{2-e} for the period between 1 July 2035 and 30 June 2040; 333,335 tCO_{2-e} for the period between 1 July 2040 and 30 June 2045; 166,665 tCO_{2-e} for the period between 1 July 2045 and 30 June 2050; and Zero (0) tCO_{2-e} per annum for every five (5) year period from 1 July 2050 onwards. 	Covalent Lithium to ensure net GHG emissions do not exceed the values identified in Condition 2-1 (1) to (7).	Overall	Ongoing	Compliance Assessment Report (2021)	Greenhouse gas reporting not required at the stage as production has not commenced; therefore, GHG emissions are zero for the 2021 reporting period. The 'commencement date' of production will be when a licence is granted under Part V of the EP Act.	NRATS
2.2	Greenhouse Gas Management	<p>The proponent shall submit a report to the CEO each year by 31 March, commencing on the first 31 March after the date of this Statement specifying for the previous financial year:</p> <ol style="list-style-type: none"> The quantity of proposal GHG emissions and lithium hydroxide produced; and The emissions intensity for the proposal. 	Prepare and submit report to the CEO in accordance with Conditions 2-2 (1) and (2).	Overall	Annually by 31 March	Correspondence to the CEO notifying of submissions	Refer to 2.1	NRATS

Audit Code	Subject	Requirement	How	Phase	Timeframe	Evidence	Comment	Status
2.3	Greenhouse Gas Management	<p>The proponent shall submit to the CEO by 31 March 2026, and every fifth 31 March thereafter:</p> <ol style="list-style-type: none"> 1. A report specifying: <ol style="list-style-type: none"> a. for each of the preceding five (5) financial years, the matters referred to in conditions 2-2(1) and (2); b. for the period specified in Conditions 2-1 (1), (2), (3), (4), (5), (6) or (7) that ended on 30 June of the year before the report is due: <ol style="list-style-type: none"> i. the quantity of proposal GHG emissions; ii. the net GHG emissions; iii. the type, quantity, identification or serial number, and date of retirement or cancellation of any authorised offsets which have been retired or cancelled and which have been used to calculate the net GHG emissions referred to in Condition 2-3 (1) (b) (ii), including written evidence of such retirement or cancellation; and iv. any measures that have been implemented to avoid or reduce proposal GHG emissions. 2. An audit and peer review of the report required by Condition 2-3 (1), carried out by an independent person or independent persons with suitable technical experience dealing with the suitability of the methodology used to determine the matters set out in the report, whether the report is accurate and whether the report is supported by credible evidence. This report is to be made publicly available as required by Condition 2-8. 	Prepare and submit report to the CEO in accordance with Conditions 2-3 (1) and (2).	Overall	By 31 March 2026 and every five (5) years thereafter	Correspondence to the CEO notifying of submissions	Refer to 2.1	NRATS
2.4	Greenhouse Gas Management	<p>A summary document comprising of a summary plan and progress statement outlining key information from the greenhouse gas management plan (and reports to that time) must be provided within six (6) months and every five (5) years thereafter as per condition 2-3 and also if the greenhouse gas management plan is revised under Condition 2-6. The summary, where feasible must include:</p> <ol style="list-style-type: none"> a. a graphical comparison of scope 1 emission reduction commitments in the greenhouse gas management plan with 'actual' emissions for compliance periods; b. proposal performance against benchmarking for comparable facilities; c. emissions intensity; d. a summary of emission reduction measures undertaken by the proponent; and e. a clear statement as to whether emission limits to date have been achieved, and whether future emission limits are likely to be achieved. 	Prepare and provide summary document in accordance with Conditions 2-4 (a) to (e).	Overall	Within six (6) months of submission and every five (5) years as per Condition 2-3.	Greenhouse Gas Management Summary Plan	Refer to 2.1	NRATS
2.5	Greenhouse Gas Management	<p>Subject to, and consistently with Condition 2-1, the proponent shall implement:</p> <ol style="list-style-type: none"> 1. Greenhouse Gas Management Plan Revision 7 dated February 2021; or 2. if that plan has been revised, the latest version of the plan that the CEO has confirmed in writing meets the requirements of Condition 2-7. 	Implement the latest revision of the Greenhouse Gas Management Plan the CEO has confirmed in writing meets the requirements of Condition 2-7.	Overall	Ongoing	Compliance Assessment Report (2021)	Refer to 2.1	NRATS

Audit Code	Subject	Requirement	How	Phase	Timeframe	Evidence	Comment	Status
2.6	Greenhouse Gas Management	The proponent: <ol style="list-style-type: none"> 1. May revise the greenhouse gas management plan at any time; 2. Must revise the Greenhouse Gas Management plan if there is a change to the proposal which means there is a material risk that Condition 2-1 will not be achieved; 3. Must revise the greenhouse gas management plan at least every five (5) years to align with the five (5) yearly reporting requirements specified in Condition 2-3; and 4. Must revise the greenhouse gas management plan as and when directed to by the CEO, within the time specified by the CEO. 	Revise the Greenhouse Gas Management Plan if required, if there is a change to the Proposal, at least every five (5) years and/or as and when directed to by the CEO.	Overall	By the 31 March every five (5) years or as required	Greenhouse Gas Management Plan	Refer to 2.1	NRATS
2.7	Greenhouse Gas Management	Each revision of the Greenhouse Gas Management Plan referred to in Condition 2-6 which is submitted to the CEO shall: <ol style="list-style-type: none"> 1. Be consistent with the achievement of the emission limits in Condition 2-1 (or achievement of emission reductions beyond those required by the emission limits); 2. Specify the estimated proposal GHG emissions and emissions intensity for the remainder of the life of the proposal; 3. Include comparison of the estimated proposal GHG emissions and emissions intensity for the remainder of the life of the proposal against other comparable projects; 4. Identify and describe any measures that the proponent will implement to avoid, reduce and/or offset proposal GHG emissions or reduce the emissions intensity of the proposal; and 5. Provide for a program for the future review of the plan to: <ol style="list-style-type: none"> a. assess the effectiveness of measures referred to in Condition 2-7 (4); and b. identify and describe options for future measures that the proponent may or could implement to avoid, reduce and/or offset proposal GHG emissions or reduce the emissions intensity of the proposal. 	The Greenhouse Gas Management Plan must be revised in accordance with Conditions 2-7 (1) to (4).	Overall	Ongoing	Greenhouse Gas Management Plan	Refer to 2.1	NRATS
2.8	Greenhouse Gas Management	The proponent shall make all greenhouse gas management plans and all reports required under this condition 2 (including audits and peer reviews, summary plans and progress statements) publicly available on the proponent's website within the timeframes specified below for the life of the proposal, or in any other manner or time specified by the CEO: <ol style="list-style-type: none"> 1. The greenhouse gas management plan referred to in Condition 2-5 (1) within two (2) weeks of the issue of the Statement; 2. The report referred to in Condition 2-2 within two (2) weeks of the report being accepted by notice in writing by the CEO; 3. The reports, audits and peer reviews, summary plans and progress statements referred to Conditions 2-3 and 2-4 within two (2) weeks of the relevant reports, summary statements and progress reports being accepted by notice in writing by the CEO; and 4. Any revised greenhouse gas management plan referred to in Condition 2-6 within two (2) weeks of receiving confirmation from the CEO as referred in Condition 2-5 (2). 	Make Greenhouse Gas Management Plans and all reports required under Condition 2 publicly available on the proponent's website in accordance with Condition 2-8 (1) and (4).	Overall	Within two (2) weeks as specified in Condition 2.8	Covalent Lithium website information publicly available on the Covalent Lithium website during life of Project	Refer to 2.1	Compliant

Audit Code	Subject	Requirement	How	Phase	Timeframe	Evidence	Comment	Status
3.1	Terrestrial Environmental Quality Outcomes	The proponent shall ensure the following outcomes are achieved: 1. No contamination of soil through the handling and transport of refinery process derived waste as a result of the implementation of the proposal; and 2. No disposal of any refinery process derived waste to landfill on the Swan Coastal Plain.	Ensure the Terrestrial Environmental outcomes as identified in Condition 3-1 (1) to (2) are achieved.	Overall	Ongoing	Not applicable	No contamination of soil through the handling and transport of refinery process-derived waste or the disposal of any refinery process-derived waste to landfills on the Swan Coastal Plain has occurred during the 2021 reporting period as production has not commenced. The 'commencement date' of production will be when a licence is granted under Part V of the EP Act.	NRATS
4.1	Waste Management	During operation of the Covalent Lithium Hydroxide Refinery, the proponent shall, within twelve (12) months of any production of refinery process derived waste, or ensuring storage does not exceed the capacity of any dedicated storage infrastructure, remove that waste to: 1. An approved waste facility located at the Earl Grey Lithium - Mount Holland Mine; or 2. An alternate location, as agreed by the CEO in writing, where the proponent has identified the process derived waste as a secondary coproduct which is able to be reused for a beneficial purpose.	Remove waste to a location in accordance with Condition 4-1 (1) to (2).	Overall	Within twelve (12) months of any production of refinery process derived waste or as in Condition 4-1.	Not applicable	A Waste Management Plan will be submitted by July 2024 or six (6) months prior to the reuse of refinery co-product.	NRATS
4.2	Waste Management	Within three (3) years of the publication of this Statement or six (6) months prior to the reuse of secondary refinery co-products, whichever is sooner or as otherwise agreed by the CEO, the proponent shall prepare and submit a waste management plan to the CEO. The waste management plan shall: 1. When implemented, substantiate and ensure that Condition 4-1 is being met; 2. Specify targets to be met, and detail actions undertaken to meet those targets by applying principles of Waste Management Hierarchy under the <i>Waste Avoidance and Resource Recovery Act 2007</i> , including Avoidance, Recovery and Disposal; 3. Quantify the outcome/s of applying the principle of the Recovery (re-use, reprocessing, recycling) under the <i>Waste Avoidance and Resource Recovery Act 2007</i> ; and 4. Provide evidence that all reasonable and practicable measures have been undertaken to avoid and recover waste.	Prepare and submit a Waste Management Plan in accordance with Condition 4-2 (1) to (4) for approval by the CEO	Overall	Within three (3) years of publication of MS 1170 or six (6) months prior to the reuse of secondary refinery coproducts (whichever is sooner) or as agreed by the CEO.	Not applicable	Refer to 4.1	NRATS
5.1	Environmental Management Plan: Monitoring and Adaptive Management	The proponent must prepare and submit to the CEO an Environmental Management Plan to substantiate that the outcomes of Condition 3-1 will be met. The Plan must include: 1. Threshold criteria that provide a limit beyond which the environmental outcomes are not achieved; 2. Trigger criteria that will provide an early warning that the environmental outcomes are not likely to be met; 3. Monitoring parameters, sites, control/reference sites, methodology, timing and frequencies which will be used to measure threshold and trigger criteria. Include methodology for determining alternate monitoring sites as a contingency if proposed sites are not suitable in the future; 4. Baseline data; 5. Data collection and analysis methodologies; 6. Adaptive management methodology; and 7. Contingency measures which will be implemented if threshold or trigger criteria are met.	Prepare and submit an Environmental Management Plan in accordance with Condition 5-1 (1) to (7) for approval by the CEO.	Overall	Prior to the commencement of operations	Not applicable	An Environmental Management Plan is not required at this stage as production has not commenced. An Environmental Management Plan will be submitted to ensure CEO sign-off prior to the commencement of operations at the refinery. The 'commencement date' of production will be when a licence is granted under Part V of the EP Act.	NRATS
5.2	Environmental Management Plan: Monitoring and Adaptive Management	The exceedance of a threshold criteria (regardless of whether threshold contingency measures have been or are being implemented), and/or failure to comply with the requirements of the environmental management plan represents a non-compliance with these conditions.	Identify threshold criteria exceedances and/or failure to comply with the requirements of the environmental management plan	Overall	Ongoing	Monitoring report used to measure threshold and trigger criteria	Refer to 5.1	NRATS

Audit Code	Subject	Requirement	How	Phase	Timeframe	Evidence	Comment	Status
5.3	Environmental Management Plan: Monitoring and Adaptive Management	The proponent must not commence operations until the CEO has confirmed in writing that the environmental management plan satisfies the requirements of this condition.	Do not commence operations until Environmental Management Plan has been approved by the CEO	Overall	Prior to the commencement of operations	Correspondence with the CEO	Refer to 5.1	NRATS
6.1	Environmental Management Plans: General Provisions	After receiving notice in writing from the CEO that the management plans in Conditions 2, 4 and 5 satisfy the requirements of Conditions 2, 4 and 5 respectively, the proponent shall: 1. implement the proposal in accordance with the management plans; and 2. continue to implement the management plans until the CEO has confirmed by notice in writing that it has been demonstrated that the outcomes specified in Conditions 3-1 and 4-1 have been met and therefore the implementation of the actions in the management plans are no longer required.	After the CEO has confirmed management plans have been approved, implement the proposal in accordance with the management plans and implement the management plans until the CEO is satisfied that the conditions have been met.	Overall	Ongoing	Compliance Assessment Report (2021)	An Environmental Management Plan is not required at this stage as production has not commenced. An Environmental Management Plan will be submitted to ensure CEO sign-off prior to the commencement of operations at the refinery. The 'commencement date' of production will be when a licence is granted under Part V of the EP Act.	NRATS
6.2	Environmental Management Plans: General Provisions	The proponent may review and revise the management plans.	Review and revise management plans if required.	Overall	Ongoing	Refer to M6.1	Refer to 6.1	NRATS
6.3	Environmental Management Plans: General Provisions	The proponent shall review and revise the management plans as and when directed by the CEO.	Review and revise management plan as and when directed by the CEO.	Overall	Ongoing (as directed)	Refer to M6.1	Refer to 6.1	NRATS
6.4	Environmental Management Plans: General Provisions	The proponent shall implement the latest version of the management plans, which the CEO has confirmed by notice in writing, satisfies the requirements of Conditions 4 and 5 respectively.	Implement the latest approved version of the management plan until the CEO is satisfied that the conditions have been met.	Overall	Ongoing	Refer to M6.1	Refer to 6.1	NRATS
6.5	Environmental Management Plans: General Provisions	Despite Condition 6-4, but subject to Conditions 6-6 and 6-7, the proponent may implement minor revisions to a management plan if the revisions will not result in a new or increased adverse impacts to the environment or result in a risk to the achievement of the management plan limits, outcomes or objectives.	Implement minor revision/s of management plans if the revisions will not result in a new or increased adverse impact to the environment or result in a risk to the achievement of the management plan limits, outcomes or objectives.	Overall	Ongoing	Refer to M6.1	Refer to 6.1	NRATS
6.6	Environmental Management Plans: General Provisions	If the proponent is to implement minor revisions to a management plan under condition 6-5, the proponent must provide the CEO with the following at least twenty (20) business days before it implements the revisions: a. revised management plan clearly showing the minor revisions; b. explanation of reasons for the minor revisions; and c. explanation of why the minor revisions will not result in a new or increased adverse impacts to the environment or result in a risk to the achievement of the management plan limits, outcomes or objectives.	Provide the CEO a summary of minor revisions to the management plan in accordance with Condition 6-6 (a) to (c) prior to implementation of revisions.	Overall	Twenty (20) days before it implements revisions	Refer to M6.1	Refer to 6.1	NRATS
6.7	Environmental Management Plans: General Provisions	The proponent must cease to implement any revisions which the CEO notifies the proponent (at any time) in writing may not be implemented.	Cease to implement revisions of management plans at the CEO request.	Overall	Ongoing	Refer to M6.1	Refer to 6.1	NRATS
6.8	Environmental Management Plans: General Provisions	Management Plans must be provided in electronic form suitable for publication on the EPA's website within ten (10) business days of endorsement, and also be published on the proponent's website.	Provide management plans in electronic form to CEO and publish on Covalent Lithium's website.	Overall	Within 10 business days of endorsement	Information publicly available on the Covalent Lithium website during life of the Project.	Refer to 6.1	NRATS

Audit Code	Subject	Requirement	How	Phase	Timeframe	Evidence	Comment	Status
7.1	Contact Details	The proponent shall notify the CEO of any change of its name, physical address or postal address for the serving of notices or other correspondence within twenty-eight (28) days of such change. Where the proponent is a corporation or an association of persons, whether incorporated or not, the postal address is that of the principal place of business or of the principal office in the State.	Notify the CEO of any change to Proponent details.	Overall	Within 28 days of such a change	Not applicable	No changes to the Proponent's name, physical address or postal address were made in the 2021 reporting period.	Compliant
8.1	Time Limit for Proposal Implementation	The proponent shall not commence implementation of the proposal after five (5) years from the date of this Statement, and any commencement, prior to this date, must be substantial.	Covalent shall substantially commence the proposal prior to 14 July 2026.	Overall	Within 5 years of publishing of this statement	Written correspondence to the CEO of the date of substantial commencement prior to 14 July 2026	Following being granted environmental approval by the WA Minister for Environment in July 2021, construction of the Project substantially commenced.	Compliant
8.2	Time Limit for Proposal Implementation	Any commencement of implementation of the proposal, on or before five (5) years from the date of this Statement, must be demonstrated as substantial by providing the CEO with written evidence, on or before the expiration of five (5) years from the date of this Statement.	Notify the CEO that the proposal has substantially commenced.	Overall	Within 5 years of publishing of this statement	Written correspondence to the CEO that project has substantially commenced prior to 14 July 2026	Refer to 8.1	Compliant
9.1	Compliance and Exceedance Reporting	The proponent shall prepare and maintain a Compliance Assessment Plan which is submitted to the CEO at least six (6) months prior to the first Compliance Assessment Report required by condition 9-5, or prior to implementation of the proposal, whichever is sooner, or as agreed in writing by the CEO.	Prepare and submit a Compliance Assessment Plan to the CEO.	Overall	Within 6 months prior to the first compliance assessment report or prior to implementation or as agreed by the CEO	Compliance Assessment Plan (2021)	Revision 0 of the Compliance Assessment Plan for the Covalent Lithium Kwinana Refinery was initially endorsed in September 2021, and revised (Revision 1) in October 2021. The document was structured and prepared according to the Office of the Environmental Protection Authority's Post Assessment Guideline No.2.	Compliant
9.2	Compliance and Exceedance Reporting	The Compliance Assessment Plan shall indicate: 1. The frequency of compliance reporting; 2. The approach and timing of compliance assessments; 3. The retention of compliance assessments; 4. The method of reporting of potential non-compliances and corrective actions taken; 5. The table of contents of Compliance Assessment Reports; and 6. Public availability of Compliance Assessment Reports.	Compliance Assessment Plan must be prepared in accordance with Condition 9-2 (1) to (6).	Overall	Ongoing	Compliance Assessment Plan (2021)	Refer to 9.1	Compliant
9.3	Compliance and Exceedance Reporting	After receiving notice in writing from the CEO that the Compliance Assessment Plan satisfies the requirements of Condition 9-2, the proponent shall assess compliance with conditions in accordance with the Compliance Assessment Plan required by Condition 9-1.	Assess compliance in accordance with approved Compliance Assessment Plan.	Overall	Ongoing	Compliance Assessment Report (2021)	This is the first annual CAR for MS 1170, compliance against this condition will be assessed over subsequent reporting periods.	NRATS
9.4	Compliance and Exceedance Reporting	The proponent must provide an annual Compliance Assessment Report to the CEO for the purpose of determining whether the implementation conditions are being complied with.	Provide a Compliance Assessment Report to the CEO.	Overall	Annually	Compliance Assessment Report (2021)	Refer to 9.3	NRATS
9.5	Compliance and Exceedance Reporting	The first annual Compliance Assessment Report must be submitted by the first 31 March after the date of this Statement, and subsequent Compliance Assessment Reports must be submitted annually from that date, unless a different date is approved by the CEO.	Submit the first annual Compliance Assessment Report by the 31 March 2022 and subsequent Compliance Assessment Report annually from the date of the initial Compliance Assessment Report submission.	Overall	By 31 March and ongoing annually unless approved for a different date	Compliance Assessment Report (2021)	Refer to 9.3	NRATS
9.6	Compliance and Exceedance Reporting	Each annual Compliance Assessment Report must be endorsed by the proponent's Chief Executive Officer and must: 1. State whether each condition of this Statement has been complied with; 2. Provide evidence to substantiate statements of compliance, or details of where there has been a non-compliance and describe corrective and 3. Preventative actions taken; and 4. Be provided in a form suitable for publication on the EPA website.	The Covalent Lithium CEO must endorse each Compliance Assessment Report in accordance with Condition 9-6 (1) to (3).	Overall	Ongoing	Compliance Assessment Report (2021); and Compliance Assessment Report endorsement (Appendix B)	Refer to 9.3	NRATS

Audit Code	Subject	Requirement	How	Phase	Timeframe	Evidence	Comment	Status
9.7	Compliance and Exceedance Reporting	If the proponent becomes aware a limit, outcome or threshold criteria contained in these conditions, or a management plan required in these conditions, has, or is likely to be exceeded, the proponent must: <ol style="list-style-type: none"> report this to the CEO within seven (7) days; implement contingency measures; investigate the cause of the exceedance; investigate environmental impacts of the exceedance; propose rectification measures; propose measures to ensure no further impact as a result of the exceedance; and provide a further report to the CEO within twenty-one (21) days of the original report, detailing the measures required under this condition. 	Upon becoming aware of a limit, outcome or threshold criteria contained in MS 1170 conditions, or a management plan required in MS 1170 has, or is likely to be exceeded, Covalent must implement actions in accordance with Condition 9-7 (a) to (g)	Overall	Within 7 days	Correspondence to CEO notifying of actual or potential exceedance; and Submission of twenty-one (21) day to the CEO in accordance with conditions of 9.7.	No 'Potential Non-compliance' were observed in the 2021 reporting period.	Compliant
10.1	Public Availability of Data	Subject to condition 5-1, within a reasonable time period approved by the CEO of the issue of this Statement and for the remainder of the life of the proposal, the proponent shall make publicly available, in a manner approved by the CEO, all validated environmental data (including sampling design, sampling methodologies, empirical data and derived information products (e.g., maps, etc.), management plans and reports relevant to the assessment of this proposal and implementation of this Statement.	Make publicly available all validated environmental data relevant to the assessment of this proposal and implementation of MS 1170.	Overall	Ongoing	Information publicly available on the Covalent Lithium and EPA website during life of the Project.	This is the first annual Compliance Assessment Report for MS 1170. Compliance against this condition will be determined over subsequent reporting periods; however, This document will be made publicly available following its submission on 31 March 2022. All relevant information required for the Project at this stage is available on the EPA website or upon request at: https://www.epa.wa.gov.au/proposals/covalent-lithium-hydroxide-refinery No request has been made by the public to make other information and/or data publicly available.	Compliant
10.2	Public Availability of Data	If any data referred to in condition 10-1 contains particulars of: <ol style="list-style-type: none"> a secret formula or process; or confidential commercially sensitive information. <p>The proponent may submit a request for approval from the CEO to not make these data publicly available. In making such a request the proponent shall provide the CEO with an explanation and reasons why the data should not be made publicly available.</p>	Submit request to CEO to keep sensitive information confidential.	Overall	Ongoing	Refer 10.1	No such request has been made by the public for the type of information/data specified in this condition.	NRATS

5. Limitations

Scope of Services

This report (“the Report”) has been prepared by Strategen-JBS&G in accordance with the scope of services set out in the contract, or as otherwise agreed, between the Client and Strategen-JBS&G. In some circumstances, a range of factors such as time, budget, access and/or site disturbance constraints may have limited the scope of services. This report is strictly limited to the matters stated in it and is not to be read as extending, by implication, to any other matter in connection with the matters addressed in it.

Reliance on Data

In preparing the report, Strategen-JBS&G has relied upon data and other information provided by the Client and other individuals and organisations, most of which are referred to in the report (“the Data”). Except as otherwise expressly stated in the report, Strategen-JBS&G has not verified the accuracy or completeness of the data. To the extent that the statements, opinions, facts, information, conclusions and/or recommendations in the report (“conclusions”) are based in whole or part on the data, those conclusions are contingent upon the accuracy and completeness of the data. Strategen-JBS&G has also not attempted to determine whether any material matter has been omitted from the data. Strategen-JBS&G will not be liable in relation to incorrect conclusions should any data, information or condition be incorrect or have been concealed, withheld, misrepresented or otherwise not fully disclosed to Strategen-JBS&G. The making of any assumption does not imply that Strategen-JBS&G has made any enquiry to verify the correctness of that assumption.

The report is based on conditions encountered and information received at the time of preparation of this report or the time that site investigations were carried out. Strategen-JBS&G disclaims responsibility for any changes that may have occurred after this time. This report and any legal issues arising from it are governed by and construed in accordance with the law of Western Australia as at the date of this report.

Environmental Conclusions

Within the limitations imposed by the scope of services, the preparation of this report has been undertaken and performed in a professional manner, in accordance with generally accepted environmental consulting practices. No other warranty, whether express or implied, is made.

The advice herein relates only to this project and all results conclusions and recommendations made should be reviewed by a competent person with experience in environmental investigations, before being used for any other purpose.

Strategen-JBS&G accepts no liability for use or interpretation by any person or body other than the client who commissioned the works. This report should not be reproduced without prior approval by the client or amended in any way without prior approval by Strategen-JBS&G, and should not be relied upon by other parties, who should make their own enquiries.

6. References

Covalent Lithium (2020). *Lithium Hydroxide Refinery Compliance Assessment Plan Ministerial Statement 1170*. Revision 1, 20 October 2021.

Office of Environmental Protection Authority (OEPA) 2012a, *Post Assessment Guideline for Preparing a Compliance Assessment Plan*, OEPA, Perth, August 2012.

Office of Environmental Protection Authority (OEPA) 2012b, *Post Assessment Guideline for Preparing an Audit Table*, OEPA, Perth, August 2012.

Office of Environmental Protection Authority (OEPA) 2012c, *Post Assessment Guideline for Making Information Publicly Available*, OEPA, Perth, August 2012.

Office of Environmental Protection Authority (OEPA) 2012d, *Post Assessment Guideline for Preparing a Compliance Assessment Report*, OEPA, Perth, August 2012.



Appendix A Ministerial Statement 1170

THIS DOCUMENT

This document has been produced by the Office of the Appeals Convenor as an electronic version of the original Statement for the proposal listed below as signed by the Minister and held by this Office. Whilst every effort is made to ensure its accuracy, no warranty is given as to the accuracy or completeness of this document.

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Published on: 15 July 2021

Statement No. 1170

STATEMENT THAT A PROPOSAL MAY BE IMPLEMENTED
(*Environmental Protection Act 1986*)

COVALENT LITHIUM HYDROXIDE REFINERY

Proposal: The proposal is for the construction and operation of a lithium hydroxide refinery at Lot 15 Mason Road, Kwinana, within the Kwinana Industrial Area. The proposal will process spodumene ore concentrate, sourced from the Earl Grey Lithium Project at Mt Holland, to produce battery grade Lithium Hydroxide Monohydrate, primarily for use in lithium-ion batteries for electric vehicles.

Proponent: Covalent Lithium Pty Ltd
Australian Company Number 623 090 139

Proponent Address: Level 3 109 St Georges Terrace Perth WA 6000

Assessment Number: 2282

Report of the Environmental Protection Authority: 1700

Pursuant to section 45 of the *Environmental Protection Act 1986*, it has been agreed that the proposal described in section 2.3 of the proponent's Environmental Referral Supporting Report (November 2020), as amended by the change to proposal approved under section 43A on (8 April 2021) may be implemented and that the implementation of the proposal is subject to the following implementation conditions and procedures:

1 Limitations and Extent of Proposal

When implementing the proposal, the proponent shall ensure the proposal does not exceed the following extents:

Proposal element	Location	Limitation or maximum extent
Physical elements		
Development envelope	Figures 1 and 2	76 ha
Disturbance footprint	Figure 2	Up to 44.5 ha

Proposal element	Location	Limitation or maximum extent
Direct disturbance of native vegetation		Up to 11.2 ha
Operational elements		
Processing of spodumene ore		Up to 382,860 dry tonnes per annum
Lithium hydroxide production		Up to 50,276 dry tonnes per annum
Wastewater disposal via Sepia Depression Ocean Outfall Line at Cape Peron	Figure 1	Up to 252 Megalitres per annum
Refinery Co Product		Up to 116,531 dry tonnes per annum Sodium Sulphate Anhydrous
Refinery process derived waste volume		Up to 380,551 dry tonnes per annum De-lithiated Beta Spodumene. Up to 9,479 dry tonnes per annum Mixed Salt Material. Up to 4,394 dry tonnes per annum Polished Filter Material.
Timing elements		
Project life		40 years

2 Greenhouse Gas Management

2-1 The proponent shall take measures to ensure that **net greenhouse gas (GHG) emissions** do not exceed:

- (1) The **first emissions limit**, for the period between the **commencement date** and 30 June 2025;
- (2) 799,370 tCO₂-e for the period between 1 July 2025 and 30 June 2030;
- (3) 649,685 tCO₂-e for the period between 1 July 2030 and 30 June 2035;
- (4) 500,000 tCO₂-e for the period between 1 July 2035 and 30 June 2040;
- (5) 333,335 tCO₂-e for the period between 1 July 2040 and 30 June 2045;
- (6) 166,665 tCO₂-e for the period between 1 July 2045 and 30 June 2050;
and
- (7) zero (0) tCO₂-e per annum for every five (5) year period from 1 July 2050 onwards.

- 2-2 The proponent shall submit a report to the CEO each year by 31 March, commencing on the first 31 March after the date of this Statement specifying for the previous financial year:
- (1) the quantity of **proposal GHG emissions** and lithium hydroxide produced; and
 - (2) the **emissions intensity** for the proposal.
- 2-3 The proponent shall submit to the CEO by 31 March 2026, and every fifth 31 March thereafter:
- (1) a report specifying:
 - (a) for each of the preceding five (5) financial years, the matters referred to in conditions 2-2(1) and (2);
 - (b) for the period specified in conditions 2-1(1), (2), (3), (4), (5), (6) or (7) that ended on 30 June of the year before the report is due:
 - (i) the quantity of **proposal GHG emissions**;
 - (ii) the **net GHG emissions**;
 - (iii) the type, quantity, identification or serial number, and date of retirement or cancellation of any **authorised offsets** which have been retired or cancelled and which have been used to calculate the **net GHG emissions** referred to in condition 2-3(1)(b)(ii), including written evidence of such retirement or cancellation; and
 - (iv) any measures that have been implemented to avoid or reduce **proposal GHG emissions**.
 - (2) an audit and peer review of the report required by condition 2-3(1), carried out by an independent person or independent persons with suitable technical experience dealing with the suitability of the methodology used to determine the matters set out in the report, whether the report is accurate and whether the report is supported by credible evidence. This report is to be made publicly available as required by condition 2-8.
- 2-4 A summary document comprising of a summary plan and progress statement outlining key information from the **greenhouse gas management plan** (and reports to that time) must be provided within six (6) months and every five (5) years thereafter as per condition 2-3 and also if the **greenhouse gas management plan** is revised under condition 2-6. The summary, where feasible must include:

- (a) a graphical comparison of scope 1 emission reduction commitments in the **greenhouse gas management plan** with 'actual' emissions for compliance periods;
 - (b) proposal performance against benchmarking for comparable facilities;
 - (c) **emissions intensity**;
 - (d) a summary of emission reduction measures undertaken by the proponent; and
 - (e) a clear statement as to whether emission limits to date have been achieved, and whether future emission limits are likely to be achieved.
- 2-5 Subject to, and consistently with condition 2-1, the proponent shall implement:
- (1) **greenhouse gas management plan** revision 7 dated February 2021; or
 - (2) if that plan has been revised, the latest version of the plan that the CEO has confirmed in writing meets the requirements of condition 2-7.
- 2-6 The proponent:
- (1) may revise the **greenhouse gas management plan** at any time;
 - (2) must revise the **greenhouse gas management plan** if there is a change to the proposal which means there is a material risk that condition 2-1 will not be achieved;
 - (3) must revise the **greenhouse gas management plan** at least every five (5) years to align with the five (5) yearly reporting requirements specified in condition 2-3; and
 - (4) must revise the **greenhouse gas management plan** as and when directed to by the CEO, within the time specified by the CEO.
- 2-7 Each revision of the **greenhouse gas management plan** referred to in condition 2-6 which is submitted to the CEO shall:
- (1) be consistent with the achievement of the emission limits in condition 2-1 (or achievement of emission reductions beyond those required by the emission limits);
 - (2) specify the estimated **proposal GHG emissions** and **emissions intensity** for the remainder of the life of the proposal;
 - (3) include comparison of the estimated **proposal GHG emissions** and **emissions intensity** for the remainder of the life of the proposal against other comparable projects;
 - (4) identify and describe any measures that the proponent will implement to avoid, reduce and/or offset **proposal GHG emissions** or reduce the **emissions intensity** of the proposal; and

- (5) provide for a program for the future review of the plan to:
 - (a) assess the effectiveness of measures referred to in condition 2-7(4); and
 - (b) identify and describe options for future measures that the proponent may or could implement to avoid, reduce and/or offset **proposal GHG emissions** or reduce the **emissions intensity** of the proposal.

2-8 The proponent shall make all **greenhouse gas management plans** and all reports required under this condition 2 (including audits and peer reviews, summary plans and progress statements) publicly available on the proponent's website within the timeframes specified below for the life of the proposal, or in any other manner or time specified by the CEO:

- (1) the **greenhouse gas management plan** referred to in condition 2-5(1) within two (2) weeks of the issue of the Statement;
- (2) the report referred to in condition 2-2 within two (2) weeks of the report being accepted by notice in writing by the CEO;
- (3) the reports, audits and peer reviews, summary plans and progress statements referred to conditions 2-3 and 2-4 within two (2) weeks of the relevant reports, summary statements and progress reports being accepted by notice in writing by the CEO; and
- (4) any revised **greenhouse gas management plan** referred to in condition 2-6 within two (2) weeks of receiving confirmation from the CEO as referred in condition 2-5(2).

3 Terrestrial Environmental Quality Outcomes

3-1 The proponent shall ensure the following outcomes are achieved:

- (1) no contamination of soil through the handling and transport of refinery **process derived waste** as a result of the implementation of the proposal; and
- (2) no disposal of any refinery **process derived waste** to landfill on the Swan Coastal Plain.

4 Waste Management

4-1 During operation of the Covalent Lithium Hydroxide Refinery, the proponent shall, within twelve (12) months of any production of refinery process derived waste, or ensuring storage does not exceed the capacity of any dedicated storage infrastructure, remove that waste to:

- (1) an approved waste facility located at the Earl Grey Lithium - Mt Holland Mine; or

- (2) an alternate location, as agreed by the CEO in writing, where the proponent has identified the **process derived waste** as a secondary co-product which is able to be reused for a beneficial purpose.

4-2 Within three (3) years of the publication of this Statement or six (6) months prior to the reuse of secondary refinery co-products, whichever is sooner or as otherwise agreed by the CEO, the proponent shall prepare and submit a waste management plan to the CEO. The waste management plan shall:

- (1) when implemented, substantiate and ensure that condition 4-1 is being met;
- (2) specify targets to be met, and detail actions undertaken to meet those targets by applying principles of Waste Management Hierarchy under the *Waste Avoidance and Resource Recovery Act 2007*, including Avoidance, Recovery and Disposal;
- (3) quantify the outcome/s of applying the principle of the Recovery (re-use, reprocessing, recycling) under the *Waste Avoidance and Resource Recovery Act 2007*; and
- (4) provide evidence that all reasonable and practicable measures have been undertaken to avoid and recover waste.

5 Environmental Management Plan: Monitoring and Adaptive Management

5-1 The proponent must prepare and submit to the CEO an Environmental Management Plan to substantiate that the outcomes of condition 3-1 will be met.

The Plan must include:

- (1) threshold criteria that provide a limit beyond which the environmental outcomes are not achieved;
- (2) trigger criteria that will provide an early warning that the environmental outcomes are not likely to be met;
- (3) monitoring parameters, sites, control/reference sites, methodology, timing and frequencies which will be used to measure threshold and trigger criteria. Include methodology for determining alternate monitoring sites as a contingency if proposed sites are not suitable in the future;
- (4) baseline data;
- (5) data collection and analysis methodologies;
- (6) adaptive management methodology; and
- (7) contingency measures which will be implemented if threshold or trigger criteria are met.

5-2 The exceedance of a threshold criteria (regardless of whether threshold contingency measures have been or are being implemented), and/or failure to comply with the requirements of the environmental management plan represents a non-compliance with these conditions.

5-3 The proponent must not commence operations until the CEO has confirmed in writing that the environmental management plan satisfies the requirements of this condition.

6 Environmental Management Plans: General Provisions

6-1 After receiving notice in writing from the CEO that the management plans in conditions 2, 4 and 5 satisfy the requirements of conditions 2, 4 and 5 respectively, the proponent shall:

- (1) implement the proposal in accordance with the management plans; and
- (2) continue to implement the management plans until the CEO has confirmed by notice in writing that it has been demonstrated that the outcomes specified in conditions 3-1 and 4-1 have been met and therefore the implementation of the actions in the management plans are no longer required.

6-2 The proponent may review and revise the management plans.

6-3 The proponent shall review and revise the management plans as and when directed by the CEO.

6-4 The proponent shall implement the latest version of the management plans, which the CEO has confirmed by notice in writing, satisfies the requirements of conditions 4 and 5 respectively.

6-5 Despite condition 6-4, but subject to conditions 6-6 and 6-7, the proponent may implement minor revisions to a management plan if the revisions will not result in a new or increased adverse impacts to the environment or result in a risk to the achievement of the management plan limits, outcomes or objectives.

6-6 If the proponent is to implement minor revisions to a management plan under condition 6-5, the proponent must provide the CEO with the following at least twenty (20) business days before it implements the revisions:

- (a) revised management plan clearly showing the minor revisions;
- (b) explanation of reasons for the minor revisions; and
- (c) explanation of why the minor revisions will not result in a new or increased adverse impacts to the environment or result in a risk to the achievement of the management plan limits, outcomes or objectives.

6-7 The proponent must cease to implement any revisions which the CEO notifies the proponent (at any time) in writing may not be implemented.

6-8 Management Plans must be provided in electronic form suitable for publication on the EPA's website within ten (10) business days of endorsement, and also be published on the proponent's website.

7 Contact Details

7-1 The proponent shall notify the CEO of any change of its name, physical address or postal address for the serving of notices or other correspondence within twenty-eight (28) days of such change. Where the proponent is a corporation or an association of persons, whether incorporated or not, the postal address is that of the principal place of business or of the principal office in the State.

8 Time Limit for Proposal Implementation

8-1 The proponent shall not commence implementation of the proposal after five (5) years from the date of this Statement, and any commencement, prior to this date, must be substantial.

8-2 Any commencement of implementation of the proposal, on or before five (5) years from the date of this Statement, must be demonstrated as substantial by providing the CEO with written evidence, on or before the expiration of five (5) years from the date of this Statement.

9 Compliance and Exceedance Reporting

9-1 The proponent shall prepare and maintain a Compliance Assessment Plan which is submitted to the CEO at least six (6) months prior to the first Compliance Assessment Report required by condition 9-5, or prior to implementation of the proposal, whichever is sooner, or as agreed in writing by the CEO.

9-2 The Compliance Assessment Plan shall indicate:

- (1) the frequency of compliance reporting;
- (2) the approach and timing of compliance assessments;
- (3) the retention of compliance assessments;
- (4) the method of reporting of potential non-compliances and corrective actions taken;
- (5) the table of contents of Compliance Assessment Reports; and
- (6) public availability of Compliance Assessment Reports.

9-3 After receiving notice in writing from the CEO that the Compliance Assessment Plan satisfies the requirements of condition 9-2, the proponent shall assess compliance with conditions in accordance with the Compliance Assessment Plan required by condition 9-1.

- 9-4 The proponent must provide an annual Compliance Assessment Report to the CEO for the purpose of determining whether the implementation conditions are being complied with.
- 9-5 The first annual Compliance Assessment Report must be submitted by the first 31 March after the date of this Statement, and subsequent Compliance Assessment Reports must be submitted annually from that date, unless a different date is approved by the CEO.
- 9-6 Each annual Compliance Assessment Report must be endorsed by the proponent's Chief Executive Officer and must:
- (1) state whether each condition of this Statement has been complied with;
 - (2) provide evidence to substantiate statements of compliance, or details of where there has been a non-compliance and describe corrective and preventative actions taken; and
 - (3) be provided in a form suitable for publication on the EPA website.
- 9-7 If the proponent becomes aware a limit, outcome or threshold criteria contained in these conditions, or a management plan required in these conditions, has, or is likely to be exceeded, the proponent must:
- (a) report this to the CEO within seven (7) days;
 - (b) implement contingency measures;
 - (c) investigate the cause of the exceedance;
 - (d) investigate environmental impacts of the exceedance;
 - (e) propose rectification measures;
 - (f) propose measures to ensure no further impact as a result of the exceedance; and
 - (g) provide a further report to the CEO within twenty-one (21) days of the original report, detailing the measures required under this condition.

10 Public Availability of Data

- 10-1 Subject to condition 5-1, within a reasonable time period approved by the CEO of the issue of this Statement and for the remainder of the life of the proposal, the proponent shall make publicly available, in a manner approved by the CEO, all validated environmental data (including sampling design, sampling methodologies, empirical data and derived information products (e.g. maps)), management plans and reports relevant to the assessment of this proposal and implementation of this Statement.
- 10-2 If any data referred to in condition 10-1 contains particulars of:
- (a) a secret formula or process; or

(b) confidential commercially sensitive information,

the proponent may submit a request for approval from the CEO to not make these data publicly available. In making such a request the proponent shall provide the CEO with an explanation and reasons why the data should not be made publicly available.

[signed on 15 July 2021]

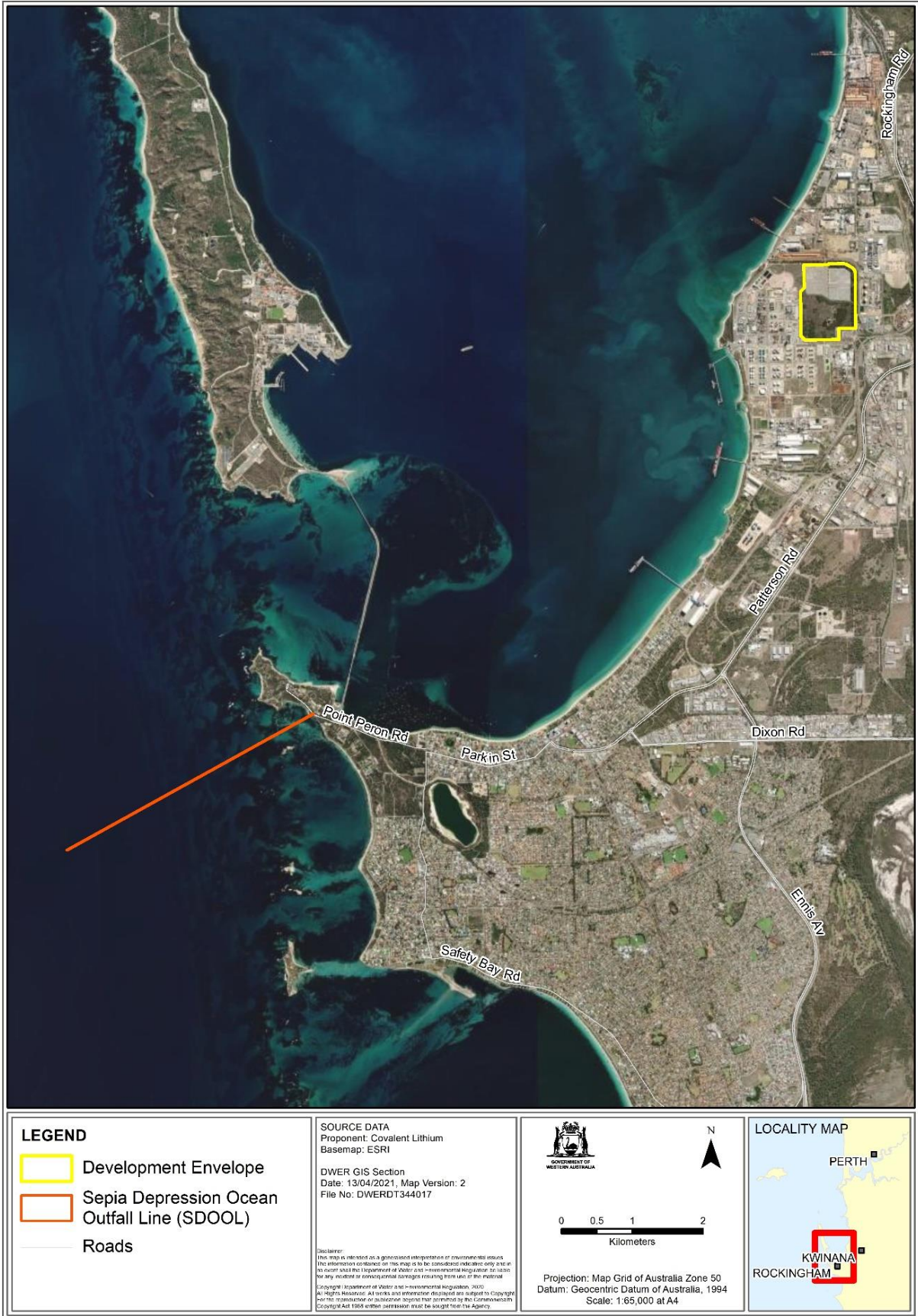
HON AMBER-JADE SANDERSON MLA
MINISTER FOR ENVIRONMENT; CLIMATE ACTION

Table 1: Abbreviations and definitions

Acronym or abbreviation	Definition or term
Authorised offsets	<p>Units representing GHG emissions issued under one of the following schemes and cancelled or retired in accordance with any rules applicable at the relevant time governing the cancellation or retiring of units of that kind:</p> <ul style="list-style-type: none"> (a) Australian Carbon Credit Units issued under the <i>Carbon Credits (Carbon Farming Initiative) Act 2011</i> (Cth); (b) Verified Emission Reductions issued under the Gold Standard program; (c) Verified Carbon Units issued under the Verified Carbon Standard program; or (d) other offset units that the CEO has notified the proponent in writing meet integrity principles and are based on clear, enforceable and accountable methods.
CEO	<p>The Chief Executive Officer of the Department of the Public Service of the State responsible for the administration of section 48 of the <i>Environmental Protection Act 1986</i>, or his/her delegate.</p>
Commencement date	<p>The date on which a licence under Part V of the <i>Environmental Protection Act 1986</i> is granted for the operation of the lithium hydroxide refinery that is the subject of this proposal.</p>
Emissions intensity	<p>Proposal GHG emissions per tonne of lithium hydroxide produced.</p>
EPA	<p>Environmental Protection Authority</p>
First emissions limit	<p>The limit on net GHG Emissions for the period between the commencement date and 30 June 2025 calculated as follows:</p> <ul style="list-style-type: none"> • 159,874 divided by 365 multiplied by the number of days in the 2020–21 financial year that are on or after the commencement date • plus 159,874 divided by 365 multiplied by the number of days in the 2021–22 financial year that are on or after the commencement date • plus 159,874 divided by 365 multiplied by the number of days in the 2022–23 financial year that are on or after the commencement date • plus 159,874 divided by 365 multiplied by the number of days in the 2023–24 financial year that are on or after the commencement date

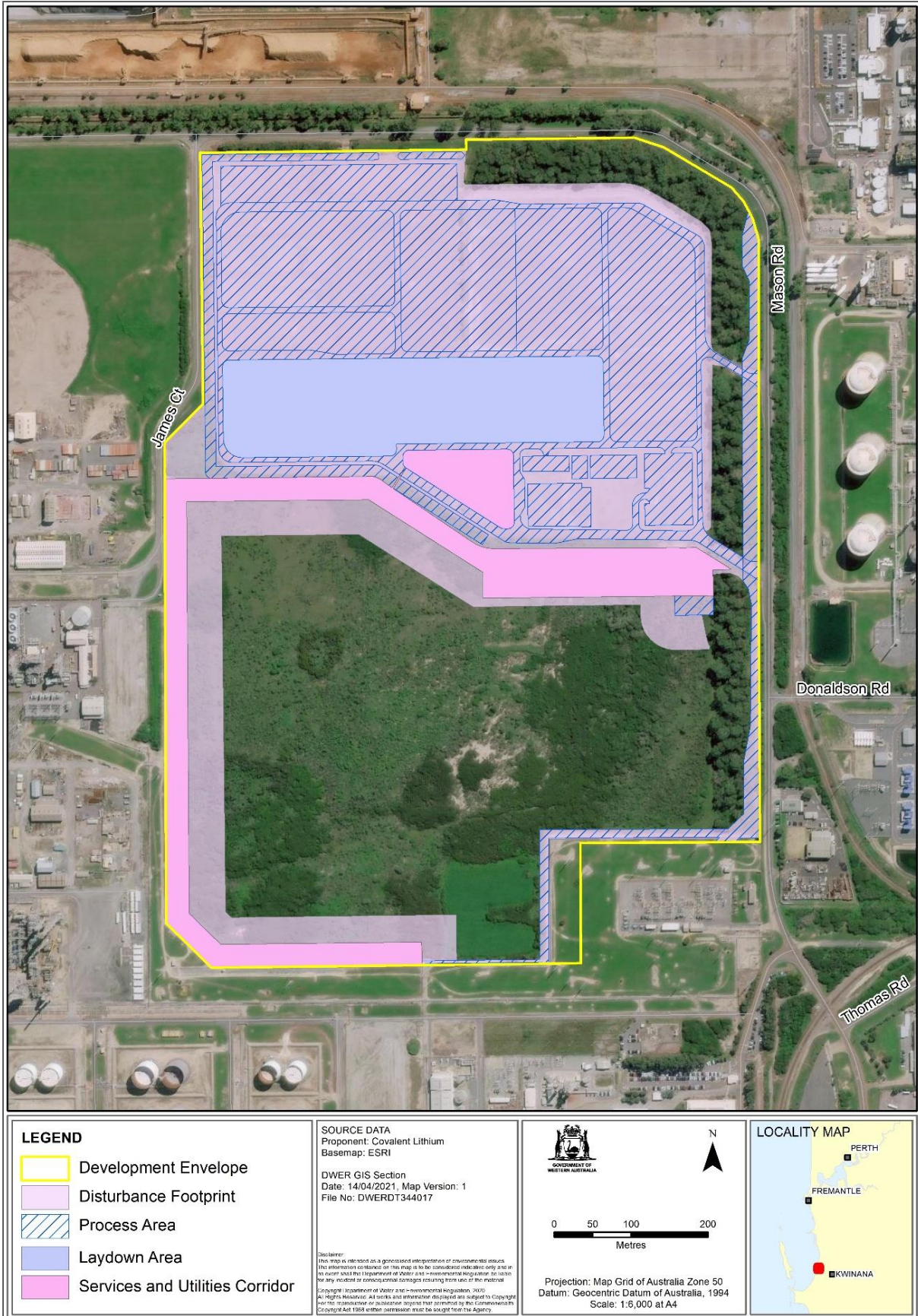
Acronym or abbreviation	Definition or term
	<ul style="list-style-type: none"> plus 159,874 divided by 365 multiplied by the number of days in the 2024–25 financial year that are on or after the commencement date.
GHG emissions	Greenhouse gas emissions expressed in tonnes of carbon dioxide equivalent (CO ₂ -e) as calculated in accordance with the definition of 'carbon dioxide equivalence' in section 7 of the <i>National Greenhouse and Energy Reporting Act 2007</i> (Cth), or, if that definition is amended or repealed, the meaning set out in an Act, regulation or instrument concerning greenhouse gases as specified by the CEO.
Greenhouse gas or GHG	Has the meaning given by section 7A of the <i>National Greenhouse and Energy Reporting Act 2007</i> (Cth) or, if that definition is amended or repealed, the meaning set out in an Act, regulation or instrument concerning greenhouse gases as specified by the CEO.
Greenhouse gas management plan	<i>Greenhouse Gas Management Plan – Lithium Hydroxide Refinery Project</i> Version 7 dated February 2021 or subsequent versions of the plan that the CEO has confirmed in writing meets the requirements of condition 2-7.
Hectares	ha
Net GHG emissions	<p>Proposal scope 1 GHG emissions for a period less any reduction in GHG emissions represented by the cancellation or retirement of authorised offsets which:</p> <ul style="list-style-type: none"> (a) were cancelled or retired between the first day of the period until 1 March in the year after the period has ended; (b) have been identified in the report for that period as required by condition 2-3(1)(b)(iii); (c) have not been identified as cancelled or retired in the report for that period as required by condition 2-3(1)(b)(iii); (d) have not been used to offset GHG emissions other than proposal GHG emissions; and (e) were not generated by avoiding proposal GHG emissions.
Process derived waste	A by-product material produced through the refining process which is surplus to any specific customer demand and is not used as a recognised commodity or material within an established commercial application.
Proposal GHG emissions	GHG emissions released to the atmosphere as a direct result of an activity or series of activities that comprise/s or form/s part of the proposal.

Acronym or abbreviation	Definition or term
tCO₂-e	Tonnes of carbon dioxide equivalent. A metric used to compare emissions from various greenhouse gases by converting amounts of other gases to the equivalent amount of CO ₂ based on their Global Warming Potential.



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Figure 1: Project location



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Unique Record ID:

Figure 2: Development envelope and disturbance footprint

Schedule 1

All coordinates are in metres, listed in Map Grid of Australia Zone 51 (MGA Zone 51), datum of Geocentric Datum of Australia 1994 (GDA94).

Coordinates defining the development envelope are held by the Department of Water and Environmental Regulation, Document Reference Number 2021 – DWERDT370213.

Notes

The following notes are provided for information and do not form part of the implementation conditions of the Statement:

- The EPA notes that many of the potential emissions and discharges associated with the proposal will be regulated under Part V of the *Environmental Protection Act 1986* via the implementation of a licence. This includes the storage of process derived waste which is expected to be far less than 12 months prior to removal off site. The Department of Water and Environmental Regulation will assess the emissions and discharges in detail, and mitigation and monitoring conditions are expected to be applied to the proposal.



Appendix B Statement of Compliance with Endorsement by a Covalent Lithium Corporate Officer

Statement of Compliance

1. Proposal and Proponent Details

Proposal Title	<i>Kwinana Lithium Hydroxide Refinery</i>
Statement Number	<i>1170</i>
Proponent Name	<i>Covalent Lithium Pty Ltd</i>
Proponent's Australian Company Number (where relevant)	623 090 139

2. Statement of Compliance Details

Reporting Period	<i>15/07/21 to 31/03/22</i>
------------------	-----------------------------

Implementation phase(s) during reporting period (please tick ✓ relevant phase(s))							
Pre-construction	<input type="checkbox"/>	Construction	<input checked="" type="checkbox"/>	Operation	<input type="checkbox"/>	Decommissioning	<input type="checkbox"/>

Audit Table for Statement addressed in this Statement of Compliance is provided at Attachment:	2
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An audit table for the Statement addressed in this Statement of Compliance must be provided as Attachment 2 to this Statement of Compliance. The audit table must be prepared and maintained in accordance with the Department of Water and Environmental Regulation (DWER) *Post Assessment Guideline for Preparing an Audit Table*, as amended from time to time. The 'Status Column' of the audit table must accurately describe the compliance status of each implementation condition and/or procedure for the reporting period of this Statement of Compliance. The terms that may be used by the proponent in the 'Status Column' of the audit table are limited to the Compliance Status Terms listed and defined in Table 1 of Attachment 1.

Were all implementation conditions and/or procedures of the Statement complied with within the reporting period? (please tick ✓ the appropriate box)			
No (please proceed to Section 3)	<input type="checkbox"/>	Yes (please proceed to Section 4)	<input checked="" type="checkbox"/>

3. Details of Non-compliance(s) and/or Potential Non-compliance(s)

The information required Section 3 must be provided for each non-compliance or potential non-compliance identified during the reporting period covered by this Statement of Compliance.

Non-compliance/potential non-compliance 6-1

Which implementation condition or procedure was non-compliant or potentially non-compliant?	
Was the implementation condition or procedure non-compliant or potentially non-compliant?	
On what date(s) did the non-compliance or potential non-compliance occur (if applicable)?	
Was this non-compliance or potential non-compliance reported to the Chief Executive Officer, DWER?	
<input type="checkbox"/> Yes <input type="checkbox"/> Reported to DWER verbally Date _____ <input type="checkbox"/> Reported to DWER in writing Date _____	<input type="checkbox"/> No
What are the details of the non-compliance or potential non-compliance and where relevant, the extent of and impacts associated with the non-compliance or potential non-compliance?	
What is the precise location where the non-compliance or potential non-compliance occurred (if applicable)? (please provide this information as a map or GIS co-ordinates)	
What was the cause(s) of the non-compliance or potential non-compliance?	
What remedial and/or corrective action(s), if any, were taken or are proposed to be taken in response to the non-compliance or potential non-compliance?	
What measures, if any, were in place to prevent the non-compliance or potential non-compliance before it occurred? What, if any, amendments have been made to those measures to prevent re-occurrence?	
Please provide information/documentation collected and recorded in relation to this implementation condition or procedure: <ul style="list-style-type: none"> • in the reporting period addressed in this Statement of Compliance; and • as outlined in the approved Compliance Assessment Plan for the Statement addressed in this Statement of Compliance. (the above information may be provided as an attachment to this Statement of Compliance)	

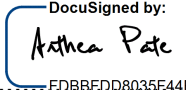
For additional non-compliance or potential non-compliance, please duplicate this page as required.

4. Proponent Declaration

I, **Anthea Pate, Environment Manager** (*full name and position title*)

declare that I am authorised on behalf of **Covalent Lithium Pty Ltd**

(*being the person responsible for the proposal*) to submit this form and that the information contained in this form is true and not misleading.

Signature:..........
FDDBBFDD8035F44E.....

Date: 30 March 2022

Please note that:

it is an offence under section 112 of the *Environmental Protection Act 1986* for a person to give or cause to be given information that to his knowledge is false or misleading in a material particular; and

the Chief Executive Officer of the DWER has powers under section 47(2) of the *Environmental Protection Act 1986* to require reports and information about implementation of the proposal to which the statement relates and compliance with the implementation conditions.

- **Submission of Statement of Compliance**

One hard copy and one electronic copy (preferably PDF on CD or thumb drive) of the Statement of Compliance are required to be submitted to the Chief Executive Officer, DWER, marked to the attention of Manager, Compliance (Ministerial Statements).

Please note, the DWER has adopted a procedure of providing written acknowledgment of receipt of all Statements of Compliance submitted by the proponent, however, the DWER does not approve Statements of Compliance.

- **Contact Information**

Queries regarding Statements of Compliance, or other issues of compliance relevant to a Statement may be directed to Compliance (Ministerial Statements), DWER:

Manager, Compliance (Ministerial Statements)

Department of Water and Environmental Regulation

Postal Address: Locked Bag 10
Joondalup DC
WA 6919

Phone: (08) 6364 7000

Email: compliance@dwer.wa.gov.au

- **Post Assessment Guidelines and Forms**

Post assessment documents can be found at www.epa.wa.gov.au

ATTACHMENT 1

Table 2 Compliance Status Terms

Compliance Status Terms	Abbrev.	Definition	Notes
Compliant	C	Implementation of the proposal has been carried out in accordance with the requirements of the audit element.	This term applies to audit elements with: <ul style="list-style-type: none"> ongoing requirements that have been met during the reporting period; and requirements with a finite period of application that have been met during the reporting period, but whose status has not yet been classified as 'completed'.
Completed	CLD	A requirement with a finite period of application has been satisfactorily completed.	This term may only be used where: <ul style="list-style-type: none"> audit elements have a finite period of application (e.g., construction activities, development of a document, etc.); the action has been satisfactorily completed; and the DWER has provided written acceptance of 'completed' status for the audit element.
Not required at this stage	NR	The requirements of the audit element were not triggered during the reporting period.	This should be consistent with the 'Phase' column of the audit table.
Potentially Non-compliant	PNC	Possible or likely failure to meet the requirements of the audit element.	This term may apply where during the reporting period the proponent has identified a potential non-compliance and has not yet finalized its investigations to determine whether non-compliance has occurred.
Non-compliant	NC	Implementation of the proposal has not been carried out in accordance with the requirements of the audit element.	This term applies where the requirements of the audit element are not "complete" have not been met during the reporting period.
In Process	IP	Where an audit element requires a management or monitoring plan be submitted to the DWER or another government agency for approval, that submission has been made and no further information or changes have been requested by the DWER or the other government agency and assessment by the DWER or other government agency for approval is still pending.	The term 'In Process' may not be used for any purpose other than that stated in the Definition Column. The term 'In Process' may not be used to describe the compliance status of an implementation condition and/or procedure that requires implementation throughout the life of the project (e.g., implementation of a management plan, etc.).




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Document Status

Rev No.	Author	Reviewer	Approved for Issue		
		Name	Name	Signature	Date
A	R Tomkins	A Winzer	A Winzer		14 March 2022
B	R Tomkins	A Winzer	A Winzer		23 March 2022
0	R Tomkins	A Winzer	T Bowra		30 March 2022

