

Statement of Reasons

GROOTE EYLANDT MINING COMPANY PTY LTD – GEMCO EASTERN LEASES PROJECT

PROJECT

The Proponent, Groote Eylandt Mining Company Pty Ltd, proposes to develop and operate the GEMCO Eastern Leases Project (the Project), approximately 2km east of the existing GEMCO manganese mine at Groote Eylandt, Northern Territory. Approximately 38Mt of manganese ore would be mined using conventional open cut methods from Exploration Licences in Retention 28161 and 28162. The Proponent proposes to transport the mined material from the Project to the existing processing plant, and related facilities, at the GEMCO manganese mine for ore processing and product export.

Construction would commence in early 2017, with mining anticipated to commence in mid-2018. Mining would continue until 2031.

New infrastructure and components to be constructed as part of the Project would include:

- New pits/quarries and overburden areas;
- An 8.5km unsealed haul road from the Project to the existing GEMCO manganese mine;
- Flood protection measures;
- Mine-related infrastructure, such as dewatering dams, water fill points, sedimentation dams, crib hut and truck park-up areas; and
- Temporary laydown storage areas for equipment and consumables necessary for the development of the haul road and dewatering dams.

The Proponent submitted the Notice of Intent (NOI) for the Project to the Northern Territory Environment Protection Authority (NT EPA) on 6 May 2014 for consideration under the *Environmental Assessment Act* (EA Act).

CONSULTATION

NT EPA staff have reviewed the NOI in consultation with Northern Territory Government (NTG) advisory bodies, as required by clause 8(1) of the Environmental Assessment Administrative Procedures (EAAP).

JUSTIFICATION

A review of the NOI identified the following potential significant impacts and risks to the environment from the Project:

- Risks to biodiversity and threatened species listed under the Commonwealth *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act) and the Northern Territory *Territory Parks and Wildlife Conservation Act* (TPWC Act). Significance populations of the Northern Quoll (*Dasyurus hallucatus*) (endangered, EPBC Act; critically endangered,

TPWC Act); Brush-tailed Rabbit-rat (*Conilurus penicillatus*) (vulnerable, EPBC Act; endangered TPWC Act); Masked Owl (northern) (*Tyto novaehollandiae kimberli*) (vulnerable, EPBC & TPWC Acts); and Northern Hopping Mouse (*Notomys aquilo*) (vulnerable, EPBC & TPWC Acts) have been positively identified in the Project area;

- Risks to surface water and groundwater, and related ecological processes, from the development, operation and closure of the Project and/or Project components;
- Reduced air quality (e.g. dust) and potential off-site impacts, including exposure to and uptake of contaminants by sensitive biological and human receptor; and
- Potential social, cultural and economic impacts, including the risks of the Project not realising its projected economic and social benefits.

In addition to the above potential impacts, assessment is considered warranted as Groote Eylandt is an important site of refuge for Arnhem coast ecological communities and is largely free of invasive weeds and feral animals that are present on the Northern Territory mainland. The Project is of a size and scale to potentially expose ecologically intact areas, and habitats of national significance, to threatening processes, such as the introduction and spread of weeds and feral animals. The cane toad (*Bufo marinus*) and gamba grass (*Andropogon gayanus*; Weed of National Significance) are currently known to not be present on Groote Eylandt. The biological effect of the cane toad has been listed as a key threatening process under the EPBC Act. It is therefore essential at this early stage to ensure development is to be conducted in a manner which will be sustainable and not cause adverse environmental and social impacts.

DECISION

The NT EPA considers that there is a risk of significant impact to the environment from the proposed action and a number of risks cannot be adequately characterised without further studies and a more comprehensive assessment. Therefore, the proposed action requires assessment under the EA Act at the level of an Environmental Impact Statement.



DR BILL FREELAND

CHAIR

NORTHERN TERRITORY ENVIRONMENT PROTECTION AUTHORITY

19 JUNE 2014