

## 1.0 INTRODUCTION

### 1.1 BACKGROUND

Midwest Corporation Limited (Midwest) proposes the Koolanooka/Blue Hills Direct Shipping Iron Ore (DSO) Mining Project (the Project). The Koolanooka mine site is located approximately 160 km south east of Geraldton and 21 km east of Morawa, and the Mungada East & Mungada West mine site is located 60 km to the east of Koolanooka (Figure 1-1).

The project involves the recommencement of open pit mining activities at Koolanooka, with similar activities commencing 1.5 years into the project at the Mungada East and Mungada West pits at Blue Hills. This work will involve a maximum of five mining campaigns during the project. These mines were previously operated by the Geraldton Operations Joint Venture (GOJV) from 1966–1972 as Australia’s first export iron ore operation. Most work will be conducted in existing disturbed areas.

The Project involves:

- a minor extension to the south east of the existing open pit at Koolanooka to access haematite iron ore;
- cutback and deepening of the existing open pits at Mungada East and Mungada West to access haematite iron ore;
- reopening of the existing haul road between Koolanooka and Blue Hills to allow the transportation in road trains of ore from the Mungada pits to Koolanooka for processing;
- installation of crushing and screening plant initially at Koolanooka, then approximately 1.5 years into the project life, relocation at Blue Hills to blend and process the ore into lump and fine products at a rate of up to 2 Mtpa; and
- the establishment of infrastructure at both locations, including accommodation, office, workshop, warehouse and magazine buildings, power and water supply, and communications.

The Koolanooka/Blue Hills DSO Mining Project is expected to run for a period of up to 5 years, with development scheduled to commence in the second quarter of 2009.

Midwest is currently exporting previously mined material from stockpiles at Koolanooka at the rate of 1.0 Mtpa, through the port of Geraldton. The operational workforce of approximately 50 resides in Morawa, providing a significant economic benefit to the region.

Approval of the Koolanooka/Blue Hills DSO Mining Project will allow the continuation and expansion of these regional benefits.

Iron ore from the existing operations is currently transported by road to Geraldton. The transition of transport from road to rail is underway. It is anticipated that from the November 2008 onwards, iron ore will be transported 20 km by road to Tilley rail siding north of Morawa and then loaded onto trains for transport to the Geraldton Port. The Tilley Siding Ore Transport Facility has received EPA approval following a separate EPA referral and as such, is beyond the scope of this PER. At Geraldton Port the ore will be stockpiled in the existing covered storage facility then loaded for export.

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Midwest is currently exporting previously mined material from stockpiles at Koolanooka (Mining Proposal 4888, approved by the Department of Industry and Resources (DoIR) 21/12/2005) and site and port infrastructure is already approved and in operation.

The Koolanooka/Blue Hills DSO Mining Project was referred to the EPA under Section 38 of the *Environmental Protection Act 1986* in September 2006. The EPA will formally assess the Project on the basis of the potential environmental impacts of the Project and has set the level of assessment as a Public Environmental Review (PER) (Assessment No 1653). The public review period for this PER has been set at 6 weeks.

In 2004, an earlier version of this project was referred to the Department of Environment and Heritage (DEWHA) and it was determined that work at Koolanooka was not considered to be a Controlled Action under the *Environmental Protection and Biodiversity Conservation Act 1999* (Referral No 2004/1886) (Appendix A). However, as this assessment was limited at the time to the Koolanooka operation the referral did not consider activities in the Blue Hills. As such the current form of the DSO project has been re-referred to DEWHA (Referral No 2007/3809), with the finding that the proposal is now a Controlled Action, and Commonwealth Assessment will be facilitated as a bilateral agreement through the WA state assessment process.



Figure 1-1 Regional Location

## 1.2 IDENTIFICATION OF PROPONENT

The proponent for the Project is Midwest Corporation Limited (Midwest). Midwest will own, operate and manage the Project. Contact details are:

### Midwest Corporation Limited

Address	Contact
<p>Midwest Corporation Limited ACN: 009224800</p> <p>Suite 2, 32 Kings Park Road WEST PERTH 6005 Phone: + 61 (0) 8 9226 2033 Fax: + 61 (0) 8 9226 3388 <a href="http://www.midwestcorp.com.au">www.midwestcorp.com.au</a></p>	<p>Point of Contact:</p> <p>Mr Bryan Oliver Chief Executive Officer</p> <p>Email: <a href="mailto:info@midwestcorp.com.au">info@midwestcorp.com.au</a></p>

*ecologia* Environment (*ecologia*) has been engaged by Midwest to facilitate the environmental approval process. *ecologia's* role is to:

- represent the proponents when liaising with government and public stakeholders;
- provide advice to Midwest on the environmental requirements for the Project approvals process;
- undertake selected environmental impact assessment studies;
- provide specialist technical advice on selected environmental matters; and
- prepare and facilitate documentation required for the environmental approvals process.

The environmental manager and key contact for this proposal is:

Director: Garry Connell  
*ecologia* Environment  
1025 Wellington Street  
WEST PERTH WA 6005  
Telephone: +61 (0) 8 9322 1944  
Fax: +61 (0) 8 9322 1599  
Email: [garry.connell@ecologia.com.au](mailto:garry.connell@ecologia.com.au)

Midwest has engaged a range of specialists as part of the Project's feasibility study team, outlined in Table 1-1.

**Table 1-1 Composition of Project Team**

<b>Project Aspect</b>	<b>Technical Advisors</b>
Bore field and hydrogeological investigations	<b>Rockwater Pty Ltd</b> 76 Jersey St JOLIMONT WA 6014 Telephone: +61 8 9284 0222
Vegetation and Flora Terrestrial Fauna Short Ranged Endemics Stygofauna Troglofauna	<b>ecologia Environment</b> 1025 Wellington St WEST PERTH WA 6005 Telephone: +61 8 9322 1944
Dust	<b>Sinclair Knight Mertz Pty Ltd</b> 7 <sup>th</sup> Floor Durack Centre 263 Adelaide Terrace PERTH WA 6001 Telephone: +61 8 9268 4400
Soil Testing	<b>WA Chemistry Centre</b> 125 Hay St EAST PERTH 6004 Telephone: +61 8 9222 3177
Heritage Consulting	<b>Australian Interaction Consultants</b> <b>Suite 1, 211 Main Street</b> <b>Osborne Park 6017</b> Telephone: +61 8 9440 0500
Archaeological Survey	<b>Western Heritage Research</b> 2/ 13 Brookman St KALGOORLIE WA 6430 Telephone: +61 8 9091 1300
Noise	<b>VIPAC Engineers and Scientists Ltd</b> 5/324 Great Eastern Highway ASCOT WA 6104 Telephone: +61 8 9277 3335
Gaseous Emissions	<b>Kewan Bond Pty Ltd</b> Suite 7, 4-6 Adelaide St FREMANTLE WA 6010 Telephone: +61 8 9335 8860

The Project tenement details of relevance are listed in Table 1-2.

**Table 1-2 Tenement Details**

Lease	Holder	Area (ha)	Date Granted
M70/1012 (Koolanooka)	Midwest Corporation Ltd	598	18/12/98
M70/1013 (Koolanooka)	Midwest Corporation Ltd	899	18/12/98
M70/1014 (Koolanooka)	Midwest Corporation Ltd	899	18/12/98
G70/158 (Koolanooka)	Midwest Corporation Ltd	9.719	23/01/92
G70/159 (Koolanooka)	Midwest Corporation Ltd	9.812	23/01/92
M59/595 (Blue Hills)	Midwest Corporation Ltd	598.71	19/01/05
M59/596 (Blue Hills)	Midwest Corporation Ltd	598.66	24/04/05
L59/62 (Blue Hills Haul Road)	Midwest Corporation Ltd	559.00	21/09/06

### 1.3 DOCUMENT STRUCTURE AND PURPOSE

This PER has been prepared according to Part IV Division 1 of the *Environmental Protection Act 1986* for proposals of local or regional significance that raise a number of significant environmental factors. The EPA has decided that this proposal should be subject to a formal public review period, set at 6 weeks. During this time, the public, stakeholders and other interested groups are invited to submit comments on the proposed Project to the EPA. On completion of the public review period, the proponent will prepare a document containing their response to the submissions. The EPA will then complete its assessment of the Project and will submit its report and recommendations to the Minister for the Environment on the environmental acceptability of the proposal, as well as any environmental conditions which should apply if the proposal proceeds.

The EPA's report will be published in the form of a Report and the public may appeal to the Minister against the recommendations or content of the report. The Minister for the Environment will assess any appeals received and ultimately determine whether or not the Project can proceed. If the Minister determines that the Project can proceed, legally binding conditions, detailing the environmental requirements within which the proponent will have to comply, may be set pursuant to Section 45 of the *Environmental Protection Act 1986*.

Preparation of this document has been undertaken in accordance with the 'Guidelines for Preparing a Public Environmental Review / Environmental Review and Management Programme' (EPA, 2004). This PER has been structured to clearly delineate the environmental characteristics, impacts and proponent's responsibilities of the proposal.

### 1.4 PROJECT SCOPE AND TIMING

This PER presents the environmental implications associated with the Project and also describes the types and extent of investigations that have been conducted to further address these issues. The Project components are:

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### **Koolanooka Mine:**

- Expansion of the existing pit, including a minor footprint increase of 4.46 ha for the south fold cutback, and a total previously cleared area disturbance of 38.2 ha with an additional 3.14 ha being impacted within the dust buffer zone, area of influence. Of the 4.46 ha of Threatened Ecological Community (TEC) disturbance required, it has been calculated that only 2.68 ha will actually involve clearance of vegetation, as a significant portion of the nominated area has already been disturbed by previously approved exploration activities, as demonstrated in Figure 6-13.
- A semi mobile crushing and screening facility, deployed at project commencement and in place for 1.5 years to process the DSO ore deposits, 1.9 ha of which is on previously disturbed land.
- Portable offices, ablutions, workshop and a first aid facility, 3.7 ha on previously disturbed areas.
- Generation of waste dumps to the west (26 ha) and south (6.6 ha) of the main pit.
- Installation of bulk diesel storage areas to store 100,000 L volume of fuel, on previously disturbed areas.
- Installation of diesel generators producing 500–1000 kW of power, to be stored on previously disturbed areas.

### **Blue Hills Mine:**

- Expansion of Mungada East and West Pits including increase areas of waste dumps. The total area of new disturbance is 40.8 ha, and previously cleared disturbance is 11.7 ha.
- A small workshop to service the Blue Hills operation and portable offices, ablutions and a first aid facility (1 ha).
- Re-deployment of the Koolanooka crushing and screening facility 1.5 years into the project life to process the DSO ore deposits, 1.9 ha of which is on previously disturbed land.
- Midwest is in consultation with the DEC regarding the development of a new work camp at Old Karara Homestead.
- Reinstatement of the existing haul road connecting the Mungada pits with Koolanooka. This will involve re-clearing an estimated 39.5 ha of previously disturbed vegetation 3 metres wide on both sides of the road.

The timing of the proposed development is dependent on the successful resolution of outstanding issues and the environmental approval processes. The anticipated timeline for the major elements of the environmental approval process is outlined in Table 1-3.

**Table 1-3 DSO Mining Proposal and Assessment Schedule**

Tasks	Completion / Release / Approval Date
Submission of revised scoping document	10 <sup>th</sup> January 2007
EPA Service Unit advice on scoping document	15 <sup>th</sup> January 2007
EPA meeting introduction to the proposal and scoping document. Delegation to EPA chairman for final acceptance	25 <sup>th</sup> January 2007
Final scoping document accepted by EPA Chairman on incorporation of any issues raised	30 <sup>th</sup> April 2007
Submission of draft PER document to EPA Services Unit for review	4 <sup>th</sup> April 2007
EPA Service Unit advice on draft PER	7 <sup>th</sup> June 2007
Proponent response to EPA Service Unit incorporating advice on draft PER	25 <sup>th</sup> June 2007
Submission of second draft PER document to EPA Services Unit for review	16 <sup>th</sup> October 2007
EPA Service Unit advice on second draft PER	21 <sup>st</sup> November 2007
Submission of third draft PER document to EPA Services Unit for review	21 <sup>st</sup> August 2008
Signoff on PER for public review by EPA	17 <sup>th</sup> September 2008
Public review period commenced.	22 <sup>nd</sup> September 2008