



# ANNUAL COMPLIANCE ASSESSMENT REPORT

## Brockman Railway Infrastructure Project (Ministerial Statement 923)

---

2013 – 2014

---

Revision history:

Revision	Prepared	Reviewed	Approved	Dated Issued	Description
A	G. Firth	J. Braeckmans	R. Tipper	10 June 2014	Issued for Review
1	G. Firth	J. Braeckmans	R. Tipper	11 June 2014	Issued for Use



## TABLE OF CONTENTS

- 1. INTRODUCTION ..... 1
  - 1.1 Background..... 1
  - 1.2 Previously proposed structure and content..... 1
  - 1.3 Period of reporting ..... 2
- 2. SUMMARY OF PROPOSED IMPLEMENTATION STATUS..... 3
- 3. STATEMENT OF COMPLIANCE ..... 4
  - 3.1 Ministerial Statement Audit Table ..... 5
  - 3.2 Endorsement of compliance ..... 14
- 4. DETAILS OF DECLARED COMPLIANCE STATUS ..... 15

## LIST OF TABLES

- Table 1: Varying Definitions of Compliance Status ..... 4



## 1. INTRODUCTION

### 1.1 Background

Brockman Iron Pty Ltd<sup>1</sup> (Brockman) was granted conditional environmental approval for the Brockman Railway Infrastructure Project under Part IV of the Western Australian *Environmental Protection Act 1986* by the Minister for Environment. Approval was through the implementation of Ministerial Statement 923 (MS 923) which was issued on the 11<sup>th</sup> January 2013. A condition of project implementation included in the statement requires Brockman to submit a report on performance and compliance on an annual basis (Condition 4-3). Specifically, this condition states:

*"The proponent shall assess compliance with conditions in accordance with the compliance assessment plan required by condition 4-1."*

This Compliance Assessment Report (CAR) has been prepared to satisfy Condition 4-3 of MS 923 for the Brockman Railway Infrastructure Project.

### 1.2 Previously proposed structure and content

In October 2013, Brockman submitted a Compliance Assessment Plan (CAP) to the CEO in accordance with the requirements of Condition 4-1 of MS 923. Brockman has structured this CAR as per the Office of the Environmental Protection Authority's *PAG3 Post-Assessment Guideline for Preparing a Compliance Assessment Report* (OEPA, 2012):

- an introduction;
- a summary of the proposal's implementation status;
- a statement of compliance with the requirements of the Statement;
- details of declared compliance status; and
- information/documentation which supports/verifies declarations of compliance status.

This CAR is a public statement made by Brockman certifying that the conditions and commitments outlined within MS 923 have been, or are being, complied with. This CAR:

- indicates the status of implementation of the proposal;
- declares for each implementation condition and/or procedure of the Statement, whether it has been, is being, has not or is not being complied with (that is, declare its compliance status);
- provides documentation which supports/verifies the declared compliance status of the implementation conditions and/or procedures of the Statement;
- where management or monitoring plans are required to be implemented, provide documentation which supports/verifies whether the requirements specified in those plans have been, are being, have not or are not being fulfilled;
- reviews the performance of any management plans required to be implemented in achieving environmental outcomes required;
- reviews the effectiveness of any monitoring plans required to be implemented in verifying whether objectives are met or in adequately monitoring the relevant factors;

---

<sup>1</sup> Brockman Iron Pty Ltd is a wholly-owned subsidiary of Brockman Mining Australia Pty Ltd.



- identifies all non-compliances and describes the related corrective and preventative actions taken or being taken; and
- identifies all potential non-compliances and provides evidence of how these are being assessed for corrective action.

### 1.3 Period of reporting

This is the first CAR for the project and covers the previous twelve months from 11 April 2013 to 11 April 2014. Future CARs will be submitted annually on this date.



## 2. SUMMARY OF PROPOSED IMPLEMENTATION STATUS

The Brockman Railway Infrastructure Project's implementation status is "pre-construction". Since approval of the API and issuing of MS 923, Brockman has continued to refine the design of the project and finalise a rail agreement that will allow the project to move into a Feasibility Study phase. Progress is dependent on securing an integrated infrastructure solution. Brockman will complete a project Feasibility Study in conjunction with relevant mine and port studies to support the Final Investment Decision and project financing.

Brockman is currently evaluating two rail solution options: (1) a new rail project with Aurizon (the East Pilbara Independent Rail study); and (2) third party access to The Pilbara Infrastructure's (TPI) regulated rail network (that services the mines of Fortescue Metals Group). Both rail options will integrate into the South-west Creek port facilities in Port Hedland where a 50 Mtpa junior ore allocation has been conferred on the North West Infrastructure (NWI) of which Brockman is a foundation shareholder. Brockman is currently in negotiations with the Port Hedland Port Authority (PHPA) to finalise the necessary port lease documentation. It expects to have determined a viable rail option by the end of 2014.



### 3. STATEMENT OF COMPLIANCE

Brockman is compliant with the Ministerial Statement over the reporting period.

Details of the declared compliance status of each of the ministerial conditions are provided in the Audit Table of section 3.1. The Status field of the audit table describes the current stage of implementation for each Action and its compliance. Status is defined as per Table 1.

**Table 1: Varying Definitions of Compliance Status**

Status	Acronym	Description
<b>Compliant</b>	C	Sufficient evidence has been provided to confirm that the requirements of the condition or commitment have been satisfactorily met.
<b>Non-compliant</b>	NC	The requirements of a condition or commitment have not been met.
<b>Completed</b>	CLD	The condition has been satisfactorily met and no ongoing requirements exist.
<b>Not required at this Stage</b>	NR	Where a condition is not required to be implemented at the time of reporting due to the phase of the project, e.g., Decommissioning conditions that require submission or implementation of a Management Plan 6 months prior to the proposed decommissioning, if the project is in construction or initial operation phase.
<b>In process</b>	IP	If a management plan is required to be submitted but is still pending approval by OEPA or another government agency then it should be referred to as In Process.

The OEPA's Post-Assessment Form for a Statement of Compliance has not been used in this report, but will be included in future annual reports once construction and operation of the project occurs.

Many of the conditions have not been required to be implemented at the time of reporting due to the project not having been commenced.

Future annual CARs will detail any issues of non-conformance<sup>2</sup> and non-compliance<sup>3</sup> in this section including any potential non-conformances and non-compliances. Details of any corrective actions taken for any non-conformances and non-compliances will also be provided, if relevant.

---

<sup>2</sup> A non-conformance is considered to be any deviation from the procedures, programmes and/or management actions detailed within an Environmental Management Plan.

<sup>3</sup> A non-compliance is considered to be a failure to meet requirements specified in the Ministerial Statement.



### 3.1 Ministerial Statement Audit Table

Note:

- Phases that apply in this table = Pre-Construction, Construction, Operation, Decommissioning, Overall (several phases).
- This audit table is a summary and timetable of conditions and commitments applying to this project. Refer to the Minister's Statement for full detail/precise wording of individual elements.
- Code prefixes: **M** = Minister's condition, **P** = Proponent's commitment.
- Compliance Status: **C** = Compliant, **CLD** = Completed, **NA** = Not Audited, **NC** = Non – compliant, **NR** = Not Required at this stage.

Audit Code	Subject	Requirement	How	Evidence	Phase	Timeframe	Status	Further Information	Audit Code
923:M1.1	Proposal implementation	When implementing the proposal, the proponent shall not exceed the authorised extent of the proposal as defined in column 3 of table 2 in schedule 1, unless amendments to the proposal and the authorised extent of the proposal has been approved under the EP Act.	As per schedule 1, statement 923	Annual compliance assessment report (CAR)	Overall	Ongoing	NR		923:M1.1
923:M2.1	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 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 in writing a letter that provides details of the name and address of the new proponent	Letter applying for a transfer of proponent and a copy of the statement endorsed by the proposed replacement proponent	Overall	Ongoing	C		923:M2.1
923:M3.1	Time limit for proposal implementation	The proponent shall not commence implementation of the proposal after the expiration of five years from the date of this statement, and any commencement, within this five year period, must be substantial.	Notify in writing	Letter of notification	Overall	Before 11 <sup>th</sup> January 2018	C		923:M3.1



Audit Code	Subject	Requirement	How	Evidence	Phase	Timeframe	Status	Further Information	Audit Code
923:M3.2	Time limit for proposal implementation	Any commencement of implementation of the proposal, within five 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 years from the date of this statement.	Notify in writing	Letter of notification	Overall	Before 11 <sup>th</sup> January 2018	C		923:M3.2
923:M4.1	Compliance reporting	The proponent shall prepare and maintain a compliance assessment plan to the satisfaction of the CEO.	Correspondence with the OEPA  Preparation of a compliance assessment plan and an audit table in compliance with the requirements of the OEPA.	Approved compliance assessment plan (CAP). Submitted to EPA on 9 October 2013.  Annual CAR (this document)	Overall	Before 11 <sup>th</sup> October 2013 or prior to ground disturbing activities, whichever is sooner	C		923:M4.1
923:M4.2	Compliance reporting	The proponent shall submit to the CEO the compliance assessment plan required by condition 4-1 at least six months prior to the first compliance assessment report required by condition 4-6, or prior to implementation, whichever is sooner. 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.	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. Reporting of potential non-compliances and corrective actions taken; 5. The table of contents of compliance reports; and 6. Public availability of compliance reports.	Approved CAP  Correspondence with OEPA	Pre-construction	Before 11 <sup>th</sup> October 2013 or prior to ground disturbing activities, whichever is sooner	C		923:M4.2





Audit Code	Subject	Requirement	How	Evidence	Phase	Timeframe	Status	Further Information	Audit Code
923:M4.3	Compliance reporting	The proponent shall assess compliance with conditions in accordance with the compliance assessment plan required by condition 4-1.	As specified in CAP	Overview provided in Annual CAR	Overall	The first CAR submitted before 11 <sup>th</sup> April 2014 and then annually on this date.	C	An EPA administrative error has been corrected with new due date of 11 April for all future CARs	923:M4.3
923:M4.4	Compliance reporting	The proponent shall retain reports of all compliance assessments described in the compliance assessment plan required by condition 4-1, and shall make those reports available when requested by the CEO.	Records and reports will be maintained in accordance with the proponent's document management system requirements so that they can be retrieved if requested.	Availability at the request of the CEO	Overall	When requested by the CEO	C		923:M4.4
923:M4.5	Compliance reporting	The proponent shall advise the CEO of any potential non-compliance within seven days of that non-compliance being known.	Notify in writing	Correspondence to CEO of OEPA	Overall	Within 7 days of non-compliance being known	C		923:M4.5



Audit Code	Subject	Requirement	How	Evidence	Phase	Timeframe	Status	Further Information	Audit Code
923:M4.6	Compliance reporting	The proponent shall submit to the CEO the first compliance assessment report 15 months from the date of issue of this statement, addressing the 12 month period from the date of issue of this statement, and then annually from the date of submission of the first compliance assessment report. The compliance assessment report shall: 1. Be endorsed by the proponent's general manager or a person delegated to sign on the general manager's behalf; 2. Include a statement as to whether the proponent has complied with the conditions; 3. Identify all potential non-compliances, and describe corrective and preventative actions taken; 4. Be made publicly available in accordance with the approved compliance assessment plan; and 5. Indicate any proposed changes to the compliance assessment plan required by condition 4-1.	In accordance with CAP	1. Endorsement in Annual CAR. 2. Annual CAR. 3. Uploaded on to Brockman's website and copies sent to the Compliance Branch (OEPA).	Overall	The first CAR submitted before 11 <sup>th</sup> April 2014 and then annually on this date.	C	An EPA administrative error has been corrected with new due date of 11 April for all future CARs	923:M4.6
923:M5.1	Public availability of data	Subject to condition 5-2, 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) relevant to the assessment of this proposal and implementation of this statement.	Annual CAR containing all data will be placed on the Brockman website within two (2) weeks of submission to OEPA and remain there for the life of the project.	Brockman website through the following link: <a href="http://www.brockmanmining.com">http://www.brockmanmining.com</a>	Overall	Ongoing	NR		923:M5.1



Audit Code	Subject	Requirement	How	Evidence	Phase	Timeframe	Status	Further Information	Audit Code
923:M5.2	Public availability of data	If any data referred to in condition 5-1 contains particulars of: 1. A secret formula or process; or 2. Confidential commercially sensitive information; the proponent may submit a request for approval from the CEO to not make this data publically available. In making such a request the proponent shall provide the CEO with an explanation and reasons why the data should not be made publically available.	Make request in writing	Correspondence to CEO of OEPA	Overall	Ongoing	NR		923:M5.2
923:M6.1	Surface water and significant vegetation	The proponent shall design the rail infrastructure to maintain the natural surface flows and flooding regime of the Fortescue Marsh, and ensure that the proposal does not adversely affect any significant vegetation community where the rail traverses the Fortescue Marsh identified as Clearing Area 1, as shown in Figure 1.	Develop a Surface Water and Significant Vegetation Management Plan including annual monitoring of vegetation around Clearing Area 1.  Results of monitoring to be compiled into and Annual Monitoring Report.	The plan will be kept on the Brockman website and the monitoring report submitted with the Annual CAR.	Pre-construction	Five years following the completion of construction	NR		923:M6.1
923:M6.2	Surface water and significant vegetation	The proponent shall design the rail infrastructure to ensure that changes to surface water flows related to the proposal do not adversely affect significant drainage flows and vegetation communities in Clearing Area 2, as shown in Figure 1.	Develop a Surface Water and Significant Vegetation Management Plan including annual monitoring of vegetation around Clearing Area 2.  Results of monitoring to be compiled into and Annual Monitoring Report.	The plan will be kept on the Brockman website and the monitoring report submitted with the Annual CAR.	Pre-construction	Five years following the completion of construction	NR		923:M6.2



Audit Code	Subject	Requirement	How	Evidence	Phase	Timeframe	Status	Further Information	Audit Code
923:M6.3	Surface water and significant vegetation	To verify that the requirements of conditions 6-1 and 6-2 are met the proponent shall, prior to clearing, prepare a plan that: 1. Identifies significant streams and drainage lines; 2. Identifies areas of significant vegetation potentially impacted by changes to surface water flows related to the proposal; and 3. Shows the design parameters and location of environmental culverts, to the satisfaction of the CEO in consultation with the DoW and the DEC.	Develop a Surface Water and Significant Vegetation Management Plan including annual monitoring of vegetation around Clearing Areas 1 and 2.	Consultation records with DoW and DEC with the final plan submitted to the CEO	Pre-construction	Pre-construction	NR		923:M6.3
923:M6.4	Surface water and significant vegetation	The proponent shall implement the plan identified in condition 6-3.	Implementation by: 1. Working with design engineers prior to construction. 2. Auditing control measures during construction. 3. Monitoring impacts of the project	Compliance with the plan will be presented in the Annual CAR and supporting monitoring evidence presented in the monitoring report.	Overall	Five years following the completion of construction	NR		923:M6.4
923:M6.5	Surface water and significant vegetation	The railway may be divided into no more than four sections for the purpose of meeting the requirements of condition 6-3.	Develop a Surface Water and Significant Vegetation Management Plan in no more than four sections.	Consultation records with DoW and DEC with the final plan submitted to the CEO	Pre-construction	Pre-construction	NR		923:M6.5



Audit Code	Subject	Requirement	How	Evidence	Phase	Timeframe	Status	Further Information	Audit Code
923:M7.1	Rehabilitation	The proponent shall undertake progressive rehabilitation of all areas not required for the operation of the rail line during and following construction, to achieve the following outcome: 1. The percentage cover and species diversity of living self-sustaining native vegetation in all rehabilitation areas shall be comparable to that of undisturbed natural analogue sites as demonstrated by ecosystem function analysis, or other methodology acceptable to the CEO.	Results of monitoring to be compiled into an Annual Monitoring Report.	Rehabilitation monitoring results submitted with Annual CAR, uploaded on to Brockman's website and copies sent to the Compliance Branch (OEPA).	Construction	Five years following the completion of construction	NR		923:M7.1
923:M7.2	Rehabilitation	Rehabilitation activities shall continue until such time as the requirements of condition 7-1 are met, and are demonstrated by inspections and reports to be met, for a minimum of five years following the completion of construction to the approval of the CEO, and on advice of the DEC where the rail traverses the Fortescue Marsh or the proposed Marillana Conservation Park.	Results of monitoring to be compiled into an Annual Monitoring Report.	Rehabilitation monitoring results submitted with Annual CAR, uploaded on to Brockman's website and copies sent to the Compliance Branch (OEPA).	Construction	Five years following the completion of construction	NR		923:M7.2
923:M8.1	Residual impacts and risk management measures	In view of the significant residual impacts and risks as a result of implementation of the proposal to construct the railway infrastructure, the proponent shall contribute to: 1. Funding for the impact to good-to-excellent condition native vegetation, to the strategic regional conservation initiative for the Pilbara, calculated pursuant to condition 8-2; and 2. Funding for the impact to the Fortescue Marsh PEC and Fortescue Valley Sand Dunes PEC, to the Strategic Regional Conservation Initiative for the Pilbara, calculated pursuant to condition 8-3.	Prepare an Impact Reconciliation Procedure to track funding contributions and disturbance areas.	Submit procedure to CEO for approval.	Pre-construction	Pre-construction	NR		923:M8.1



Audit Code	Subject	Requirement	How	Evidence	Phase	Timeframe	Status	Further Information	Audit Code
923:M8.2	Residual impacts and risk management measures	The proponent's contribution to the initiative identified in condition 8-1(1) shall be paid in accordance with the approved Impact Reconciliation Procedure and relate to the total residual area impacted by the railway infrastructure as follows: \$1,500 AUD (excluding GST) per hectare of good to excellent condition native vegetation cleared for "railway and related infrastructure" within the area delineated in figure 1. The proponent's payment is due by 31 May following the end of the first biennial period after completion of the railway infrastructure.	Residual impact areas calculated as per Impact Reconciliation Procedure and results presented in the Annual Monitoring Report	Records of payments made to be appended to the Annual Monitoring Report.	Construction	31 <sup>st</sup> May following the end of the first biennial period after completion of the project	NR		923:M8.2
923:M8.3	Residual impacts and risk management measures	The proponent's contribution to the initiative identified in condition 8-1(2) shall be paid in accordance with the impact reconciliation procedure and relate to the total residual area impacted by the railway infrastructure as follows: \$3,000 AUD (excluding GST) per hectare cleared within the area delineated in Figure 1 as Fortescue Marsh PEC and Fortescue Valley Sand Dunes PEC. The proponent's payment is due by 31 May following the end of the first biennial period after completion of the railway infrastructure.	Residual impact areas calculated as per Impact Reconciliation Procedure and results presented in the Annual Monitoring Report.	Records of payments made to be appended to the Annual Monitoring Report.	Construction	31 <sup>st</sup> May following the end of the first biennial period after completion of the project	NR		923:M8.3
923:M8.4	Residual impacts and risk management measures	The proponent shall prepare an Impact Reconciliation Procedure and submit it for approval of the CEO prior to ground disturbance.	Prepare an Impact Reconciliation Procedure	Submit procedure to CEO for approval.	Pre-construction	Pre-construction	NR		923:M8.4



Audit Code	Subject	Requirement	How	Evidence	Phase	Timeframe	Status	Further Information	Audit Code
923:M8.5	Residual impacts and risk management measures	<p>The Impact Reconciliation Procedure required pursuant to condition 8-4 shall: 1. Include details of a methodology to identify clearing of good-to-excellent condition native vegetation; 2. Include a methodology for calculating the amount of clearing undertaken during each biennial time period; 3. Include a methodology for calculating the amount of temporary clearing that has commenced rehabilitation in accordance with condition 7-1 during each biennial time period; 4. State the biennial time period commences on the 1 March prior to commencing ground disturbance and the due date for submitting the results of the procedure for approval of the CEO as 31 March following the end of the first biennial period; and 5. Identify that any areas cleared that have not commenced rehabilitation in accordance with condition 7-1 at the end of construction of the rail line are to be considered part of the "railway and related infrastructure" and must be offset in accordance with condition 8-2.</p>	Prepare an impact reconciliation procedure	Submit procedure to CEO for approval.	Pre-construction	Pre-construction	NR		923:M8.5



Audit Code	Subject	Requirement	How	Evidence	Phase	Timeframe	Status	Further Information	Audit Code
923:M8.6	Residual impacts and risk management measures	Should the proponent provide evidence that they have undertaken a land management program or paid the offset funds of \$390,000 AUD in fulfilling conditions 15, 16, 17 and 18 of the Australian Government approval EPBC 2011/5833 the total amount of funding required by condition 8-2 shall be reduced by no more than \$390,000 AUD.	Either: prepare and implement an EPBC Act Listed Threatened Fauna Habitat Improvement Plan (HIP) as per conditions 15, 16, 17 and 18 of the Australian Government approval EPBC 2011/5833; or contribute the equivalent funds to an existing land management programme	Letter of approval from the Commonwealth Minister.	Construction	Construction	NR		923:M8.6

### 3.2 Endorsement of compliance

In accordance with the compliance reporting requirements of the Ministerial Statement 923, this CAR is submitted covering the twelve month period ending 11/04/2014. To the best of my knowledge, all the statements of compliance are true and correct.

Russell Tipper  
Chief Executive Officer  
11 June 2014





#### 4. DETAILS OF DECLARED COMPLIANCE STATUS

Once Brockman has commenced construction of the Brockman Railway Infrastructure Project, additional reporting requirements will be triggered. Future annual reports will include details on activities and compliance with environmental management plans, environmental monitoring and research commitments, supporting data and documentation, as well as raw data. No details on these requirements are necessary at this stage.