

## STATEMENT OF REASONS

Section 69(1)(a) of the *Environment Protection Act 2019* (EP Act)

<b>Environmental approval holder</b>	<b>Core Lithium Ltd</b> ACN 146 287 809
<b>Environmental approval holder reference number</b>	CORE-0001
<b>Environmental approval number</b>	EP2020/001 - 001
<b>Action</b>	<b>Finniss Lithium Project BP33 Underground Mine</b> - Development of an underground lithium mine at the BP33 resource on Mineral Leases 32346, 32074 and Mineral Lease North 16, on the Cox Peninsula approximately 33 km west of Berry Springs.
<b>Material considered</b>	Northern Territory Environment Protection Authority (NT EPA) advice received on 8 April 2022 <ul style="list-style-type: none"> <li>• Assessment Report 94</li> <li>• A draft environmental approval setting out conditions recommended to apply.</li> </ul> Fit and proper person advice: <ul style="list-style-type: none"> <li>• Declaration signed by Directors of the proponent entity.</li> </ul>
<b>Decision</b>	In accordance with sections 69(1)(a) and 82(4)(a) of the EP Act, I accept <b>the draft environmental approval, adopt the proposed conditions of the NT EPA and grant the approval.</b>

### REASONS

This statement of reasons has been prepared in accordance with sections 82(3) and 82(4) of the EP Act.

#### Nature of the action

The Action was referred by the environmental approval holder (proponent) pursuant to section 48 of the EP Act. The proponent proposes to develop an underground lithium mine at the BP33 resource on the Cox Peninsula. The Action includes the construction, operation and rehabilitation of the underground mine and associated site infrastructure, a water supply dam, sediment ponds, a run of mine pad, waste rock landforms, a storage and maintenance area, internal access roads and drainage infrastructure.

Ore would be transported in trucks via a 7.5 km haul road to the nearby Grants Lithium Project for processing.

#### Scale of the action

The Action will be on Mineral Leases (ML) ML32346 ML32074 and ML North 16 on vacant Crown land, and the proponent has the right to occupy the title area and mine for minerals. The Action footprint has been minimised through the use of the Grants Lithium Project processing

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and tailings storage facilities, and the mine closure strategy which would return all mine waste underground at the end of mining. The proposal will have a 55 month mine life and a disturbance area of 100.9 hectares of native vegetation.

### **Objects of the EP Act**

I have had regard to the objects of the EP Act. I note in particular that through the environmental impact assessment of the action and the granting of the environmental approval, significant adverse impacts on the Territory environment are likely to be avoided and the protection and management of the Territory environment have been promoted. I also note the opportunity provided to the community for involvement in the environmental impact assessment of the action.

### **Environmental context**

The proposal is within the Darwin Coastal Bioregion in the wet-dry tropics of the Northern Territory. Environmental values which require protection from the proposal include downstream waterways that drain into Bynoe Harbour via the Charlotte River, groundwater that flows down gradient and is accessed by groundwater dependent vegetation and other users, land and soil which sustain vegetation and habitat for fauna, and community values that relate to maintaining the current ecosystem condition and participating in decision-making processes.

### **Principles of environment protection and management**

In considering Part 2 (Principles of environment protection and management) of the EP Act, I have considered the meaning of ecologically sustainable development (ESD) and applied each of the principles of ESD. I have reviewed the NT EPA's consideration of the principles of ESD as summarised in Assessment Report 94. I have considered and weighed all the principles of ESD in making my decision.

I have considered and applied the hierarchies for environmental decision making and waste management. I have given particular consideration to the application of the environmental decision making hierarchy, and proposed measures to avoid, and then mitigate and manage potential adverse impacts on the environment.

I am satisfied that through compliance with the environmental approval, the action is consistent with the ESD principles and the management hierarchies.

### **Potential impacts**

Five environmental factors were identified as having the potential to be significantly impacted by the Action:

1. Terrestrial environmental quality

Land and soil disturbance during implementation of the Action during clearing, construction and operations could impact the quality of land and soils within the footprint, particularly if mine rehabilitation and closure are not successful. I am satisfied the potential for significant impacts to land and soils can be appropriately avoided, mitigated or managed through Approval Conditions 2 and 3.

Additionally, I note the Action would be regulated under the *Mining Management Act 2001* (MM Act) which requires that the development of the Action is in accordance with environmental standards consistent with best practice in the mining industry.

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## 2. Terrestrial ecosystems

Land clearing and mine dewatering during the implementation phase could impact sensitive and significant vegetation, including riparian vegetation and groundwater dependent ecosystems. I am satisfied that the limitations established by Conditions 1 and 6 are adequate to reduce the potential for impacts on terrestrial flora and fauna to acceptable levels. In addition, I am satisfied that independent oversight, public availability of environmental reports, and access to environmental monitoring data on request will appropriately supplement the monitoring and reporting by the NT Government, and ensure the environmental management outcomes of the action are transparent. I am satisfied the potential for significant impacts to the region's terrestrial ecosystems can be appropriately mitigated or managed through the conditions of approval.

## 3. Hydrological processes

Impacts on surface water and groundwater hydrology through water take or extraction could result in reduced flows and groundwater drawdown, potentially affecting the quantity of water available for other users and the environment. I am satisfied that the water management requirements established by condition 4 are sufficient to reduce the potential for impacts on hydrological processes to acceptable levels.

## 4. Inland water environmental quality

Stormwater runoff from disturbed land, and controlled discharges to waterways during implementation of the action could result in impacts on downstream water quality and aquatic ecosystems. I am satisfied that the requirements established under condition 4 to manage impacts to inland waters and condition 5 to control soil erosion and sedimentation impacts are adequate to reduce the potential for water quality impacts to acceptable levels.

Additionally, I note that controlled discharges from the Action would be regulated through a Waste Discharge Licence under the *Water Act 1992* to limit the quality and quantity of pollutants discharged to receiving waterways.

## 5. Community and economy

Implementation of the Action could result in potential impacts to the community through increased traffic, amenity impacts, and cumulative impacts with other developments in the region. Significant economic and community benefits could also occur through increased economic activity, community sponsorship and opportunities for employment. I am satisfied that regulation under the MM Act would ensure that benefits to the community and economy are maximised and that potential social impacts are avoided or mitigated to acceptable levels.

### **Fit and proper person**

I have had regard to whether the proponent company, Core Lithium Ltd (including its directors) is a fit and proper person to hold an environmental approval. I consider the proponent to be a fit and proper person to hold an environmental approval.

### **Section 73(2) of the EP Act**

Overall, having regard to the above and the materials I considered, I am satisfied that:

- the community has been consulted on the potential environmental impacts and environmental benefits of the proposed action through the consultation process on the referral and Supplementary Environment Report; and

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- the significant impacts of the action have been appropriately avoided or mitigated or can be appropriately managed to acceptable levels through compliance with the environmental approval. The NT EPA's Assessment Report supports this view.

No significant residual adverse impacts on the environment were identified that would require an environmental offset.

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Signature

Hon Eva Dina Lawler MLA

Minister for Environment

DATE 26/4/22

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