

SIMEC MINING

SOUTH MIDDLEBACK RANGES

COMPLIANCE REPORT CY 2017



S I M E C
MINING

ML2648-2654, ML2656-2660, ML2662, ML2663, ML2668, ML2669, ML2677, ML2682, ML2683, ML2701, ML2704-2712, ML4714-2720, ML2729, ML2730, ML4714-4747, ML4761, ML4770-ML4775, ML6055, ML6167, ML6361, ML6362, ML 6441, ML6055, MPL32-34, MPL51-55, MPL67, MPL69, MPL70-74, MPL123 and MPL135

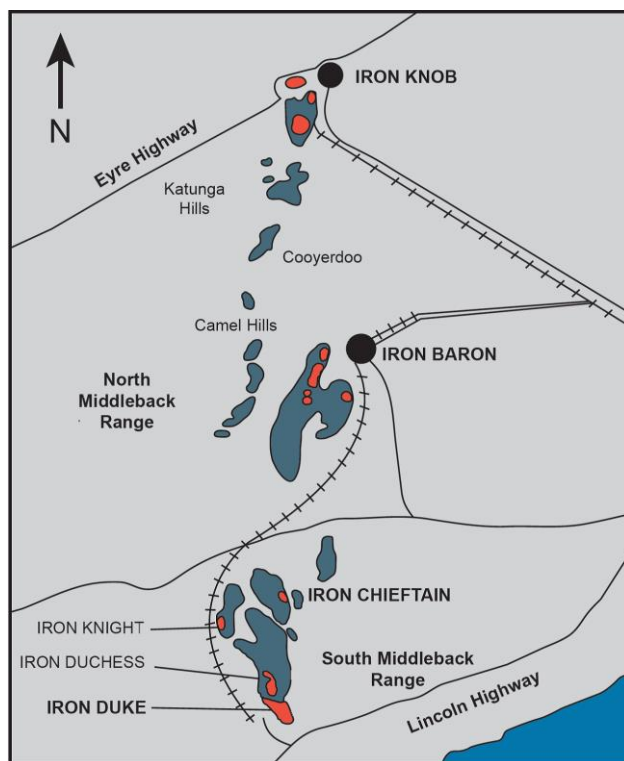
April 2018

Doc.Ref: WPC-184 (Rev0)

EXECUTIVE SUMMARY

This annual compliance report covers the reporting period 1 January 2017 to 31 December 2017 for operations approved under PEPR 2014/109 for the South Middleback Ranges (SMR). Operations within the SMR in 2017 included hematite and magnetite mining and the associated activities of crushing, screening, production of magnetite concentrate and low-grade ore beneficiation.

In 2009, Arrium first identified and reported water seepage from the tailings storage facility (TSF) that contributed to groundwater mounding and downgradient waterlogging of vegetation, and subsequently developed a management strategy. In March 2013, the then Department for Manufacturing, Innovation, Trade, Resources and Energy (DMITRE) issued an Environmental Direction (ED) to Arrium, as part of a joint approach with the Department of Environment, Water and Natural Resources (DEWNR). Progress against the management plan continues to be tracked and reported to the Department of Premier and Cabinet (DPC) on a monthly basis, with formal briefings provided to DPC and DEWNR annually.



In 2017, work continued to convert the TSF to a full perimeter discharge central decant (PDCD) configuration for more efficient recovery of supernatant water and to reduce water seepage into the ground. The PDCD conversion is a five year programme, scheduled for completion in 2019.

Extraction of groundwater from within the mounding area is an ongoing process.

Dust management remains a high priority and subject to continuous improvement.

In December 2016 SIMEC submitted the final data to meet Matters Subsequent to the Approval of SMR PEPR 2014-109.

In August 2017 DPC accepted Parts 1.1, 1.2 and 2 of the Matters. During review, DPC identified the need to analyse potential new risks and impacts to the environment presented by TSF leachates described in Section 2.2.2.

This response is due in April 2018.

There were no changes to the PEPR in 2017.

The Arrium assets including OneSteel Manufacturing Pty Ltd (incorporating Arrium Mining) entered voluntary administration in April 2015. GFG Alliance (GFG) completed the acquisition of the Arrium Australian businesses on 1 September 2017. GFG renamed Arrium Mining as SIMEC Mining. In this report, all further references to the company are as SIMEC Mining, or SIMEC.

Ministerial Determination 009 Checklist

Section	Included or N/A
1. Public liability insurance	Section 1
2. Identification	
a. Tenement number(s)	Section 2
b. Name of the mine operation	Section 2
c. General location details	Section 2
d. Name(s) of the mine owner and mine operator(s)	Section 2
e. Site Contact	Section 2
f. Registered Mine Manager, Mines Works Inspection Act, 1920	Section 2
g. Reference and approved date of relevant PEPR being reported against	Section 2
h. Dates of the reporting period for the report	Section 2
i. Date of preparation of the report.	Section 2
3. Tenements	
a. Summary list and the status of currency of all tenements covered by the approved PEPR;	Section 3
b. A plan(s) of the mining operation showing all tenement boundaries covered by the approved PEPR.	Figures 1 - 4
4. Other approvals	
a. Provide a summary list and the status of currency of any other approvals obtained to authorize the mining operation, that are relevant to the achievement of environmental outcomes within the approved PEPR and or compliance with the tenement conditions.	Section 4
5. Ore reserves and mineral resources. Provide:	
a. A statement of the current ore reserves and mineral resource estimates in the tenement area and a brief description of the basis of this estimate; include Australasian Joint Ore Reserve Committee (JORC) compliant ore reserve and mineral resource estimates and categories, if available.	Section 5.1
b. A statement of any change in the mineral resource and ore reserves from those that form the basis for the mining operation in the approved PEPR.	Section 5.1
or	
c. An estimate of the resource to be mined, the basis of the estimate, and demonstrate that the resource continues to be mined at current commodity prices.	N/A
and	
d. A summary of any new delineation or exploration drilling activities on the tenement, or any other potential sources of ore (e.g. from nearby mines) that may have a significant effect on the future of production levels and mine life.	N/A
e. A statement of the estimated mine life.	
6. Mining, processing and waste storage activities. Provide:	Section 6
a. A summary of the quantity of ore mined and processed in the reporting period, and the expected quantity to be mined and processed in the next reporting period.	Section 6.1, 6.2, 6.3
b. A summary of the ore currently stockpiled on the tenement, the amount of concentrate or other products exported from the tenement in the reporting period, and the amount expected to be exported in the next reporting period.	Section 6.1

Section	Included or N/A
c. A summary of the amount of overburden/waste mined during the reporting period, the amount of overburden/waste to be mined during the next reporting period and the amount of overburden/waste mined since the commencement of mining operations.	Section 6.4
7. Compliance with environmental outcomes and leading indicator criteria. Provide:	
a. A statement that operations were, or were not, compliant with each environmental outcome (including mine completion outcomes) specified in the tenement conditions or approved PEPR. The statement must be supported by a summary of measured criteria data that clearly demonstrates the conclusion that the environmental outcome was (or was not) fully achieved.	Section 7.1
b. Summarise data relating to any leading indicator criteria in the approved PEPR. If any leading indicator have been or will become relevant to the operation of any control strategy, the report must state the actions that were taken and if the relevant controls strategies continue to be effective.	Section 7.2
8. Compliance with non-outcome based tenement conditions. Provide	
a. Provide a statement on the compliance status of any tenement conditions of the lease or licence that do not relate to an environmental outcome in the approved PEPR.	Section 8
b. Evidence to support the statement of compliance.	Table 14
9. Rectification of non-compliances.	
a. Where instances of non-compliance with either the relevant environmental outcomes in the approved PEPR or tenement conditions have occurred during the current reporting period, provide the following information for each non-compliance: <ul style="list-style-type: none"> i. the date of the incident ii. what environmental outcome or tenement condition was breached iii. the date the incident was reported under Regulation 87 of the Mining Regulations, or other reporting protocol endorsed by the Government of SA (including the South Australian Uranium Incident Reporting Protocol) iv. the cause of the non-compliance v. any actions taken or yet to be taken to rectify the non-compliance and to prevent the reoccurrence of any such non-compliance 	Section 9
b. Where any non-compliances under Regulation 86 or initial incident reports under Regulation 87 of the Mining Regulations have previously been reported in compliance reports and not fully rectified at the time of reporting, a progress report must be included to assess the effectiveness of rectification.	Section 9.2
10. Disturbance and rehabilitation activities. Provide a summary of the disturbance and rehabilitation activities, including: <ul style="list-style-type: none"> a. The amount of land disturbed and activity that created the disturbance in the reporting period b. The amount of land disturbed and activity that created the disturbance in the reporting period c. Strategies implemented to avoid or minimize disturbance d. Rehabilitation works carried out in the reporting period e. The amount of land where rehabilitation works are completed f. An estimated amount of land to be rehabilitated in the next reporting period g. Any potential improvements learned from previous rehabilitation activities 	Section 10
11. Reconciliation of native vegetation clearance. Where native vegetation has been approved for clearance, include:	
a. the approved maximum clearance (as described in the PEPR) in hectares	Section 11
b. the amount cleared in the reporting period (in hectares and shown on a plan)	Section 11

Section	Included or N/A
c. the total amount cleared to date, and	Section 11
d. an estimated amount to be cleared in the next reporting period.	Section 11
12. Environment Protection and Biodiversity Conservation Act 1999 reporting	
a. If the tenement was the subject of an approval under the Commonwealth <i>Environment Protection and Biodiversity Conservation Act 1999</i> (EPBC Act), include a summary report demonstrating compliance with all EPBC Act approval conditions.	Section 12
13. Exempt land. Provide:	Section 13
a. a statement that all waivers for land relevant to the mining operation are in place and compliant with exempt land provisions in accordance with Section 9 of the Mining Act	
b. the status of any exempt land, including <ul style="list-style-type: none"> i. name of person entitled to exemption ii. certificate of title or crown land details iii. reason for exemption iv. area of exemption (hectares) v. date waiver registered vi. any relevant conditions 	
c. a plan showing all exempt land relevant to the mining operations. The plan must detail the extent of mining operations at the end of the reporting period.	
14. Complaints. Provide a summary of any complaints raised by third parties for the reporting period. For each complaint specify:	Section 14
a. the date of the complaint	Section 14
b. the nature of the complaint	Section 14
c. whether or not it related to a non-compliance	Section 14
d. what action was taken to address the complaint (or yet to be taken), and	Section 14
e. the date the complaint was received	Section 14
15. Management system reviews. Provide a summary of any management system reviews undertaken during the reporting period in order to ensure compliance with relevant tenement conditions and environmental outcomes (including mine completion outcomes), including:	Section 15
a. when an audit or review was undertaken	
b. who undertook the audit or review	
c. what aspect(s) of the management system was audited or reviewed	
d. what issues, or recommendations for improvement were noted	
e. an assessment of any issues identified in the audit or review with the potential to lead to a non-conformance with approved environmental outcomes, and	
f. what corrective has been, or will be taken, to address any issues identified	
16. Verification of uncertainty. Provide:	
a. a description of and status of works undertaken during the reporting period or proposed to be undertaken to address any identified uncertainties or assumptions made in the approved PEPR; and	Section 16
b. a description and status of works undertaken during the reporting period or proposed to be undertaken to address any additional uncertainties or assumptions identified since the PEPR was approved.	Section 16
17. Change to mining operations and emerging environmental hazards. Provide:	
a. a summary list of any change(s) to mining operations endorsed under the approved PEPR for the reporting period.	Section 17

Section	Included or N/A
b. a description of any new or emerging environmental hazards that apply, or appear to be arising, in relation to mining operations.	Section 17
18. Technical reports.	
a. Provide a summary list of all technical data, studies and reports generated during the reporting period that support the achievement of tenement conditions and environmental outcomes in the approved PEPR.	Section 18

Executive Declaration

Executive Declaration:

This document has been prepared to fulfil the requirement under Regulation 86 for the tenements listed herein. The information contained in this report is to the best of my knowledge a true and accurate record of the mining activities and compliance status for the reporting period.

Name	Position or Agent	Signature	Date
Daniel Rowlands	Acting General Manager, Mining Operations		1/05/2018

Document Status

Rev No	Author	Responsible Manager
0	Russell Hodges Senior Environment Regulatory Scientist	Daniel Rowlands Acting General Manager, Mining Operations Craig Wilson - Manager Mining Chris Smyth – Group Manager Environment, Regulatory and Stakeholder, Geoffrey Mills Environment Assurance Manager Whyalla Mines

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Abbreviations and Definitions

Abbreviation	Definition
ANE	Ammonium Nitrate Explosive
AMD	acid mine drainage
AOC	area of concern
BIF	banded iron formation
BOS	basic oxygen steelmaking
DEWNR	Department of Environment, Water and Natural Resources
DMITRE	Department for Manufacturing, Innovation, Trade, Resources and Energy
DPTI	Department of Planning, Transport and Infrastructure
DPC	Department of Premier & Cabinet
DSD	Department of State Development
DSO	direct shipping ore
ED	Environmental Direction
EML	Extractive Mineral Lease
EMS	Environmental Management System
EPBC	Environment Protection and Biodiversity Conservation
FDR	Fugitive Dust Ranking
GIS	Geographic Information System
GVM	gross vehicle mass
ILUA	Indigenous Land Use Agreement
JORC	Joint Ore Reserves Committee
LFA	Landscape Function Analysis
LGO	low grade ore
LOM	Life of Mine
MAG TSF	Magnetite Tailings Storage Facility
MARP	Mining and Rehabilitation Program
MBA	Middleback Alliance
ML	Mineral Lease
MPL	Miscellaneous Purpose License
N-SMR	Northern South Middleback Range
NE WRD	north-east waste rock dump
OBP	ore beneficiation plant
OMC	Outcome measurement criteria
PEPR	Program for Environmental Protection and Rehabilitation
PIRSA	Primary Industries and Regions SA
ROM	run of mine
SE WRD	south-east waste rock dump
SEB	significant environmental benefit
SMR	Southern Middleback Range
TSF	tailings storage facility
WBO	Whyalla blend ore
WRD	waste rock dump
WTC	waste transport certificate
WTF	waste tracking form

Measurements and Symbols

Unit	Definition
BCM	bank cubic metre
CY	calendar year
ha	hectare
/hr	per hour
kL	kilolitre
kWh	kilowatt hour
m ²	square metre
m ³	cubic metre
MBCM	Million bank cubic metre
mm	millimetre
Mt	million tonne
L	litre
t	tonne
um	micrometre
/yr	per year

Glossary

bank cubic metre	A measure of volume representing a cubic metre of in-situ rock or material before it is drilled and blasted
orthorectified	Spatially corrected to remove error as a result of the earth's curvature

1 PUBLIC LIABILITY INSURANCE

SIMEC Mining holds insurance to cover legal liability in respect of property damage or personal injury arising out of an occurrence in connection with the Insured's business or products. The limits of liability are \$50,000,000 any one occurrence, limited in respect of Products Liability to \$50,000,000 in the aggregate for all occurrences for the period of insurance.

The Certificate of Currency is shown in Appendix A.

2 IDENTIFICATION

Mine name	Southern Middleback Range (SMR) Iron Chieftain, Iron Knight, Iron Duchess, Iron Magnet and Iron Duke		PEPR# Date Approved	2014/019 18 December 2014
Lease holder	OneSteel Manufacturing Pty Ltd			
Operator	SIMEC Mining. Note: <i>SIMEC Mining is a business of OneSteel Manufacturing Pty Limited. Reference to SIMEC Mining (or SIMEC) in this report will be a reference to OneSteel Manufacturing Pty Limited.</i>			
Mining Lease approval dates	See Section 1.3 for details			
Associated tenements	ML2648-2654, ML2656-2660, ML2662, ML2663, ML2668, ML2669, ML2677, ML2682, ML2683, ML2701, ML2704-2712, ML4714-2720, ML2729, ML2730, ML4714-4747, ML4761, ML4770-ML4775, ML6055, ML6167, ML6361, ML6362, ML 6441, ML6055, MPL32-34, MPL51-55, MPL67, MPL69, MPL70-74, MPL123 and MPL135 ¹			
Approval documents	PEPR 2014/109			
Ministerial Determination	Ministerial Determination (MD 009) under Regulation 86(1), (3), (4) and (7) of the <i>Mining Regulations 2011</i> (effective from 6 September 2012) determining the reporting periods and minimum information required to be provided in a Compliance Report for a Mineral Lease (ML) and any associated Miscellaneous Purposes Licence (MPL) for metallic and industrial minerals			
Site contact	Geoffrey Mills - Environment Assurance Manager Whyalla Mines			
	Email:	geoffrey.mills@simecmining.com		
	Phone number	(08) 8640 4149		
Registered Mine Managers	Joanna Krzyzanowska – Mine Manager			
Site location details	Middleback Ranges			
Reporting period	From	1 January 2017	To	31 December 2017
Report preparation date	April 2018			

1. MPL124 (included in previous Annual Compliance reports) is no longer a OneSteel Manufacturing Pty Ltd tenement. SIMEC Mining (then Arrium Mining) received notification from DSD in February 2017 (DSD reference TC0790) advising DSD consented to SIMEC Mining's requested surrender effective on 19 December 2016.

3 TENEMENTS

Details of existing tenements in the SMR are provided in Table 1. Figure 1 shows the general location of the SMR pits and mining tenements. Figure 2 and 3 show the Mineral Leases (MLs) and Miscellaneous Purpose Licences (MPLs) for Iron Chieftain and Iron Knight. Figure 4 shows the Mineral Leases (MLs) and Miscellaneous Purpose Licences (MPLs) for Iron Duchess, Iron Magnet and Iron Duke.

Table 1 SMR mining tenements

Tenement	Tenement Number	Approval Date	Expiry Date	Forward work plan
Miscellaneous Purposes Licences (MPL) – Iron Knight				Mining and progressive rehabilitation will continue throughout 2018 in accordance with PEPR 2014/109
MPL	51	15 October 2012	14 October 2033	
MPL	52	15 October 2012	14 October 2033	
MPL	55	15 October 2012	14 October 2033	
MPL	123	12 October 2010	11 October 2025	
Mineral Leases (ML) – Iron Knight				SIMEC Mining will retain all tenements for the SMR Life of Mine (LOM)
ML	2657	1 January 1935	30 November 2029	Mining and ancillary operations including crushing, screening, rail loading, ore stockpiling and tailings deposition will continue until ore deposits are fully utilised.
ML	2663	1 January 1935	30 November 2029	
ML	2704	1 October 1937	30 November 2029	
ML	2717	1 October 1937	30 November 2029	
ML	2718	1 October 1937	30 November 2029	Progressive rehabilitation and closure activities will be undertaken as described in approved PEPR2011/019
ML	2719	1 October 1937	30 November 2029	
ML	4735	12 July 1979	11 July 2029	
ML	4736	12 July 1979	11 July 2029	
ML	4737	12 July 1979	11 July 2029	A Mine Completion Report will be submitted at least three months prior to Licence relinquishment or expiry
ML	4738	12 July 1979	11 July 2029	
ML	4739	12 July 1979	11 July 2029	
ML	4740	12 July 1979	11 July 2029	
ML	4741	12 July 1979	11 July 2029	
ML	4742	12 July 1979	11 July 2029	
ML	4743	12 July 1979	11 July 2029	
ML	4770	12 July 1979	11 July 2029	
ML	4771	12 July 1979	11 July 2029	
ML	4772	12 July 1979	11 July 2029	
ML	4773	12 July 1979	11 July 2029	
ML	4774	12 July 1979	11 July 2029	
ML	4775	12 July 1979	11 July 2029	
Mineral Leases (ML) – Iron Chieftain				
ML	2662	1 January 1935	30 November 2029	
ML	2706	1 October 1937	30 November 2029	
ML	4745	12 July 1979	11 July 2029	
ML	4746	12 July 1979	11 July 2029	

Tenement	Tenement Number	Approval Date	Expiry Date	Forward work plan
ML	4747	12 July 1979	11 July 2029	
ML	6361	12 October 2010	11 October 2025	
ML	6362	12 October 2010	11 October 2025	
ML	6441	8 December 2014	11 October 2025	
Miscellaneous Purposes Licences (MPL) – S-SMR				
MPL	32	15 July 2009	14 July 2030	
MPL	33	15 July 2009	14 July 2030	
MPL	34	15 July 2009	14 July 2030	
MPL	53	15 October 2012	14 October 2033	
MPL	54	15 October 2012	14 October 2033	
MPL	67	22 December 2010	21 December 2031	
MPL	69	23 November 2011	22 November 2032	
MPL	70	23 November 2011	22 November 2032	
MPL	71	23 November 2011	22 November 2032	
MPL	72	23 November 2011	22 November 2032	
MPL	73	23 November 2011	22 November 2032	
MPL	74	23 November 2011	22 November 2032	
MPL	135	1 September 2011	11 July 2029	
Mineral Leases (ML) – S-SMR				
ML	2648	1 October 1934	30 November 2029	
ML	2649	1 October 1934	30 November 2029	
ML	2650	1 October 1934	30 November 2029	
ML	2651	1 October 1934	30 November 2029	
ML	2652	1 October 1934	30 November 2029	
ML	2653	1 October 1934	30 November 2029	
ML	2654	1 October 1934	30 November 2029	
ML	2656	1 January 1935	30 November 2029	
ML	2658	1 January 1935	30 November 2029	
ML	2659	1 January 1935	30 November 2029	
ML	2668	1 January 1936	30 November 2029	
ML	2669	1 January 1936	30 November 2029	
ML	2677	1 October 1937	30 November 2029	
ML	2682	1 October 1937	30 November 2029	
ML	2683	1 October 1937	30 November 2029	
ML	2701	1 October 1937	30 November 2029	
ML	2705	1 October 1937	30 November 2029	
ML	2707	1 October 1937	30 November 2029	
ML	2708	1 October 1937	30 November 2029	
ML	2709	1 October 1937	30 November 2029	
ML	2710	1 October 1937	30 November 2029	
ML	2711	1 October 1937	30 November 2029	
ML	2712	1 October 1937	30 November 2029	

Tenement	Tenement Number	Approval Date	Expiry Date	Forward work plan
ML	2714	1 October 1937	30 November 2029	
ML	2715	1 October 1937	30 November 2029	
ML	2716	1 October 1937	30 November 2029	
ML	2720	1 October 1937	30 November 2029	
ML	4714	12 July 1979	11 July 2029	
ML	4715	12 July 1979	11 July 2029	
ML	4716	12 July 1979	11 July 2029	
ML	4717	12 July 1979	11 July 2029	
ML	4718	12 July 1979	11 July 2029	
ML	4719	12 July 1979	11 July 2029	
ML	4720	12 July 1979	11 July 2029	
ML	4721	12 July 1979	11 July 2029	
ML	4722	12 July 1979	11 July 2029	
ML	4723	12 July 1979	11 July 2029	
ML	4724	12 July 1979	11 July 2029	
ML	4725	12 July 1979	11 July 2029	
ML	4726	12 July 1979	11 July 2029	
ML	4727	12 July 1979	11 July 2029	
ML	4728	12 July 1979	11 July 2029	
ML	4729	12 July 1979	11 July 2029	
ML	4730	12 July 1979	11 July 2029	
ML	4731	12 July 1979	11 July 2029	
ML	4732	12 July 1979	11 July 2029	
ML	4733	12 July 1979	11 July 2029	
ML	4734	12 July 1979	11 July 2029	
ML	4744	12 July 1979	11 July 2029	
ML	4761	12 July 1979	11 July 2029	
ML	6055	8 September 2013	7 September 2034	
ML	6167	23 November 2011	22 November 2032	

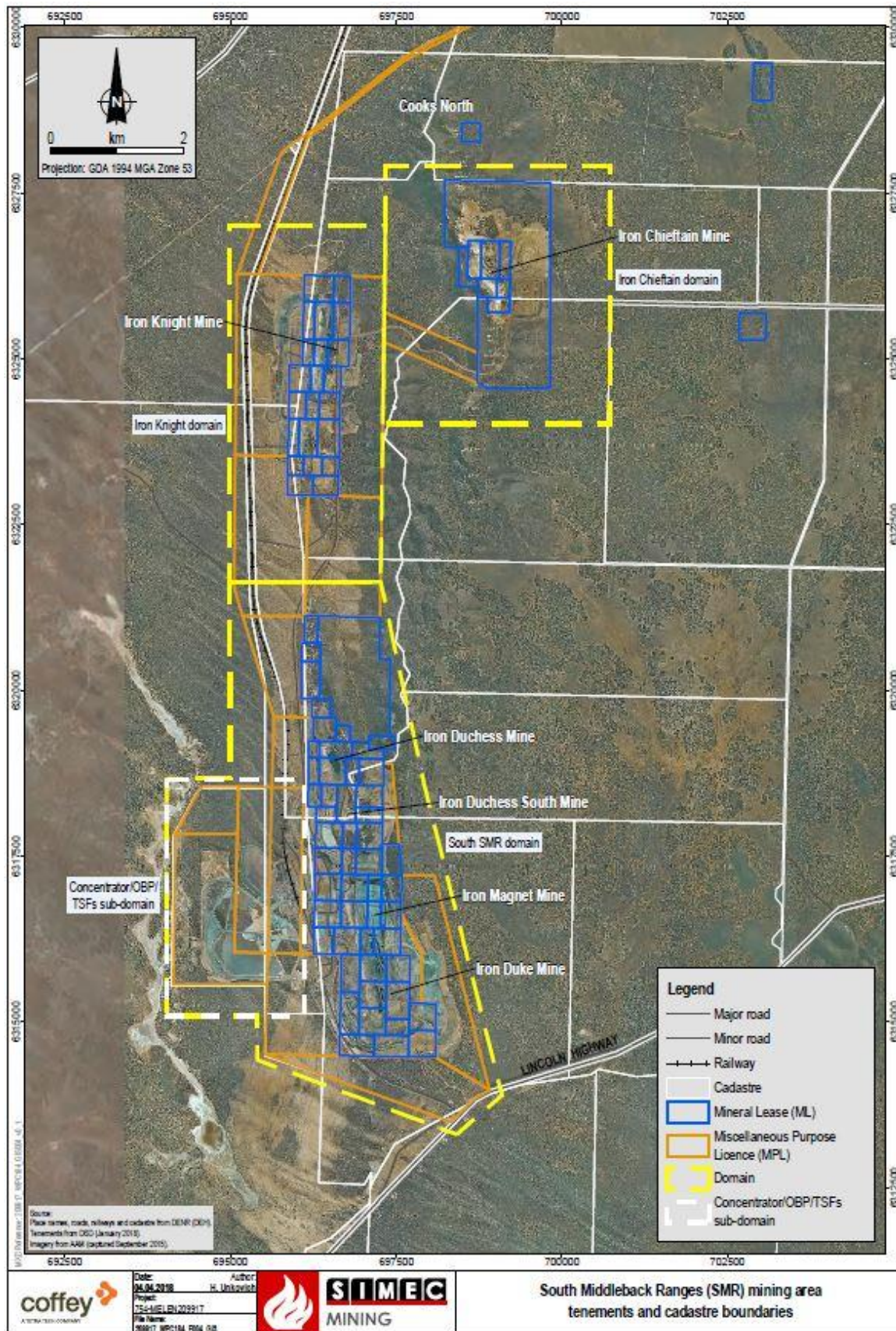


Figure 1 SMR mining area domains

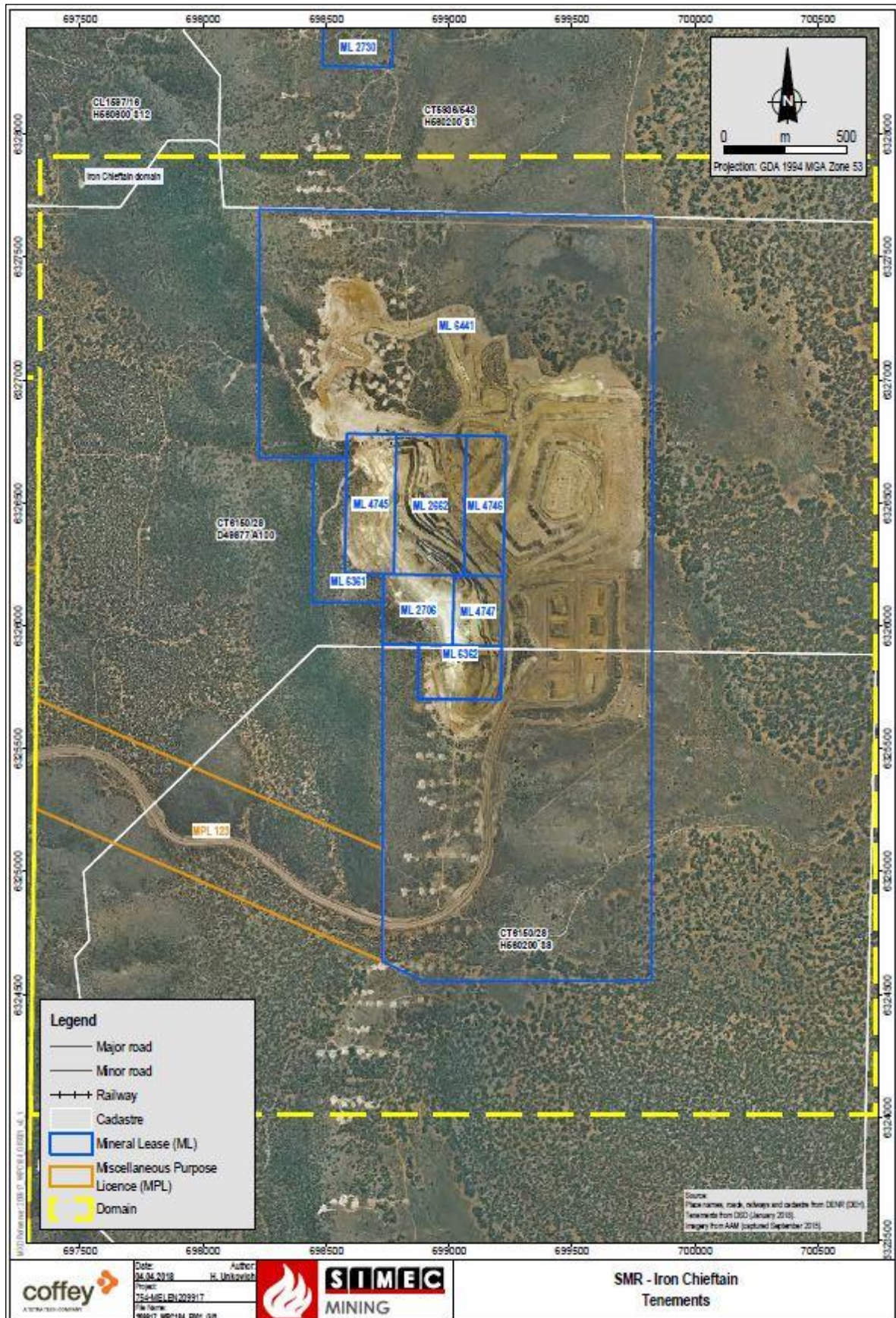


Figure 2 SMR - Iron Chieftain tenements and cadastre boundaries

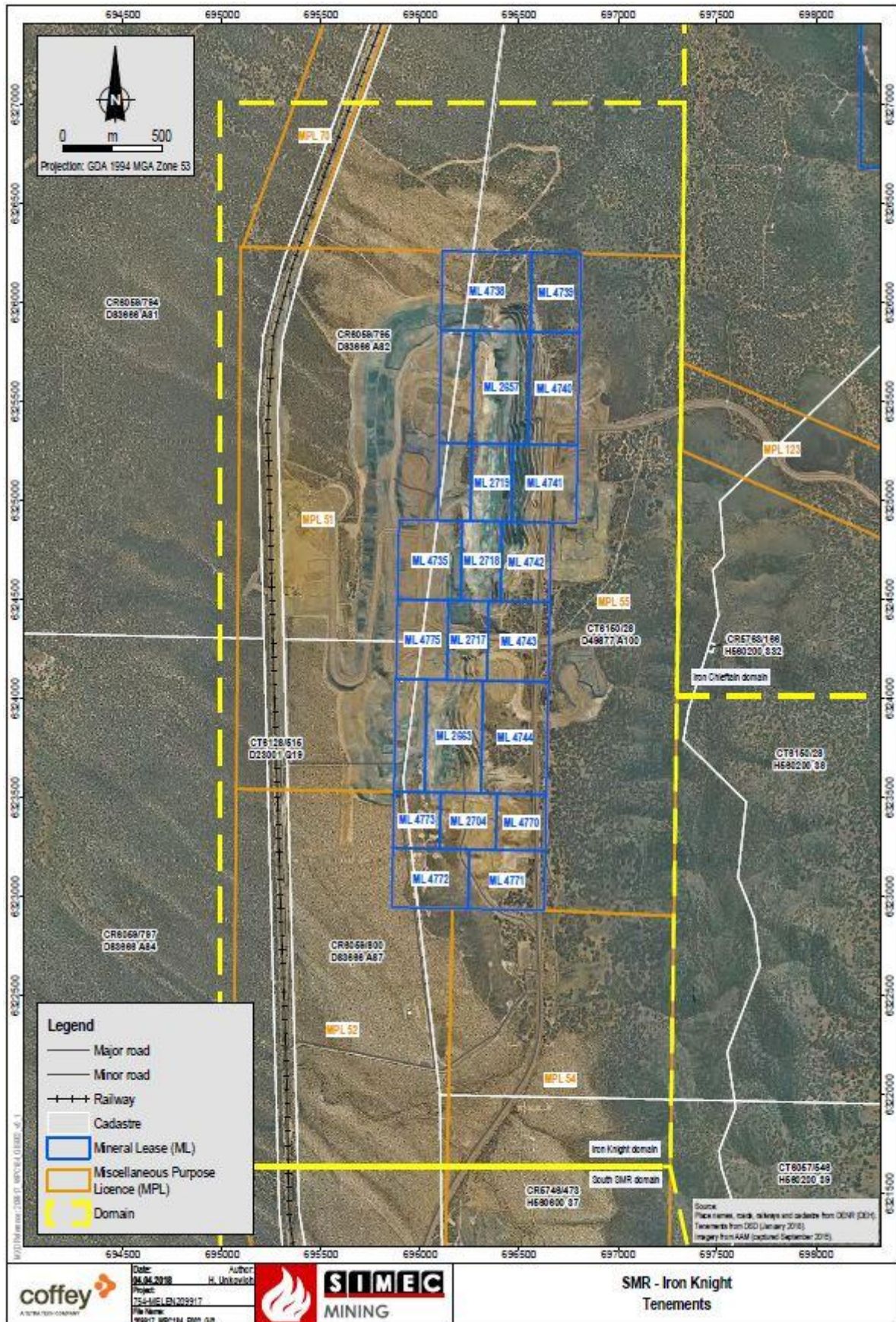


Figure 3 SMR - Iron Knight tenements and cadastre boundaries

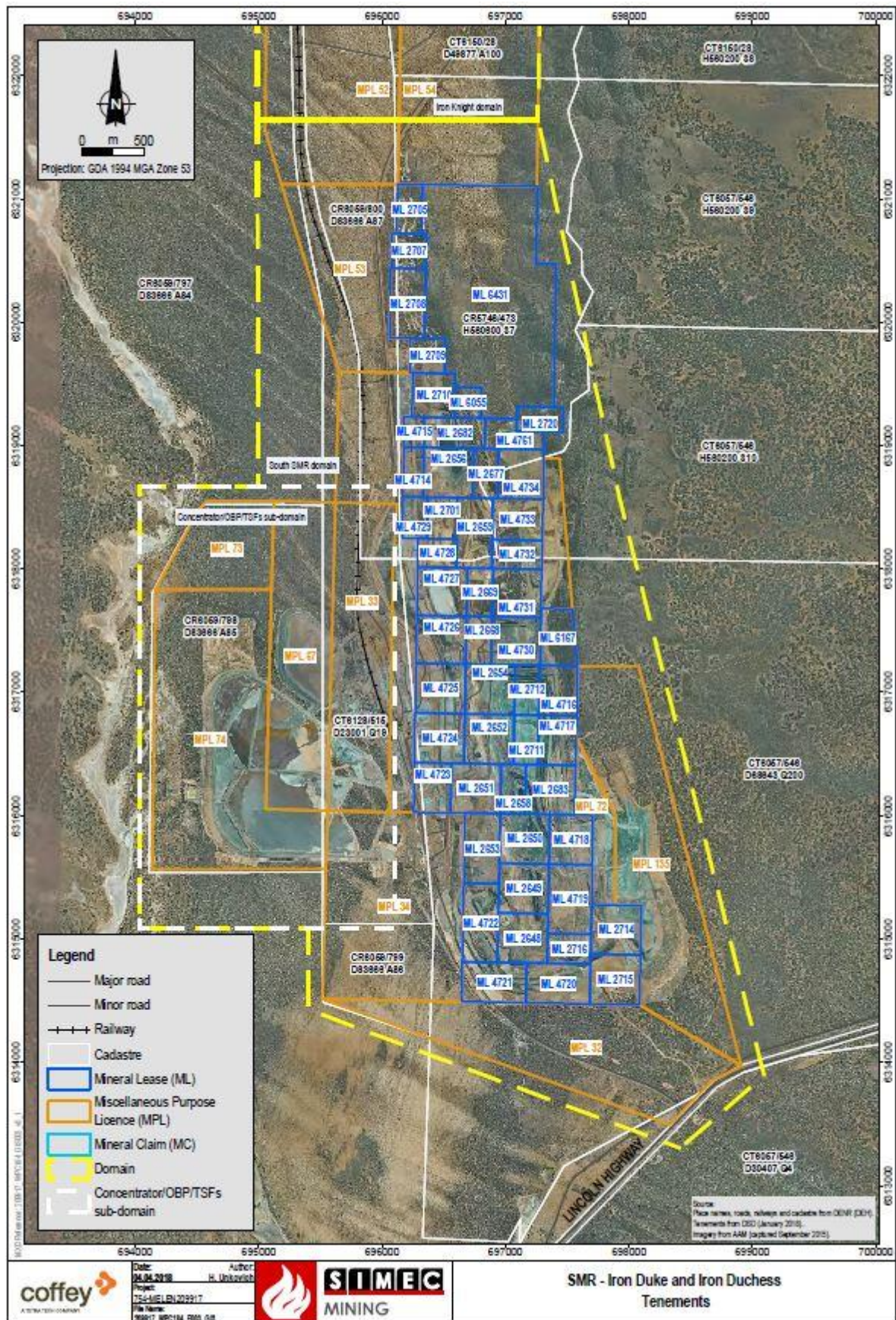


Figure 4 SMR – S-SMR tenements and cadastre boundaries

4 OTHER LICENCES, PERMITS, WAIVERS AND NATIVE TITLE AGREEMENTS

Table 2 provides details of agreements and licences held for the SMR.

Table 2 Agreement and licences – SMR

Licence, permit or agreement	Regulatory authority or other	Supporting documents	Associated ML, MPL, ML lease condition or outcome measurement criteria
Middleback Ranges SA ILUA: SI2013/002	National Native Title Tribunal	Extract from Register of Indigenous Land Use Agreements	Aboriginal heritage
EPA Licence 17122 (Mineral works)	Environment Protection Authority	Licence held at Environment Assurance and copies at work sites	Unauthorised damage under the <i>Environment Protection Act 1993</i> (EP Act)
EPA Licence 13109 (Railway Operations)	Environment Protection Authority	Licence held at Environment Assurance and copies at work sites	Air quality
DEWNR Water Affecting Activity Permit SAAL00005	South Australian Arid Lands Natural Resources Management Board	Permit held at Environment Assurance	Stormwater

5 ORE RESERVES AND MINERAL RESOURCES

5.1 Ore reserves and mine life

Details of ore reserves and estimated mine life as at the end of December 2017 are provided below.

5.1.1 Iron Chieftain Resource

Table 3 shows the current known reserve (updated in 2016 to the JORC 2012 code) and resource in the Iron Chieftain area, and the changes in both compared with the reserves and resources shown in PEPR2014/109.

Table 3 Iron Chieftain total resource and reserve, ending December 2017 (Fe>47%)

Ore reserves	Mass (Mt)	Mineral Resources	Mass (Mt)	Estimated mine life (Years)
Proved	-	Measured		2.5
Probable	4.5	Indicated	13.5	
		Inferred	9	
Total	4.5		22.5	
PEPR	9.5		34.36	
Change	-5.0		-11.86	

5.1.2 Iron Knight (South)

Table 4 shows the current known reserve (updated in 2016 to the JORC 2004 code) and resource in the Iron Knight area, and the changes in both compared with the reserves and resources shown in PEPR2014/109.

Table 4 Iron Knight North total resource and reserve, ending December 2017 (Fe >47%)

Ore reserves	Mass (Mt)	Mineral resources	Mass (Mt)	Estimated mine life (Years)
Proved	-	Measured		2
Probable	0.2	Indicated	2.1	
		Inferred	3.2	
Total			5.3	
PEPR	1.41		6.24	
Change	-1.21		-0.94	

5.1.3 Iron Duchess (North)

Table 5 shows the current known reserve (updated in 2016 to the JORC 2004 code) and resource in the Iron Duchess area, and the changes in both compared with the reserves and resources shown in PEPR2014/109.

Table 5 Iron Duchess – North total resource and reserve, ending December 2017

Ore reserves	Mass (Mt)	Mineral resources	Mass (Mt)	Estimated mine life (Years)
Proved	-	Measured	3.5	5
Probable	-	Indicated	17.7	
		Inferred	13.4	
Total	-		34.6	
PEPR	-		34.94	
Change	-		+0.34	

5.1.4 Iron Duke / Magnet

Table 6 shows the current known reserve (updated in 2016 to the JORC 2012 code) and resource in the Iron Duke/Magnet area, and the changes in both compared with the reserves and resources shown in PEPR2014/109.

Table 6 Iron Duke / Magnet total resource and reserve, ending December 2017

Ore reserves	Mass (Mt)	Mineral resources	Mass (Mt)	Estimated mine life (Years)
Proved	33.6	Measured	38.2	10 (until 2027)
Probable	22.4	Indicated	70.6	
		Inferred	65	
Total	56.0		173.8	
PEPR	62.36		182.9	
Change	-6.36		-9.1	

6 MINING, PROCESSING AND WASTE STORAGE

6.1 Ore mining

The volumes of ore mined, and ore to be mined, in the SMR is provided in Table 7. Ore stockpile volumes as at December 2017 is provided in Table 8 Iron Duke / Knight / Magnet stockpiles as at December 2017.

Table 7 Ore mined in the SMR – 2017

Ore mined Mine life (2011-2017) (BCM)	Reporting period Ore mined (BCM)	Next reporting period Ore to be mined (BCM)	End of reporting period Current ore stockpile (Mt)
11,631,851	2,761,157	1,487,000	See Table 7a
Reason(s) for variations from previous reports			

Table 8 Iron Duke / Knight / Magnet stockpiles as at December 2017

Whyalla blend ore (t)	OBP (t)	Magnetite (t)
0	52,373	149,308

6.2 Ore processing

Volumes associated with ore processing is provided in Table 9.

Table 9 Ore crushed for the SMR

Ore processed Mine life (t)	Domain	Reporting period Ore processed (t)
Not available due to constraints related to obtaining accurate data from commencement of mining	Iron Duke	6,639,990
Not available due to constraints related to obtaining accurate data from commencement of mining	Iron Knight	2,363,183
Total		9,003,173

6.3 Concentrate

Volumes of concentrate associated with the SMR are provided in Table 10.

Table 10 Concentrate exports from the SMR

Concentrate exported Mine life (t)	Reporting period Concentrate exported (t)		Next reporting period Concentrate to be exported (t)
(2011-2017) 11,454,834	Concentrator	1,855,419	2,200,000
	OBP	974,724	
Total		2,830,143	
Reason(s) for variations from previous reports			

6.4 Overburden / Waste

Table 11 shows the volumes of overburden for the reporting period and total.

Table 11 Overburden mined in the SMR – 2017

Overburden mined Mine life (2011-2017) (BCM)	Reporting period Overburden mined (BCM)	Next reporting period Overburden to be mined (BCM)
53,475,511	4,721,068	3,169,000
Reason(s) for variations from previous reports		

7 COMPLIANCE WITH ENVIRONMENTAL OUTCOMES AND LEADING INDICATOR CRITERIA

7.1 Compliance summary

A summary of compliance items is provided in Table 12.

Table 12 Compliance summary – SMR (1 January to 31 December 2017)

Licence/Permit/Tenement	Type of non-compliance	Brief description	Status	Section of report for further detail
There were no non-compliances recorded during the reporting period				

7.2 Compliance with Outcomes

An overview of compliance against outcomes and associated measurement criteria for the SMR is provided in Table 13.

Table 13 Compliance with Environmental Outcomes

Outcome	Outcome measurement criteria (OMC)	OMC compliance status	Outcome Achievement	Outcome Achievement status	Outcome Achievement actions summary	Evidence	Forward work plan
Flora							
No permanent loss of abundance or diversity to native vegetation through clearance, dust/contaminant deposition, fire or other damage caused by mining operations on or off the tenements, unless prior approval under legislation is obtained	Annual aerial and/or ground surveys of operational areas demonstrate that the total area cleared does not exceed the approved area as per PEPR Table 24 (see PEPR section 4.3) when compared to the September 2013 aerial image (see Figure 72). (PEPR 2014/109) Mine records demonstrate that SIMEC Mining dust management strategies were in place	Compliant	Vegetation clearance is not to exceed the approved area as per Table 24 (PEPR2014/109) Iron Chieftain domain – 128ha Iron Knight domain – 61.8ha South SMR domain – 28ha Concentrator and OBP domain – 58.4ha	Compliant	NA	Ground Survey plus vegetation clearance permit data to the 31 December 2017 (see section 10 and section 11 Table 17), this document.	NA
No vegetation health impacts to neighbouring properties from dust generated by mining activities	Quarterly internal assessment and annual vegetation dust impact assessment by external consultant at the vegetation monitoring quadrats on neighbouring properties (see PEPR 2014/109 Appendix A-9), demonstrate that impact assessment scores do not exceed an impact score of 2 (see Table 38, PEPR 2014/109), from mine derived dust, factoring in regional rangelands floristic health as measured at the control sites (PEPR 2014/109 see Appendix A-9)	Compliant	Vegetation impact assessment scores do not exceed an impact score of 2 (see Table 38, PEPR2014/106), from mine derived dust, factoring in regional rangelands floristic health as measured at the control sites (see Appendix A-9 to PEPR2014/109).	Compliant	NA	Annual vegetation survey identified a marked improvement on ICPP61, with dust having no observable impact on the vegetation. SEWRDPP41 showed very little dust deposition. SMR (previously reported as Iron Knight and S-SMR) Annual reporting identified light to moderate dust loads on the indicator species at site M2I. Other Impact Assessment sites showed	Continuous observation assessment and improvement opportunities identified and implemented

Outcome	Outcome measurement criteria (OMC)	OMC compliance status	Outcome Achievement	Outcome Achievement status	Outcome Achievement actions summary	Evidence	Forward work plan
	Mine records demonstrate that SIMEC Mining dust management strategies are applied in accordance with the Mines FDR Procedure QP50-68.					<p>very little (SEWRDPP4I) to light dust impacts (M3I).</p> <p>The external annual report (Terrestria 2017) found none of the sites had a dust impact greater than 1 and verified the results of internal inspection reports.</p> <p>IRMS incident reports and multiple dust complaint investigation reports demonstrate implementation of dust management strategies in accordance with QP50-68.</p>	
Fauna							
That there is no permanent loss of native fauna abundance caused by mining operations	Records demonstrate that incidents of drill collars not being capped immediately following exploration activities are logged and investigated and all corrective actions are closed out within 24 hours of receiving notification of the incident	Compliant	Incidents of drill collars not being capped immediately following exploration activities are logged and investigated and all corrective actions are closed out within 24 hours of receiving notification of the incident	Compliant	NA	No incidents of uncapped drill collars recorded within the reporting period.	
	Annual aerial and/or ground surveys at operational areas demonstrates that the total area cleared does not exceed the approved area as listed in PEPR2014/106 Table 24 when compared to the September 2013 aerial image.	Compliant	Vegetation clearance is not to exceed the approved area as per Table 24 (PEPR2014/109)	Compliant	NA	Vegetation clearances to-date has not exceeded the approved area as per Table 24 (PEPR2014/109), (see section 10 and section 11 Table 17), this document	NA
Weeds, pests and pathogens							
No introduction of new species of	Biannual weed inspection reports and continuous weed mapping demonstrate that new weeds and existing weeds are	Compliant	New weeds and existing weeds are managed by	Compliant	NA	No new weed incursions or increase in abundance of	NA

Outcome	Outcome measurement criteria (OMC)	OMC compliance status	Outcome Achievement	Outcome Achievement status	Outcome Achievement actions summary	Evidence	Forward work plan
weeds, nor a sustained increase in abundance of existing weed species in the Licence area, compared to adjoining land	managed by control measures as per the SIMEC Mining Pest Plant and Animal Control Strategy QP50_62 within six months of documenting the presence of new weed incursions or increase in abundance of existing weeds in the licence area compared to baseline flora and fauna surveys (Bebbington 2009 and 2014)		control measures as per the SIMEC Mining Pest Plant and Animal Control Strategy QP50_62 within six months of documenting the presence of new weed incursions or increase in abundance of existing weeds in the licence area compared to baseline flora and fauna surveys (Bebbington 2009 and 2014)			existing weed were recorded by weed inspections. Inspected all areas with a focus on declared weeds at the Chieftain. Identified Bathurst Burr and Prickly Pear at the Chieftain and one Fountain grass in flower near Ali's dam. The Bathurst burr and Fountain grass were removed at the time (hand pulled and bagged). The Prickly Pear controlled with herbicide.	
Soils							
Topsoil quality and quantity is maintained	Six-monthly inspection audits demonstrate that topsoil has been stripped, stockpiled (see Figure 56) and maintained in accordance with SIMEC Mining's Soil Management Plan (QP50_66) and that all corrective actions from audits logged and closed out within 60 days or as otherwise agreed with the Regulator	Compliant	Topsoil has been stripped, stockpiled and maintained in accordance with SIMEC Mining's Soil Management Plan (QP50_66) and that all corrective actions from audits logged and closed out within 60 days or as otherwise agreed with the Regulator	Compliant	NA	Audits confirmed that top soil had been maintained in accordance with QP50.66.	NA
Stormwater							
No water contaminated as a result of mining operations leaves the tenement areas or results in loss of, or contamination of, soil on, or off, the tenement/s	Records demonstrate that inspection audits of drainage silt traps (see location plan Appendix A-10) are carried out within five days of rainfall events that result in flows of stormwater, or every three months, whichever is the lesser, to determine that culverts are not blocked and that >500 mm of freeboard remains in silt traps and that spillways are not eroded or otherwise damaged, and that all corrective actions from inspections are logged and closed out within 30 days or as otherwise agreed with the Regulator	Compliant	Inspection audits of drainage silt traps are carried out within five days of rainfall events that result in flows of stormwater, or every three months, whichever is the lesser, to determine that culverts are not blocked and that >500 mm of freeboard remains in silt traps and that spillways are not eroded or otherwise damaged, and	Compliant	NA	Storm water inspection audits corrective actions resulted in maintenance to silt traps to remain compliant with the outcome measurement criteria. Audits and audit actions entered into IRMS	NA

Outcome	Outcome measurement criteria (OMC)	OMC compliance status	Outcome Achievement	Outcome Achievement status	Outcome Achievement actions summary	Evidence	Forward work plan
			that all corrective actions from inspections are logged and closed out within 30 days or as otherwise agreed with the Regulator				
Groundwater							
No changes to groundwater levels that adversely impact vegetation due to Magnetite TSF operations	Records and reports demonstrate that SIMEC Mining is compliant with the Magnetite TSF Management Plan, and that the ground water extraction wells are functioning (refer to Section 3.9.6) and that monthly groundwater level monitoring at location plan (see Figure 23), demonstrates a falling trend in groundwater levels to below the vegetation root zone, averaged over a twelve month period and taking into account rainfall events that may naturally raise groundwater levels temporarily.	Uncertain	SIMEC Mining is compliant with the Magnetite TSF Management Plan, and that the ground water extraction wells are functioning (refer to PEPR2014/106 Section 3.9.6) and that monthly groundwater level monitoring at location plan (see PEPR Figure 23), demonstrates a falling trend in groundwater levels to below the vegetation root zone, averaged over a twelve month period and taking into account rainfall events that may naturally raise groundwater levels temporarily.	Uncertain (regarding demonstrated falling trend in groundwater levels)	Continue to implement and monitor the Magnetite TSF Management Plan	<p>SIMEC Mining remains compliant to the Magnetite TSF Management Plan as reported monthly to DPC.</p> <p>Groundwater levels in the WEST bores have had varied responses throughout the period. WEST 1 has remained static, WEST 2 is at an all-time low (1.99mbgl), WEST 3 has declined slightly, and WEST 4 has risen slightly, likely in response to late November/early December rainfall. BHMB1 has a history of fluctuations in groundwater level connected to rainfall events, after steadily trending down during the dry Spring weather, the level rose at the end of the year as a response to the late November/early December rain. After trending down during Spring, BHMB2's groundwater level has been potentially impacted by a combination of spear pump failures (rectified at the end of November) and the late November/early December rainfall. Groundwater levels in BHMB3, BHMB4 and BHMB5</p>	

Outcome	Outcome measurement criteria (OMC)	OMC compliance status	Outcome Achievement	Outcome Achievement status	Outcome Achievement actions summary	Evidence	Forward work plan
	Biannual aerial and ground surveys demonstrate that the TSF vegetation impact area has not increased.					have remained relatively static. In September 2013 the TSF vegetation impact area covered 59 ha. The May 2017 internal TSF vegetation impact area assessment measured 56.2 ha, an overall reduction of 2.7ha.	
No changes to groundwater levels that adversely impact vegetation due to Iron Duchess water storage operations	<p>Monthly groundwater monitoring records demonstrate that the groundwater level does not exceed 160m AHD at DMW03 (see Figure 24, PEPR2014/109)</p> <p>Annual aerial and/or ground surveys demonstrate that the total area of vegetation cleared does not exceed the approved area as per Table 24 (see Section 4.3) when compared to the September 2013 aerial image (see Figure 72). (PEPR2014/109)</p>	Compliant	<p>Groundwater level does not exceed 160m AHD at DMW03 (see PEPR2014/109 Figure 24)</p> <p>Annual aerial and/or ground surveys demonstrate that the total area of vegetation cleared does not exceed the approved area as per Table 24 (PEPR2014/109) (see Section 4.3) when compared to the September 2013 aerial image (see Figure 72). (PEPR2014/109)</p>	Compliant	NA	<p>Monthly ground water levels at DMW3 demonstrate that the ground water level has remained stable at approximately 140mAHD since the well was installed in May 2015</p> <p>There has been no impact to vegetation or changed ground water levels due to Duchess water storage. Ground survey mapping has demonstrated that vegetation cleared does not exceed the approved area as per (PEPR2014/109) Table 24</p>	NA
Air quality							
No nuisance impacts to local residents and the general public from air emissions, dust and odour generated	Records demonstrate that complaints of emissions, dust or odour are responded to within 24 hours, are logged and investigated and all corrective actions are closed out within 30 days of receiving a complaint, or as otherwise agreed with the affected party or the Regulator	Compliant	Records demonstrate that complaints of emissions, dust or odour are responded to within 24 hours, are logged and investigated and all corrective actions are closed out within 30 days of receiving a complaint, or as otherwise agreed	Compliant	NA	<p>Seven complaints of dust emissions were received. All were resolved within the required time frame (see Section 14).</p> <p>Four of the complaints resulted in dust complaint investigation reports (MI278, 11 March 2017; MI285, 1 September 2017; MI289, 17</p>	<p>Continued focus on improved dust control</p> <p>Dust TARP to be developed June 2018</p>

Outcome	Outcome measurement criteria (OMC)	OMC compliance status	Outcome Achievement	Outcome Achievement status	Outcome Achievement actions summary	Evidence	Forward work plan
from mining operations			with the affected party or the Regulator			September 2017; MI290, 20 September 2017) submitted to DPC and the complainant. Time bound forward work actions have been completed	
Visual amenity							
The contrasting and reflective aspects of WRDs and infrastructure are visually softened to blend in with the surrounding landscape	Annual audits against the staged rehabilitation strategy, with the use of annual aerial and ground surveys of the landform development and biennial flora monitoring surveys demonstrate progressive rehabilitation undertaken in accordance with staged rehabilitation strategy for the SMR Mining Area (see PEPR Section 8)	Compliant	Progressive rehabilitation undertaken in accordance with staged rehabilitation strategy for the SMR Mining Area (see Section 8) (PEPR2014/109)	Compliant	Continue to progressively rehabilitate in accordance with PEPR2014/109	.	Continue to progressively rehabilitate in accordance with PEPR2014/109
Blasting and vibration							
No public health, safety and nuisance impacts from air blast overpressure, vibrations, fumes, dust or fly rock caused by blasting undertaken on site	Records show that an independent investigation of recorded incidents related to blasting activities on site, demonstrates that an incident could not have been prevented through implementation and use of reasonable preventative measures and that all incidents as a result of blasting, including fly rock occurrences outside of the blast management zone, or complaints related to blasting are investigated and corrective actions closed out within 30 days or as otherwise agreed with the Regulator	Compliant	Independent investigation of recorded incidents related to blasting activities on site, demonstrates that an incident could not have been prevented through implementation and use of reasonable preventative measures and that all incidents as a result of blasting, including fly rock occurrences outside of the blast management zone, or complaints related to blasting are investigated and corrective actions closed out within 30 days or as otherwise agreed with the Regulator	Compliant	NA	No incidents were recorded. No complaints of damage were received	NA

Outcome	Outcome measurement criteria (OMC)	OMC compliance status	Outcome Achievement	Outcome Achievement status	Outcome Achievement actions summary	Evidence	Forward work plan
Public safety							
No accidents involving the public as a result of exploration and mining activities that could have been reasonably prevented by SIMEC Mining	Records show that an independent investigation of recorded injuries from unauthorised access to the site, demonstrates that an incident could not have been prevented through implementation of reasonable preventative measures and that 100% of incidences of unauthorised access are investigated and corrective actions closed out within 30 days or as otherwise agreed with the Regulator	Compliant	Independent investigation of recorded injuries from unauthorised access to the site, demonstrates that an incident could not have been prevented through implementation of reasonable preventative measures and that 100% of incidences of unauthorised access are investigated and corrective actions closed out within 30 days or as otherwise agreed with the Regulator	Compliant	NA	No incidents of unauthorised access or injury from unauthorised access were recorded during the reporting period	NA
Adjacent land use and third party property							
No unauthorised damage to adjacent property or infrastructure from mining operations	Records demonstrate that complaints of unauthorised damage are responded to within 24 hours, are logged and investigated and all corrective actions are closed out within 30 days of receiving a complaint, or as otherwise agreed with the affected party or the Regulator	Compliant	Complaints of unauthorised damage are responded to within 24 hours, are logged and investigated and all corrective actions are closed out within 30 days of receiving a complaint, or as otherwise agreed with the affected party or the Regulator	Compliant	NA	For the purposes of reporting four dust emission complaints are also regarded as complaints of third party property damage and resulted in complaint investigation reports (MI278, 11 March 2017; MI285, 1 September 2017; MI289, 17 September 2017; MI290, 20 September 2017) submitted to DPC and the complainant	Continuous observation, assessment and improvement of dust control systems and procedures. Additional study of crop and soil health by independent experts commenced in 2017. Finalise study report by June 2018

Outcome	Outcome measurement criteria (OMC)	OMC compliance status	Outcome Achievement	Outcome Achievement status	Outcome Achievement actions summary	Evidence	Forward work plan
Heritage							
No disturbance to Aboriginal artefacts, sites of significance or European heritage unless prior approval under the relevant legislation is obtained	Records demonstrate that discoveries of suspected Aboriginal or European artefacts or remains were left without further disturbance, reported to the authorities and investigated and that work recommenced only after being authorised by the appropriate authority	Compliant	Discoveries of suspected Aboriginal or European artefacts or remains were left without further disturbance, reported to the authorities and investigated and that work recommenced only after being authorised by the appropriate authority	Compliant	NA	No incidents of discoveries of suspected Aboriginal or European artefacts or remains were recorded during the reporting period	NA
Traffic							
No incidents or accidents resulting from road accidents associated with the SMR operational or access traffic that could have been reasonably prevented	Records of independent investigation of all recorded incidents and accidents involving SMR operational traffic, or SMR access road/public road interface traffic demonstrates that the incident could not have been prevented through implementation of reasonable preventative measures and that 100% of incidences of unauthorised access are investigated and corrective actions closed out within 30 days or as otherwise agreed with the Regulator	Compliant	Independent investigation of all recorded incidents and accidents involving SMR operational traffic, or SMR access road/public road interface traffic demonstrates that the incident could not have been prevented through implementation of reasonable preventative measures and that 100% of incidences of unauthorised access are investigated and corrective actions closed out within 30 days or as otherwise agreed with the Regulator	Compliant	NA	No road incidents or accidents associated with SMR reported.	NA
Closure							
Integrate and harmonise	Annual Progressive Rehabilitation Compliance Audit and final landform	Compliant	WRDs are constructed and remediated to	Compliant	Continue to progressively		Continue to progressively

Outcome	Outcome measurement criteria (OMC)	OMC compliance status	Outcome Achievement	Outcome Achievement status	Outcome Achievement actions summary	Evidence	Forward work plan
final landforms and vegetation with surrounding landscape	profile and revegetation audit demonstrates WRDs are constructed and remediated to integrate and harmonise the final landform and vegetation with the surrounding landscape as each lift is completed in accordance with the design, closure and rehabilitation strategy described in Section 8 (PEPR2014/109)		integrate and harmonise the final landform and vegetation with the surrounding landscape as each lift is completed in accordance with the design, closure and rehabilitation strategy described in Section 8 (PEPR2014/109)		rehabilitate in accordance with PEPR2014/109		rehabilitate in accordance with PEPR2014/109
Integrate and harmonise final landforms and vegetation with surrounding landscape	Final landform profile and revegetation audit via ground and flora survey demonstrates that all constructed haul roads and open areas are remediated in accordance the design, closure and rehabilitation strategy described in Section 8 (PEPR2014/109)	Not applicable until mine closure	all constructed haul roads and open areas are remediated in accordance the design, closure and rehabilitation strategy described in Section 8 (PEPR2014/109)	Not applicable until mine closure			
Re-establishment of mine site ecosystem and landscape function	Annual assessment by internal specialist or external consultant and a final report from a suitably qualified person confirms that Landscape Function Analysis (LFA) indicates that LFA curve has moved above, or is likely to move above the critical threshold of sustainability, which, depending on specific site variables are within the following ranges (stability index; 45-55%, Infiltration index; 30-33%, Nutrient cycling index, 23-28%), on remediated WRDs, haul roads and operational and fixed plant areas. This criteria to remain open until the target is met	Compliant	Landscape Function Analysis (LFA) indicates that LFA curve has moved above, or is likely to move above the critical threshold of sustainability, which, depending on specific site variables are within the following ranges (stability index; 45-55%, Infiltration index; 30-33%, Nutrient cycling index, 23-28%), on remediated WRDs, haul roads and operational and fixed plant areas.	Compliant		Baseline LFA data was collected in December 2013 subsequent rounds of LFA data collection is undertaken annually.	Continue to collect LFA data annually
Risk to health and safety of the public and fauna are as low as reasonably practical	The completion safety audit demonstrates that WRDs, quarry pit and operational areas are constructed and remediated and that the safety bunds are 10 m outside of the potentially unstable pit edge zone (see Figures 85, 88, 93 and 94), and that,	Not applicable until mine closure		Not applicable until mine closure			

Outcome	Outcome measurement criteria (OMC)	OMC compliance status	Outcome Achievement	Outcome Achievement status	Outcome Achievement actions summary	Evidence	Forward work plan
	fencing and signage are in place in accordance with the design, closure and rehabilitation strategy described in Section 8. Fencing and signage will be maintained by SIMEC Mining until such time that it is agreed between SIMEC Mining and DSD that SIMEC Mining is no longer responsible for the maintenance						
The site is physically stable	Annual and final landform profile compliance audits demonstrates WRDs, pits, and infrastructure areas are constructed and remediated in accordance with design, closure and rehabilitation strategy set out in Section 8 (PEPR2014/109)	Compliant	WRDs, pits, and infrastructure areas are constructed and remediated in accordance with design, closure and rehabilitation strategy set out in Section 8 (PEPR2014/109)	Compliant	Continue to construct and remediate in accordance with design, closure and rehabilitation strategy	Internal compliance and EMS audits.	Continue to construct and remediate in accordance with design, closure and rehabilitation strategy
The site will be rehabilitated to a stable condition that supports a resilient, self-sustaining natural ecosystem suitable for the post-mining land use that will be determined in consultation with relevant stakeholders	Site audit at mine closure by an independent professional to demonstrate that the site is rehabilitated as per the closure domain objectives (see Section 8 (PEPR2014/109)	Not applicable until mine closure		Not applicable until mine closure			
All infrastructure is removed from the site	Final closure and divestment audit report demonstrates that all fixed mine infrastructure is demolished disposed of or removed from site within two years of mine closure	Not applicable until mine closure		Not applicable until mine closure			

Outcome	Outcome measurement criteria (OMC)	OMC compliance status	Outcome Achievement	Outcome Achievement status	Outcome Achievement actions summary	Evidence	Forward work plan
prior to mine completion							
All equipment is removed from site prior to mine closure	Final closure and divestment audit report demonstrates that all mobile machinery and equipment is removed from site within 12 months (or as otherwise agreed with DSD) of completion of rehabilitation of all WRDs, haul roads and impacted areas	Not applicable until mine closure		Not applicable until mine closure			
All mine waste materials left on site are chemically and physically stable	At mine closure records demonstrate all industrial and domestic wastes are disposed of in accordance with the Environment Protection Act 1993, and that all waste mine materials left on site are chemically and physically stable as determined by a site contamination audit conducted by an independent and qualified auditor	Not applicable until mine closure		Not applicable until mine closure			

8 COMPLIANCE WITH NON-OUTCOME BASED TENEMENT CONDITIONS

A review of compliance against non-outcome based lease conditions for SMR is provided in Table 14.

Table 14 Compliance against non-outcome based lease conditions for SMR – 2017

Condition	Compliance status	Evidence	Forward work plan
ML2662, ML2706, ML4745, ML4746, ML4747, ML2704, ML2663, ML2717, ML2718, ML2719, ML2657, ML4740, ML4741, ML4742, ML4743, ML4744, ML4770, ML4771, ML4772, ML4773, ML4774, ML4775, ML4735, ML4736, ML4737, ML4738, ML4739, ML6361, ML6362, ML 6441, MPL51, MPL52, MPL54, MPL55, MPL70, MPL123			
Mining operations authorised by this Lease must only be for the recovery of Iron Ore	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
The Lessee must not commence or undertake any mining operations on the land until a Mining and Rehabilitation Program (MARP) has been approved by the Minister and a bond has been paid in accordance with Section 62 of the Mining Act 1971	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
The Lessee must prepare a MARP that complied with the requirements of guidelines approved by the Director of Mines and include environmental outcomes and criteria that are developed in consultation with relevant stakeholders	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
<p>The criteria included in the MARP must demonstrate clear and unambiguous achievement of the environmental and mine closure outcomes specified in the Second Schedule by:</p> <ul style="list-style-type: none"> • Including the specific parameters to be measure and monitored by the Lessee • Specifying the locations that the parameters will be measured or how these locations will be determined • Clearly stating the acceptable values for demonstrating achievement of the outcome, with consideration of any inherent errors of measurement • Specifying the frequency of monitoring by the Lessee 	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions

Condition	Compliance status	Evidence	Forward work plan
<ul style="list-style-type: none"> Identifying what background or control data are to be used of specify how it will be acquired (if necessary) 			
The Lessee must review the Mining and Rehabilitation Program (MARP) on request of the Director of Mines within a time specified in the request and submit the revised MARP for approval to the Director of Mines	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
The Lessee agrees to the approved MARP being made available for public inspection	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
The Lessee must provide information as requested by and to the satisfaction of the Director of Mines, on the Lessee's capability and competence to comply with the requirements of the Mining Act 1971, the conditions of this Lease, and the MARP in accordance with approved guidelines or as otherwise specified by the Director of Mines	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
The Lessee must provide to the Director of Mines a Mining and Rehabilitation Compliance Report (MARCR) on operations carried out on the Lease and compliance with the approved MARP. The MARCR must be submitted every year, within 2 months after the anniversary of the date the Lease was granted, or at some other time agreed with the Director of Mines in accordance with guidelines approved by the Director of Mines. The Lessee agrees to the MARCR being made available for public inspection	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
The Lessee must if requested by the Director of Mines, undertake an independent audit of achievement of the environmental outcomes in the MARP, by an independent expert approved by the Director of Mines and submit the audit to the Director of Mines. The lessee agrees to the audit being made available for public inspection	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions

Condition	Compliance status	Evidence	Forward work plan
At least 3 months prior to Lease relinquishment or expiry, the Lessee must provide to the Minister a Mine Completion Report prepared in consultation with the landowner and in accordance with guidelines approved by the Director of Mines, which demonstrates achievement of the closure criteria as specified in the current MARP	Compliant	Actionable as mine closure approaches	Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
The Lessee must prior to commencing operations under this Lease and for the duration of the lease maintain public liability insurance to cover all operations under the Lease (including sudden and accidental pollution) in the name of the Lessee for a sum not less than \$20 million or such greater sum as specified by the Director of Mines, and make such amendments to the terms and conditions of the insurance as the Director of Mines may require	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
A copy of the cover note of certificate of currency for the insurance must be provided to the Director of Mines upon request	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
If requested by the Director of Mines, the Lessee must engage an independent and reputable risk assessor to prepare a risk assessment report detailing the public liability risks arising out of the conduct of operations on the Lease, and recommending the level of amount of public liability cover (in respect of any one occurrence) that should be effected and maintained by the Lessee. In preparing the risk assessment report, the assessor must consult with the landowner and the Director of Mines	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
In specifying the level of insurance required, the Director of Mines accepts no liability for the completeness, adequacy of the sum insured, the limit of liability, the scoped coverage, the conditions or exclusions of the insurance in respect of how the Lessee may or may not respond to any loss, damage or liability	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions

Condition	Compliance status	Evidence	Forward work plan
The Lessee must report any non-compliance with these conditions and approved MARP to the Director of Mines. A verbal notification must be provided within 24 hours, after the Lessee becomes aware of the non-compliance. A written report must be provided within 3 calendar days or such time period as approved by the Director of Mines	Compliant	Complaints register data	Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
In requesting a review of the bond required under the <i>Mining Act 1971</i> the Minister may request that written quotes from an independent third party approved by the Minister are obtained by the Lessee for the cost of rehabilitating the site to the requirements specified in the approved MARP	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
The Lessee must meet all the charges and costs in obtaining and maintaining the Bond	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
MPL 2652, ML2648 – ML2651, ML 2668 – ML2669, ML2677, ML2682 – ML2683, ML2701, ML2712, ML2714 – ML2716, ML2720			
1. The Lessee will during the said term pay or cause to be paid to the Minister of Mines (hereinafter referred to as 'the Minister') at the office of the Department of Mines in the City of Adelaide on behalf of the Governor the rent and other sum hereby reserved at the times and in the manner hereinbefore appointed for payment thereof free and clear of all rates taxes impositions outgoings and deductions whatsoever	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
2. That the Lessee will pay and discharge all rates taxes assessments impositions and outgoings which during the said term shall become payable in respect of the said land and premises	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
3. That the lessee will maintain in position during the said term the posts and trenches or piles of stone required by the said regulations to be erected or put on the said land when the same was pegged out as a claim and in addition thereto will paint legibly on such posts the number of this lease	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions

Condition	Compliance status	Evidence	Forward work plan
4. That the lessee will during the said term make construct and work all mines and so and perform all things authorised by this lease in a fair orderly, skilful and workmanlike manner	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
5. That the lessee will during the said term employ and keep constantly employed not less than one man for every ten acres of portion of ten acres except as provided by Regulation No. 125 in mining or prospecting for all metals and mineral except gold in or upon the said land and will whenever thereunto requires by the Minister furnish him with satisfactory evidence that such number of men have been and are so employed due allowance being made by the Minister for machinery or horses employed at the rate of two men for each horse or horsepower of machinery	No longer relevant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
6. The Lessee will make such provision for the disposal of silt sludge dirt waste or refuse which may be brought out by the said mines and premises so that the same will not flow or find its way into any stream brook river or water channel or so as to injure or interfere with any land set apart for water supply purposes	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
7. That the lessee will build and keep in proper repair a sufficient and substantial stone wall or other fence around all the pits and shafts which may at any time during the said term be open in any part of the said land and premises for the purpose of this lease so as effectually to prevent all access thereto by all kinds of cattle	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
8. That the lessee will whenever lawfully required do to for at the lessee's own cost and in manner required by any regulations for the time being in force in that behalf cause to be made a survey of the said land and cause to be forwarded to the said Department of Mines a map or plan of such survey	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
9. That the lessee will at all times during the said term keep and preserve the said mines and premises in good order repair and condition and in such good order repair and condition at the end or	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions

Condition	Compliance status	Evidence	Forward work plan
other sooner determination of the said term deliver peaceable possession thereof and of all and singular the premises hereby leased unto the Governor or the Minister or to some officer authorised by him or them to receive possession thereof			
10. (a) That the lessee will half-yearly in the months of January and July furnish to the Warden of the mining district in which the said land is situated a full and true return showing in respect of the preceding half-year the quantity of stone or ore treated the quantity of metals and mineral taken from the said land and the working expenses incurred in and the gross proceeds and net profits received from the occupation and working of the said land and the sale of all metals and minerals	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
11. That the lessee will permit the pastoral lessee (if any) of the said land at all times to have free access and user for domestic purposes and for the purposes of watering stock to and of any surface water on the said land which shall not have been provided or stored by artificial means by the lessee	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
12. That the lessee will report to a Warden when payable gold is struck or metals precious stones minerals coal shale oil salt or gypsum are found in payable quantities in or upon the said land	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
13. The lessee will not during the continuance of the said term without the written consent of the Minister first had and obtained use or occupy or permit to be used or occupied the said land and premises other than for the purpose of exercising the rights and liberties hereinbefore granted	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
14. The lessee will not prevent any person who holds a right privilege or authority under the said Acts and regulations or any amendment thereof from exercising the same	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
15. The lessee will not during the said term transfer assign sublet or otherwise dispose of or part with the possession of or mortgage charge or encumber	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions

Condition	Compliance status	Evidence	Forward work plan
the said land and premises or any part thereof or do not permit to suffer to be done any act matter or thing whereby the said land and premises or any part thereof shall or may be transferred assigned sublet or otherwise disposed of or the possession thereof parted with or mortgaged charged or encumbered to any person or persons for the whole or any part of the said term without the consent in writing of the Minister first hand and obtained for every such purpose			
16. It shall be lawful for the Governor or the Minister or any person authorised by him or them at all proper and reasonable times during the said term without any interruption from the lessee or the lessee's agents servants or workmen to enter into and upon the said land and premises and into and upon any mines or works that may be found therein to view and examine the condition thereof and whether the same be worked in a proper skilful and workmanlike manner and for such purpose to make use of any of the railroad or other roads or ways machinery and work belonging to the said mines and premises and to examine and take extracts from all books accounts vouchers and documents relating thereto	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
17. That so far as applicable the provisions of the said Acts and all regulations made thereunder or any amendment of the said Acts are embodied and incorporated herein and the lessee hereby covenants to observe fulfil and perform the same	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
18. The lessee shall on due performance and observance of the covenants conditions and provisos herein contained be entitled to a renewal from time to time of this lease for any period at each renewal not exceeding twenty one years from the expiration of this lease or any renewal thereof at the rent for the time being chargeable by law in respect of leases of the same class as this lease and shall be subject to the covenants conditions and provisions prescribed by any Act or regulations	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions

Condition	Compliance status	Evidence	Forward work plan
for the time being in force relating to leases of the same class as this lease			
19. If the said rent be not paid on or before the day hereinbefore appointed for payment thereof a penalty of five pounds per centum shall be added to the said rent and if the said rent and penalty not be paid within one calendar month after the said day a further penalty of ten pounds per centum shall be added and if the said rent and penalties be not paid within one calendar month after the said first month the same shall be recoverable by the Minister by action in any court or competent jurisdiction	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
20. If the lessee shall during the said term commit any breach of or shall fail to comply with any covenant condition or proviso herein contained this lease shall be liable to forfeiture in manner hereinafter provided	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
21. If the said rent shall be in arrear and unpaid for more than three calendar months after the day at which the same is payable under this lease it shall be lawful for the Governor to cancel this lease and the Minister may thereupon insert a notice in the <i>Government Gazette</i> declaring this lease to be forfeited	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
22. If the Minister has reason to believe that there has been a breach of or non-compliance with any of the covenants conditions or provisos herein contained other than a breach of the covenant for payment of the said rent or non-compliance with the labour conditions of this lease, the Minister shall give written notice to the lessee specifying the covenants conditions or provisos which he has reason to believe are not being complied with and notifying the lessee that this lease will be liable to forfeiture at the expiration of one month from the date of such notice unless in the meantime such covenants condition or provisos are duly complied with and if at the expiration of such notice such covenants conditions or provisos are still not being complied with by the lessee the Governor may	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions

Condition	Compliance status	Evidence	Forward work plan
cancel this lease notwithstanding that the rent payable under this lease for the period during which such breach is committed may have been paid and notwithstanding any implied waiver of such breach by the Governor and the Minister shall thereupon insert a notice in the <i>Government Gazette</i> declaring this lease to be forfeited. In case of a breach of the covenant for payment of the said rent or the non-compliance with the said labour conditions the Governor may exercise the power of cancellation without giving the written notice hereinbefore mentioned			
23. A notice of forfeiture as hereinbefore mentioned in the last two preceding provisos so published in the <i>Government Gazette</i> shall be taken to be conclusive evidence that this lease has been legally cancelled and forfeited	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
24. In case this lease shall become liable to forfeiture the Minister may (except as to any case coming under the operation of section 70 of the said Acts) extend the period during which the lessee may perform the covenants conditions and provisos of this lease for such time and subject to such terms and conditions as the Minister may think fit and the terms and conditions so imposed by the Minister shall bind the lessee and all transferees mortgagees assignees and other persons claiming through or under him and this lease shall thereafter be constructed as if the said terms and conditions were inserted therein	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
25. The lessee shall be at liberty to surrender this lease by giving to the Minister three calendar months' notice in writing of the lessee's desire or intention so to do and upon payment of all arrears or rent up to the date of surrender	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
26. The lessee shall be at liberty to remove from the said land at any time within: (a) three months of the date of forfeiture or surrender of this lease any plant machinery engines or tools	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions

Condition	Compliance status	Evidence	Forward work plan
(b) six months from the date of forfeiture or surrender of this lease any ore or other substance mined by virtue of this lease and stacked upon the said land But shall not remove or interfere with any timber in any mine upon said land			
ML4714 – ML4720, ML4722 – ML4734, ML4761			
1. The Lessee will during the said term pay or cause to be paid to the Minister of Mines (hereinafter referred to as 'the Minister') at the office of the Department of Mines in the City of Adelaide on behalf of the Governor the rent and further sums hereby reserved at the times and in the manner hereinbefore appointed for payment thereof free and clear of all rates taxes impositions outgoings and deductions whatsoever	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
2. That the Lessee will pay and discharge all rates taxes assessments impositions and outgoings which during the said term shall become payable in respect of the said land	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
3. That the lessee will maintain in position during the said term the posts and trenches or piles of stone required by the said regulations to be erected or cut on the said land when the same was pegged out as a claim and in addition thereto will paint legibly on such posts the number of this lease	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
4. That the lessee will during the said term make construct and work all mines and do and perform all things authorised by this lease in a fair orderly, skilful and workmanlike manner	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
5. The lessee will during the said term employ and keep constantly employed not less than one man for every ten acres in mining or prospecting for all metals and minerals except gold in or upon the said land and will whenever thereunto required by the Minister furnish him with satisfactory evidence that such number of men have been and are so employed, due allowance being made by the Minister for machinery or horses employed at the	No longer relevant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions

Condition	Compliance status	Evidence	Forward work plan
rate of two men for each horse or horsepower of machinery and provided that if the number of men horsepower and horses employed by the lessee on any one or more of the mineral leases held by the lessee is not less than the total number of men horsepower and horses required to be employed by the lessee on all the mineral leases held by the lessee the lessee shall be deemed to have complied with this covenant			
6. The Lessee will make such provision for the disposal of silt sludge dirt waste or refuse which may be brought out by the said mines and premises so that the same will not flow or find its way into any stream brook river or water channel or so as to injure or interfere with any land set apart for water supply purposes	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
7. That the lessee will build and keep in proper repair a sufficient and substantial stone wall or other fence around all the pits and shafts which may at any time during the said term be open in any part of the said land and premises for the purpose of this lease so as effectually to prevent all access thereto by all kinds of cattle.	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
8. That the lessee will whenever lawfully required do to so at the lessee's own cost and in manner required by any regulations for the time being in force in that behalf cause to be made a survey of the said land and cause to be forwarded to the said Department of Mines a map or plan of such survey.	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
9. That the lessee will at all times during the said term keep and preserve the said mines in good order repair and condition and in such good order repair and condition at the end or other sooner determination of the said term deliver peaceable possession thereof and of the land hereby leased unto the Governor or the Minister or to some officer authorised by him or them to receive possession thereof.	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions

Condition	Compliance status	Evidence	Forward work plan
10. That the lessee will permit the pastoral lessee (if any) of the said land at all times to have free access and user for domestic purposes and for the purposes of watering stock to and of any surface water on the said land which shall not have been provided or stored by artificial means by the lessee.	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
11. That the lessee will report to a Warden when gold precious stones coals shale oil gypsum or other minerals other than iron ore or iron bearing substances are found in payable quantities in or upon the said land.	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
12. The lessee will not during the continuance of the said term without the written consent of the Minister first had and obtained use or occupy or permit to be used or occupied the said land and premises other than for the purpose of exercising the rights and liberties hereinbefore granted.	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
13. The lessee will not prevent any person who holds a right privilege or authority under the said Acts and regulations or any amendment thereof from exercising the same.	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
14. It shall be lawful for the Governor or the Minister or any person authorised by him or them at all proper and reasonable times during the said term without any interruption from the lessee or the lessee's agents servants or workmen to enter into and upon the said land and into and upon any mines or works that may be found therein to view and examine the condition thereof and whether the same be worked in a proper skilful and workmanlike manner and for such purpose to make use of any of the railroad or other roads or ways machinery and work belonging to the said mines and premises and to examine and take extracts from all books accounts vouchers and documents relating thereto	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
15. If the said rent be not paid on or before the day hereinbefore appointed for payment thereof a penalty of five pounds per centum shall be added	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions

Condition	Compliance status	Evidence	Forward work plan
to the said rent and if the said rent and penalty not be paid within one calendar month after the said day a further penalty of ten pounds per centum shall be added and if the said rent and penalties be not paid within one calendar month after the said first month the same shall be recoverable by the Minister by action in any court or competent jurisdiction.			
16. If the lessee shall during the said term commit any breach of or shall fail to comply with any covenant condition or proviso herein contained this lease shall be liable to forfeiture in manner hereinafter provided	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
17. If the Minister has reason to believe that there has been a breach of or non-compliance with any of the covenants conditions or provisos herein contained the Minister shall give written notice to the lessee specifying the covenants conditions or provisos which he has reason to believe are not being complied with and notifying the lessee that this lease will be liable to forfeiture at the expiration of one month from the date of such notice unless in the meantime such covenants condition or provisos are duly complied with and if at the expiration of such notice such covenants conditions or provisos are still not being complied with by the lessee the Governor may cancel this lease notwithstanding that the rent payable under this lease for the period during which such breach is committed may have been paid and notwithstanding any implied waiver of such breach by the Governor and the Minister shall thereupon insert a notice in the <i>Government Gazette</i> declaring this lease to be forfeited	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
18. A notice of forfeiture so published in the <i>Government Gazette</i> shall be taken to be conclusive evidence that this lease has been legally cancelled and forfeited	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
19. In case this lease shall become liable to forfeiture the Minister may extend the period during which the lessee may perform the covenants conditions and provisos of this lease for such time	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions

Condition	Compliance status	Evidence	Forward work plan
and subject during such period of extension to such terms and conditions as the Minister may think fit			
ML6055			
First Schedule			
1. Quarrying operations may be conducted for the recovery of iron ore from the area of the lease	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
2. The lessee must ensure that quarrying operations on the land are carried out in an orderly and skilful manner in accordance with a program for mining and rehabilitation of the land approved, from time to time, by the minister	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
3. The lessee must submit to the Director, from time to time, at the Director's request, a current plan or survey of the land in the form requested by the director	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
4. The lessee shall ensure that land disturbed by quarrying operations is rehabilitated to achieve a regular landform, to minimise erosion, to establish native vegetation indigenous to the area, and return the land to a grazing after use	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
Second Schedule			
1. The lessee shall ensure that as operations progress to appropriate stages, land disturbed by mining is progressively rehabilitated to facilitate regeneration of native vegetation	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
2. The lessee shall ensure that rare or endangered species of native flora and fauna are identified and a program implemented to ensure their survival and return to the area after operations are complete	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
3. The lessee shall ensure that an Environmental Management Plan is prepared, generally, in accordance with the recommendations of the University of South Australia's Centre for Environmental and Recreational Management	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions

Condition	Compliance status	Evidence	Forward work plan
report "A Biological Study of BHP Mining Leases in the South Middleback Ranges, SA" June 1997, Clark I. The Environmental Management Plan is to be implemented to the satisfaction of the Chief inspector of Mines			
4. The lessee shall ensure that all employees and contractors are made aware of the requirements to operate in a manner that will minimise environmental impact	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
5. The lessee shall consult with the landowner and shall ensure the provision of grazing rights and the protection of stock by appropriate fencing or provide other compensation as may be agreed or determined in accordance with section 61 of the Mining Act, 1971	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
6. The lessee shall ensure that waste dumps are contoured in harmony with the local topography and are constructed in a manner to prevent erosion and retain soil moisture in order to facilitate revegetation	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
7. The lessee shall ensure that upon completion of quarrying operations, all plan, equipment, materials and structures are removed from the site and the land is rehabilitated to the satisfaction of the Chief Inspector of Mines	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
MPL70			
1. The development and operation of a service corridor to contain a power line and buried pipelines to transport concentrate and return water are operations ancillary to mining and may be carried out on the area of the licence	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
2. The licensee must ensure that activities ancillary to mining operations are carried out in an orderly and skilful manner in accordance with a program for mining and rehabilitation of the land approved, from time to time, by the minister	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions

Condition	Compliance status	Evidence	Forward work plan
3. The licensee must ensure that land disturbed by activity ancillary to mining is rehabilitated to achieve a safe and stable landform consistent with the surrounding environment, to minimise erosion and to re-establish native vegetation, indigenous to the area	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
Second Schedule			
1. The licensee must ensure that as operations progress to appropriate stages, land disturbed by operations ancillary to mining is progressively rehabilitated to facilitate regeneration of native vegetation	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
2. At least two weeks prior to the commencement of operations ancillary to mining, the licensee must submit to the Minister a report detailing compliance with all the relevant regulatory approvals that apply to the proposed operations	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
3. The licensee must ensure that all available topsoil is progressively stripped ahead of land disturbance and appropriately managed for use in the rehabilitation of land disturbed by operations ancillary to mining	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
4. The licensee must ensure that all employees and contractors on-site are fully aware of the requirement to operate in a manner that will minimise environmental impact	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
5. The licensee must abide by the provisions of the <i>Aboriginal Heritage Act, 1988</i>	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
MPL72			
1. The construction and operation of a waste rock dump are operations ancillary to mining and may be carried out on the area of the licence	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
2. The licensee must ensure that activities ancillary to mining operations are carried out in an orderly and skilful manner in accordance with a program for mining and rehabilitation of	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions

Condition	Compliance status	Evidence	Forward work plan
the land approved, from time to time, by the Minister			
3. The licensee must ensure that land disturbed by activity ancillary to mining is rehabilitated to achieve a safe and stable landform consistent with the surrounding environment, to minimise erosion and to establish native vegetation, indigenous to the area	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
Second Schedule			
1. The lessee must ensure that as operations progress to appropriate stages, land disturbed by mining is progressively rehabilitated to facilitate regeneration of native vegetation	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
2. At least two weeks prior to the commencement of construction or mining the lessee must submit to the Minister a report detailing compliance with all the relevant regulatory approvals that apply to the proposed operations	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
3. The licensee must ensure that all available topsoil is progressively stripped ahead of land disturbance and must be temporarily stockpiled, for use in the rehabilitation of land disturbed by operations ancillary to mining	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
4. The licensee must ensure that rare or endangered species of native flora and fauna are identified and a program implemented to ensure their survival and return to the area after operations are complete	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
5. The lessee must ensure that all employees and contractors on-site are fully aware of the requirement to operate in a manner that will minimise environmental impact	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
6. The licensee must abide by the provisions of the <i>Aboriginal Heritage Act, 1988</i>	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions

Condition	Compliance status	Evidence	Forward work plan
MPL73			
First Schedule			
1. The construction and operation of a tailings storage facility are operations ancillary to mining and may be carried out on the area of the licence	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
2. The licensee must ensure that activities ancillary to mining operations are carried out in an orderly and skilful manner in accordance with a program for mining and rehabilitation of the land approved, from time to time, by the Minister	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
3. The licensee must ensure that land disturbed by activity ancillary to mining is rehabilitated to achieve a safe and stable landform consistent with the surrounding environment, to minimise erosion and to establish native vegetation, indigenous to the area	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
Second Schedule			
1. The licensee must ensure that as operations progress to appropriate stages, land disturbed by operations ancillary to mining is progressively rehabilitated to facilitate regeneration of native vegetation	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
2. At least two weeks prior to the commencement of operations ancillary to mining, the licensee must submit to the Minister a report detailing compliance with all the relevant regulatory approvals that apply to the proposed operations	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
3. The licensee must ensure that all available topsoil is progressively stripped ahead of land disturbance and must be temporarily stockpiled, for use in the rehabilitation of land disturbed by operations ancillary to mining	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
4. The licensee must ensure that rare or endangered species of native flora and fauna are identified and a program implemented to ensure their survival and return to the area after operations are complete	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions

Condition	Compliance status	Evidence	Forward work plan
5. The licensee must ensure that all employees and contractors on-site are fully aware of the requirement to operate in a manner that will minimise environmental impact	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
MPL 74			
First Schedule			
1. The construction and operation of a tailings storage facility are operations ancillary to mining and may be carried out on the area of the licence	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
2. The licensee must ensure that activities ancillary to mining operations are carried out in an orderly and skilful manner in accordance with a program for mining and rehabilitation of the land approved, from time to time, by the Minister	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
3. The licensee must ensure that land disturbed by activity ancillary to mining is rehabilitated to achieve a safe and stable landform consistent with the surrounding environment, to minimise erosion and to establish native vegetation, indigenous to the area	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
Second Schedule			
1. The licensee must ensure that as operations progress to appropriate stages, land disturbed by operations ancillary to mining is progressively rehabilitated to facilitate regeneration of native vegetation	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
2. At least two weeks prior to the commencement of operations ancillary to mining, the licensee must submit to the Minister a report detailing compliance with all the relevant regulatory approvals that apply to the proposed operations	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
3. The licensee must ensure that all available topsoil is progressively stripped ahead of land disturbance and must be temporarily stockpiled, for use in the rehabilitation of land disturbed by operations ancillary to mining	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions

Condition	Compliance status	Evidence	Forward work plan
4. The licensee must ensure that rare or endangered species of native flora and fauna are identified and a program implemented to ensure their survival and return to the area after operations are complete	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
5. The licensee must ensure that all employees and contractors on-site are fully aware of the requirement to operate in a manner that will minimise environmental impact	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions
6. The licensee must abide by the provisions of the <i>Aboriginal Heritage Act, 1988</i>	Compliant		Implement and comply with PEPR2014/109, applicable Legislation, Regulations and Licence Conditions

9 RECTIFICATION OF NON-COMPLIANCES

9.1 2017

Details of actions associated with non-compliances in 2017 for SMR is provided in Table 15.

Table 15 Rectification of non-compliances SMR

Tenement	Date of incident	Detected by operator	Reportable under Regulation 87?	Date initially reported to Minister	Date written report to Minister	Non-compliance	Status	Further work plan
	None							

9.2 Outstanding items from previous reports

Outstanding items from previous reports are shown in Table 16.

Table 16 Outstanding items from previous reports

Year	Date of incident	Detected by operator	Reportable under Regulation 87?	Date initially reported to Minister	Date written report to Minister	Non-compliance	Status	Further work plan
2015	None							
2016	None							

10 DISTURBANCE AND REHABILITATION ACTIVITIES

Areas of disturbance, areas that have been rehabilitated in the SMR (as at 31 December 2017) and areas anticipated to be disturbed in calendar year (CY) 2018 are outlined in Figure 5, Figure 6 and Figure 7, and Table 17. All clearance related to ongoing mining activities across the SMR. All vegetation cleared is native vegetation.

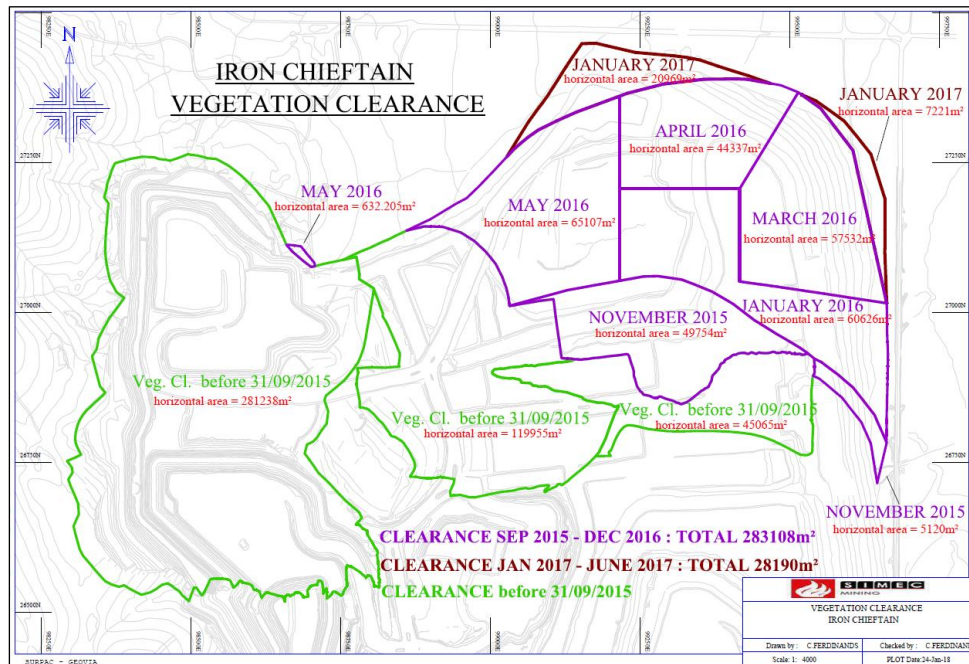


Figure 5 Vegetation Clearances at Iron Chieftain to December 2017

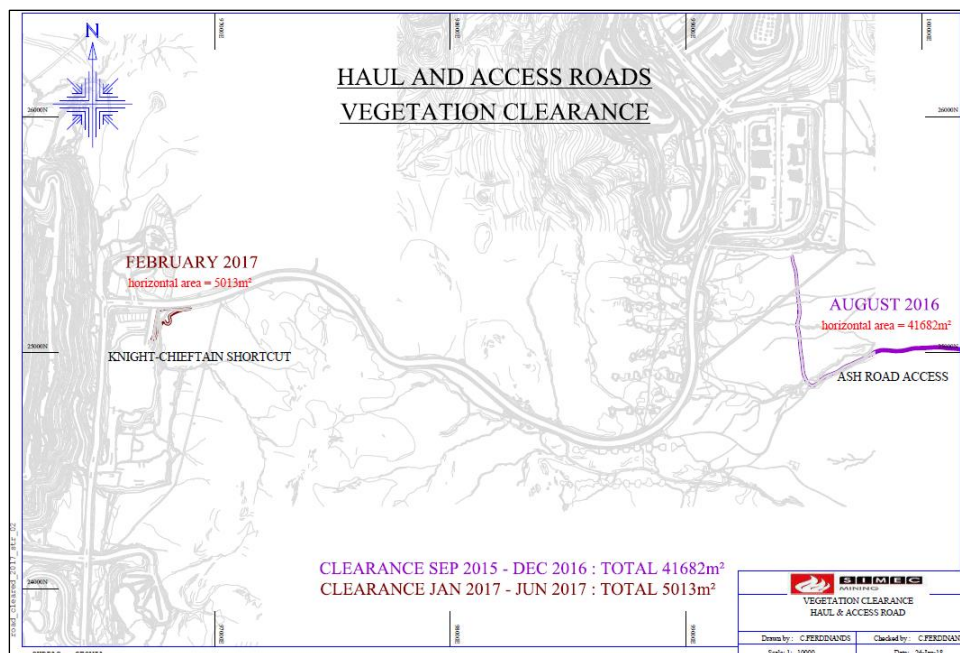


Figure 6 Vegetation clearance North SMR haul and access roads

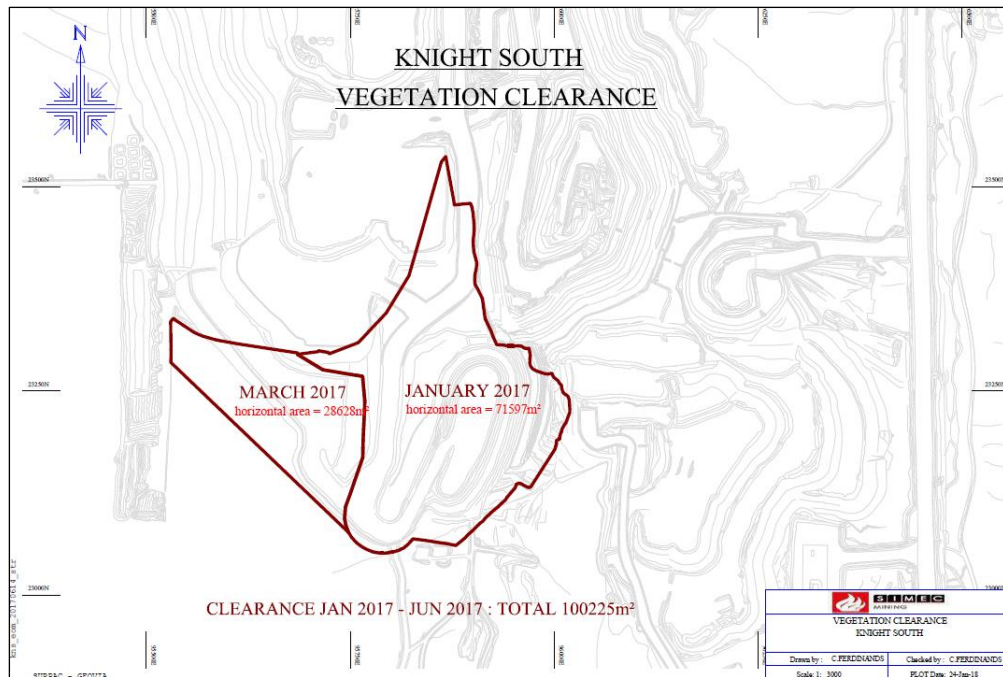


Figure 7 Vegetation clearance Knight South

Table 17 Disturbance and rehabilitation SMR (2017)

Date	Sub-Domain	Activity during 2017		Proposed next 12 months	
		Disturbed (ha)	Rehabilitated (ha)	Disturbed (ha)	Rehabilitated (ha)
Chieftain					
Jan 2017	Chieftain	2.8	5.0		
Feb 2017	Haul/access Roads	0.5		0	0
Total this period		3.3	5.0		
Previously reported		76.9	24.71		
Total to-date		80.2	29.71		
Concentrator & OBP					
Nov 2017	Mag TSF	3.77			
Total this period		3.77			
Previously reported		2			
Total to-date		5.77	TBA (perimeter walls)		
Knight					
Jan 2017	Knight South	7.2	3.5	0	0.75
Mar 2017	Knight South	2.9	1.6	0	
Total this period		10.1	5.1		
Previously reported		1.0	28.01		
Total to-date		11.1	33.11		
South-SMR					
	Iron Magnet C/D/E	0	5.0	5.0	5.0
Total this period		0	5.0		
Previously reported		0.77	40.11		
Total to-date		0.77	45.11		

11 RECONCILIATION OF NATIVE VEGETATION CLEARANCE

SIMEC Mining have provided 20,872 Ha of Significant Environmental Benefit offset through the purchase and donation of the Whyalla Conservation Park and Shirrocoe Pastoral Lease, a pristine area of high biodiversity, to the National Parks and Wildlife Service (NPWS) as Shirrocoe Reserve. In 2010 Shirrocoe was proclaimed as the Ironstone Hill Conservation Park under the *National Parks and Wildlife Act 1972*.

Under the current PEPRs, all SIMEC Mining native vegetation clearing activities in the Middleback Ranges (MBR) have been assigned an SEB offset ratio. This ratios are recommended by NVC accredited vegetation consultants based on assessment of the vegetation and the biodiversity and conservation value of the vegetation to be cleared. In accordance with PEPR2014/109 (and other SIMEC Mining Middleback Ranges PEPRs), SIMEC Mining offsets cleared native vegetation through the use of these SEBs credits.

Under PEPR2014/109, SIMEC Mining is approved to clear up to 276.2Ha of native vegetation (Table 18).

Table 18 Maximum approved native vegetation clearance areas

SMR Domain	Area to be Cleared (Ha)	Area cleared to-date
Iron Chieftain	128.0	80.2
Iron Knight	61.8	11.1
South SMR	28.0	0.77
Concentrator & OBP	58.4	5.77
Total	276.2	97.84

As part of SIMEC Mining's environmental management, SIMEC maintains an SEB credit ledger covering all Company native vegetation clearance in the MBR. SIMEC's Significant Environmental Benefit (SEB) credit ledger is provided in Table 19.

Table 19 SIMEC Mining's SEB Register

SIMEC Mining SEB credit ledger						
Description	Reference:	Area disturbed (ha)	Date	Offset Ratio	SEB area (ha)	Credit (ha)
Whyalla Conservation Park			2003			972
Ironstone Hill Conservation Park (Shirrocoe)			2007			19900
Total SEB Credit						20872
SMR Project Magnet	SMR MARP 2007	356.65	2007	various	3188.64	17683.36
Transshipment Pad & Spurline	NVC2007/3063/010 07WLB06139	0.9	2007	10:1	9	17674.36
BOS slag dumps	NVC 07WLB07865	10	2007	4:1	40	17634.36
Rail passing loops	NVC2008/3164/850	1.275	2008	various	5.95	17628.41
N-SMR (Chieftain-Knight)	N-SMR MARP 2010	335.7	2010	various	2641.08	14987.33
Iron Baron OBP	Iron Baron Construction MARP (Jan) 2011	17	2011	8:1	136	14851.33
NE WRD Ext	SMR MARP 2007 Addendum 2011	56	2011	10:1	560	14291.33
SE WRD Ext	SMR MARP 2007 Addendum 2011	132	2011	10:1	1320	12971.33
Iron Baron OBP (Update)	Iron Baron Construction MARP 2011 (update)	8.48	2011	various	32.12	12939.21
Iron Baron OBP surplus (credit)	WPC-056 approved 30ha for construction, (17+ 8.48 = 25.48 used = 4.52 remaining)	4.52	2011	8:1	36.16	12903.05
SMR Access Road realignment	PIRSA Notification 2011	6	2011	10:1	60	12843.05
SMR Workshop Extension	Letter to PIRSA re MPL 34 activity 16/7/10	5	2011	10:1	50	12793.05
N-SMR (Chieftain-Knight) update	WPC-081 SMR minor mine adjustments_PIRSA_7-10-11	35.29	2011	various	286.52	12506.53
IBMA WRD's	IBMA PEPR WPC-059 (Eucalyptus Oleosa)	36	2011	8:1	288	12218.53
IBMA WRD's	IBMA PEPR WPC-059 (Casuarina pauper)	1.4	2011	6:1	8.4	12210.13
IBMA Ext to Little Baron pit	IBMA PEPR WPC-059	0.2	2011	4:1	0.08	12210.05
IBMA LGO temp out of spec	IBMA PEPR WPC-059	2.3	2011	2:1	4.6	12205.45
IBMA surplus (credit)	IBMA PEPR WPC-059	10.9	2011	8:1	87.2	12118.25
Iron Chieftain Go-Line adjustment	MI134_Iron Chieftain Go-Line_VCCA	0.28	2011	2:1	0.56	12117.69

SIMEC Mining SEB credit ledger						
IBMA surplus (credit)	IBMA PEPR WPC-083 (credit reduced from 059)	-0.9	2012	8:1	-7.2	12124.89
IBMA Out of spec LGO stockpile	IBMA PEPR WPC-083	6.4	2012	2:1	12.8	12112.09
Reclamation of LGO dumps PC and IBDU07	IBMA PEPR WPC-083	6	2012	2:1	12	12100.09
IBMA boundary fence	IBMA PEPR WPC-083	2.4	2012	8:1	19.2	12080.89
IBMA WRD's	IBMA PEPR WPC-083 (Eucalyptus Oleosa) Increase to WPC-059 line 19; 36+13.9=49.9	13.9	2012	8:1	111.2	11969.69
Whyalla Steelworks Ports project rail construction	NVC 12NRM0198	2.2	2012	4:1	8.8	11960.89
Whyalla Steelworks Ports project rail construction	NVC 12NRM0298	8.8	2012	4:1	35.2	11925.69
Iron Baron OBP surplus (credit)	Ref; line 15, (4.52ha credit minus 1.74, lucas workshops ref MI165 = 2.78 ha remaining)	0	2012	8:1	0	11925.69
Iron Princess ground water monitoring wells	IKMA PEPR WPC-084	1	2012	8:1	8	11917.69
Whyalla Steelworks Ports project rail construction	NVC 12NRMO875	7.2	2012	4:1	28.8	11888.89
Iron Knob Phase 1	IKMA PEPR WPC-088	75.1	2013	various	515.5	11373.39
Iron Knob Phase 2 tenements proposal	IKMA Proposal WPC-102	258.67	2013	various	1969.66	9403.73
NE WRD reconciled credit	SMR MARP 2007 Addendum 2011	-2.2	2014	10:1	-22	9425.73
SE WRD reconciled credit	SMR MARP 2007 Addendum 2011	-18.4	2014	10:1	-184	9609.73
SMR Project Magnet	SMR MARP 2007	-5.29	2014	Various	-47.3	9657.03
N-SMR (Chieftain-Knight) reconciled credit	N-SMR MARP 2010	-32.36	2014	Various	-254.6	9911.63
SMR PEPR 2014	WPC-108; Iron Chieftain Domain	128	2014	various	1039.4	8872.23
SMR PEPR 2014	WPC-108; Iron Knight Domain	61.8	2014	10:1	618	8254.23
SMR PEPR 2014	WPC-108; SMR Domain	28	2014	10:1	280	7974.23
SMR PEPR 2014	WPC-108; TSF's Sub Domain	58.4	2014	10:1	584	7390.23
IBMA Ph2 PEPR 2015	WPC-106; IBMA PEPR Ph2	77.5	2015	Various	467	6923.23
IBMA Ph3 PEPR 2017 (Sul,War,Qn,Cav,Bar,Emp)	WPC-180; IBMA MPEPR 2017/033	486	2017	various	3962.7	2960.53
IBMA-Warrior-Knight access and haul roads	NVC 2018-3021-010	4.88	2018	various	19	2941.53
Ironstone Hill TSF impact area	NVC	0	2018	not offset	27	2914.53
Totals		2186.995			17957.47	2914.53

12 ENVIRONMENT PROTECTION AND BIODIVERSITY CONSERVATION ACT 1999 REPORTING

SIMEC has no requirement to demonstrate compliance with the Commonwealth *Environment Protection and Biodiversity Conservation (EPBC) Act 1999*, as none of the Company's tenements in the SMR mining area are subject to a controlled action under the Act.

13 EXEMPT LAND

SIMEC Mining's SMR operation does not impact any land Exempt under Section 9 of the Mining Act.

14 COMPLAINTS

There were 7 complaints received in relation to SMR operations in the reporting period (see Table 20). SIMEC continues to actively work with the complainants to address the concerns.

Table 20 Complaints register – SMR (1 January to 31 December 2017)

Complaint reference	Date Complaint Received	Complaint type	Was the complaint a result of a PEPR non-compliance?	Resolution date	Forward work plan
24/17	9/01/2017	Dust	No	10/01/2017	Continued focus on improved dust control
27A/17	11/03/2017	Dust	No	11/03/2017	Continued focus on improved dust control
27B/17	14/03/2017	Dust	No	15/03/2017	Continued focus on improved dust control
05/18	1/09/2017	Dust	No	4/09/2017	Continued focus on improved dust control
06/18	5/09/2017	Dust	No	5/09/2017	Continued focus on improved dust control
07/18	21/09/2017	Dust	No	21/09/2017	Continued focus on improved dust control
08/18	21/09/2017	Dust	No	21/09/2017	Continued focus on improved dust control Additional study of crop and soil health by independent experts

15 MANAGEMENT SYSTEM REVIEWS

15.1 ISO AS/NZS 14001 Audit

In October 2017, SAI Global (2015) completed an audit of Liberty OneSteel Whyalla Steelworks and SIMEC Mining as part of its ISO AS/NZS 14001 certification program (certificate number C10317). The audit occurred shortly after GFG Alliance took ownership of the former OneSteel and Arrium Mining businesses.

The purpose of the audit was to determine implementation of the businesses' management system in ensuring continual compliance with customer, statutory and regulatory requirements, and in meeting its specified objectives; and the conformity of the management system to stated criteria.

The audit found the Environmental Management System (EMS) to be effective, and the businesses committed to the intent and requirements of the ISO14001:2015 standard, an upgrade from the previous ISO 14001:2004 certification. The audit recognised the company's efforts by management and staff to achieve this successful upgrade in a turbulent period for the company.

The audit found that "...new elements such as organisational context were already well understood and embedded within the organisation and have now been effectively included within the scope of its EMS...(and that)...your management system is effective in ensuring that the organisation can reasonably expect to achieve its defined objectives." (SAI Global p.4)

The audit identified four minor non-conformances. These minor non-conformances were assigned corrective actions and placed in the company's issues management system for tracking and close-out. No major non-conformances were identified and no findings that identified a threat to SIMEC Mining's ability to meet the approved environmental outcomes.

15.2 Internal reviews & audits

In 2017, SIMEC Mining completed 9 internal inspections and audits at SMR (Table 21).

Table 21 SIMEC Mining internal audits & reviews

Date	Audit Type	Classification
23/01/2017	Stormwater Infrastructure Inspection	Internal Site
15/03/2017	Weed Inspection	Internal Site
2/05/2017	Stormwater Infrastructure Inspection	Internal Site
19/06/2017	Bunding Audit	Internal Site
19/06/2017	Topsoil Stockpile Inspection	Internal Site
21/06/2017	Waste Management	Internal Site
31/08/2017	Stormwater Infrastructure Inspection	Internal Site
14/11/2017	Environment Regulatory Compliance Audit	Internal Independent
5/12/2017	Stormwater Infrastructure Inspection	Internal Site

16 VERIFICATION OF UNCERTAINTY

Assumptions of uncertainties related to SMR operations in 2017 are provided in Table 22.

Table 22 **Uncertainties in relation to compliance for SMR in 2017**

Description of assumption of uncertainty	Estimated date to resolve	Progress in reporting period	Confirmed	Forward work plan
Complaints of dust impacts to a neighbouring property	Ongoing	Further improvements made to the fixed plant dust suppression systems and improvement to system control, monitoring, reporting and maintenance. Stakeholder engagement escalated to senior management level	No evidence of impact to neighbouring properties found to date.	Continuous observation, assessment and improvement of dust control systems and procedures. Additional study of crop and soil health by independent experts commenced in 2017. Finalise study report by June 2018
Seepage from TSF	2019	Extensive investigation and implementation of changes to TSF design and management	Monthly updates to DPC. 2017 Annual Update presented to DPC and DEWNR on 8 June 2017	Continue to implement five year TSF management plan
In December 2016 SIMEC submitted the final data to meet Matters Subsequent to the Approval of SMR PEPR 2014-109. In August 2017 DPC accepted Parts 1.1, 1.2 and 2 of the matters. DPC review of the draft PEPR identified the need for need to analyse potential new risks and impacts to the environment presented by TSF leachates described in Section 2.2.2, due by 20 November 2017.	27 April 2018	Applied for permits to install a background groundwater monitoring well in the Ironstone Conservation Park Installed the new well in January 2018, commence groundwater sampling and analysis mid-February and engage a technical consultant to progress with the Groundwater Quality Review by mid-April 2018.	Ongoing	Finalise revised draft PEPR by 27 April 2018.

Following correspondence between SIMEC and DPC, the agreed submission date for the revised PEPR draft was 27 April 2018

17 CHANGE TO MINING OPERATIONS AND EMERGING ENVIRONMENTAL HAZARDS

17.1 Changes to mining operations

Mining recommenced in Knight South in March 2017. This was slightly ahead of schedule.

17.2 Emerging environmental hazards

No emerging environmental hazards were identified in 2017.

18 TECHNICAL REPORTS

A summary of technical data, studies and reports relevant to the SMR that were generated during the reporting period 1 January – 31 December 2017 are listed in Table 23 and Table 24.

Table 23 SMR technical data, studies and reports – 2017

Report	Author
<i>MI280_MBR Veg-dust impact inspection (April 2017)</i>	Arrium
<i>MI285_SMR Dust Complaint investigation report (01 September 2017)</i>	Arrium
<i>MI289_SMR Dust Complaint investigation report (17 September 2017)</i>	Arrium
<i>MI 290_ SMR Dust Complaint investigation report (20 September 2017)</i>	Arrium
<i>MI 292_ SIMEC Mag Tailings Storage Facility CPTu Investigation and Stability Assessment (October 2017)</i>	Golder Associates
<i>MI 293_ MBR Veg-dust impact monitoring_ Ext report (Sep 2017)</i>	Terrestria

Table 24 SIMEC Mining internal audits & reviews

Date	Audit Type	Classification
23/01/2017	Stormwater Infrastructure Inspection	Internal Site
15/03/2017	Weed Inspection	Internal Site
2/05/2017	Stormwater Infrastructure Inspection	Internal Site
19/06/2017	Bunding Audit	Internal Site
19/06/2017	Topsoil Stockpile Inspection	Internal Site
21/06/2017	Waste Management	Internal Site
31/08/2017	Stormwater Infrastructure Inspection	Internal Site
14/11/2017	Environment Regulatory Compliance Audit – SMR Operations	Internal Independent
5/12/2017	Stormwater Infrastructure Inspection	Internal Site

19 VOLUNTARY INFORMATION

19.1 Community or wider environment support activities

19.1.1 Community sponsorship and support

SIMEC Mining's Community Support Program continues to assist its nearby communities by supporting ongoing and sustainable initiatives that provide:

- welfare help for the less advantaged
- local youth with a range of opportunities to assist in their development for the future
- significant benefit to local communities usually in the way of major events or new or improved community facilities

Some of the ongoing programs of which SIMEC Mining is a major supporter include:

- The Smith Family's Learning For Life and Let's Read programs
- Foodbank Whyalla branch (including the Schools in Breakfast program)
- Whyalla Road Safety Centre
- Whyalla Hockey Association's Hockey in Schools program
- Whyalla Christmas pageant and carols
- Junk to Funk Youth Scholarship

19.1.2 Helping break the cycle of disadvantage

SIMEC Mining is the major supporter of Foodbank's School Breakfast Program.

The program assists local students who are attending school without having accessed a healthy breakfast – ensuring they have sufficient nourishment to start their school day.

These students are going to school without breakfast for a variety of reasons, and are at a disadvantage from the outset as studies have shown that students concentrate better after eating a healthy breakfast. This lack of concentration can often result in them falling behind in their studies, ultimately increasing the chances of the cycle of disadvantage continuing. By ensuring they have a decent meal to start each day, it helps set them up for success and provides them with a better chance of success at school.

Nineteen Whyalla schools and child care centres are now on board with the program, which is serving over 1000 children every week in Whyalla alone. The Whyalla Foodbank branch also covers the Upper Spencer Gulf and lower West Coast, where the program assists a further 19 schools and child care centres, and serves close to a further 1000 children per week.

19.1.3 Local employment opportunities

SIMEC Mining is supportive of employing local people, including supporting the employment of Barngarla Community members through the Walga Mining Crushing and Screening contract at Iron Knob.

19.2 Community engagement activities

19.2.1 Community consultation

SIMEC Mining has regular contact with key community representatives who provide feedback on mining operations and how these are seen from a community perspective. Regular contact is through:

- face-to-face meetings and phone email exchanges
- regular Environment Consultation Group (ECG) meetings, attended by a cross-section of the Whyalla community, chaired by the state member for Giles, and attended by the EPA
- regular meetings with landholders located near SIMEC Mining's operations
- regular community forums and open days in Iron Knob which include information on the IKMA operations as well as other SIMEC mining areas
- other forums, as required, on specific topics of interest with residents in Whyalla

19.2.2 Indigenous consultation

SIMEC Mining meets regularly with Barngarla community representatives regarding developments in the Indigenous Land Use Agreement (ILUA) area.

The ILUA between OneSteel (SIMEC Mining) and the Barngarla Native Title Claimants sets out clear heritage clearance protocols for both parties and includes protocols for notifications concerning proposed changes and developments within the ILUA area.

19.2.3 The Middleback Alliance

The Middleback Alliance (the Alliance) is a cooperative framework for sustainable land management across the Middleback Ranges and surrounding areas. The Alliance includes three major landholders in the region (SIMEC Mining, Natural Resources Eyre Peninsula (DEWNR) and Ecological Horizons).

By sharing resources and cooperatively delivering a works program across land boundaries, the Alliance delivers improved and sustainable land management outcomes.

20 REFERENCES

Arrium Mining, 2015, *SMR, Consolidated, Program for Environment Protection and Rehabilitation (PEPR2014/019)*, June 2015 (Doc. Ref: WPC-108, Revision 3), South Australia

Department of State Development 2014, Ministerial Determination (MD 009) under Regulation 86(1), (3), (4) and (7) of the Mining Regulations 2011 (effective from 6th September 2012) determining the reporting periods and minimum information required to be provided in a Compliance Report for a Mineral Lease (ML)

Golder Associates, 2017. SIMEC Mag Tailings Storage Facility COTu Investigation and Stability Assessment (MI292) unpublished company report, Whyalla, South Australia

SAI Global Pty Limited, 2017. Surveillance audit for Liberty OneSteel Whyalla Steelworks; SIMEC Mining. Commercial in Confidence Report to Liberty OneSteel and SIMEC Mining.

Terrestria Pty Ltd, 2017. Arrium Whyalla Middleback Range Mines: 2017 Flora Monitoring. Unpublished internal company report.

Appendix A: Certificate of Currency Combined General Liability & Umbrella Liability Insurance



Lloyd Pearson
Senior Account Executive

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26 March 2018

CERTIFICATE OF CURRENCY COMBINED GENERAL LIABILITY & UMBRELLA LIABILITY INSURANCE

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE HOLDER. IT DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICY. IT IS PROVIDED AS A SUMMARY ONLY OF THE COVER PROVIDED AND IS CURRENT ONLY AT THE DATE OF ISSUE. FOR FULL PARTICULARS, REFERENCE MUST BE MADE TO THE CURRENT POLICY WORDING

INSURED

GFG Alliance Australia (comprising of Liberty ONESTEEL & SIMEC Mining) and all companies under their effective management control and all subsidiary corporations and related body corporates as defined in the Corporations Act 2001 (including those acquired or incorporated during the Period of Insurance) for their respective rights and interests

PERIOD OF INSURANCE

From 31 October 2017 at 4:00pm local standard time to 31 October 2018 at 4:00pm local standard time

INSURER

LIMIT OF LIABILITY / LAYER	INSURER / POLICY NUMBER
Primary \$10,000,000	Zurich Australian Insurance Limited Policy No: 72 2232551 GLR
Primary Umbrella \$40,000,000	Zurich Australian Insurance Limited Policy No: 72 2232552 GLR

INTEREST INSURED

Insured's legal liability in respect of property damage or personal injury arising out of an occurrence in connection with the Insured's business or products

LIMITS OF LIABILITY

\$50,000,000 any one occurrence, limited in respect of Products Liability to
\$50,000,000 in the aggregate for all occurrences for the Period of Insurance

TERRITORIAL LIMITS

Anywhere in the world

OTHER INTERESTS

This policy extends to cover South Middleback Ranges Mining Area and the interests of the Minister for Mineral Resources and Energy has been noted

In accordance with the ongoing commitment by Marsh to quality management philosophies, this certificate has been verified for accuracy of content by:

Yours faithfully,

A handwritten signature in black ink, appearing to be 'LP.' with a stylized flourish.

Lloyd Pearson
Senior Account Executive