



Our Ref: DW120004-C0301-EIA-R-0074

Enquiries to: Mr. Norm Gardner

Date: 04/05/2012

To Minister Hampton

Re: Western Desert Resources Roper Bar Iron Ore Project
Clause 14A notification.

Dear Minister,

It has been determined by NRETAS that the notice of intent for the above mentioned project has not fully identified the proposed project and that certain aspects of the project have resulted in the determination that it is a 'different project'.

This letter discusses the proposed action, with particular focus on sources of potential environmental impacts, with enough detail to enable the Minister to;

- a) Understand the scale and scope of the proposed action; and
- b) Make a decision on whether the environmental significance of the proposed action has changed from his previous understanding of the project.

The NOI did identify the potential for mining the Iron Ore resource at Area F and it did identify the proximity of the Towns River to this deposit but it did not detail the need to impact this part of the channel so as to enable mining of the deposit. The exact mine pit details were also not provided. These aspects of the project were not fully determined at this stage of project development so any further details would have been premature.

The possibility of Potentially Acid Forming (PAF) materials was identified in the NOI and the existing EIS Guidelines have and should identify the need to study and report on this issue in the EIS. Studies following standard practices have begun and to suggest that this information should be provided during the NOI stage is inconsistent and unrealistic, it is the EIS where studies are performed and presented and made available for assessment and public scrutiny.

The risk setting of the project has increased as a result of detailed studies performed during the compilation of information for the EIS. As the EIS is a risk based document, the areas of interest that have been identified with higher risk ratings have been and continue to be studied and reported on at a level far greater than may have been required in the EIS Guidelines. The lack of thorough identification of these issues in the NOI and resultant details in the EIS Guidelines is not a reflection of a lack of transparency, a lack of understanding or any other deficiency associated with the project proponent or NRETAS, it is a factor of providing suitable information available at the time of NOI production based on the stage of project development, the imprecise nature of what a NOI should include and the need to start the Environmental Approvals process at a time that will allow for the appropriate studies and then assessment timeframes to occur so that project development can occur in a timely manner accounting for seasonal and economic constraints.

Since the submission of the NOI the Limmen Park and the Limmen Bight Marine area has been declared a National Park. The project and environmental studies have been developed under the knowledge that the former cattle stations of St Vidgeon and Nathan River have been identified as potential National Park areas, but the declaration and potential environmental significance of a Marine Component of this park has been identified post submission of the NOI, and the risk factors, if any, associated with this Marine Park should not be subsequently imposed.

Environmental Significance -

The Project area is located within the middle reaches of the Towns River catchment which is approximately 5,440km² in extent. From its headwaters, the Towns River catchment drains in a north-east direction for a total length of 130km, before it enters the Gulf of Carpentaria. The Project area is located approximately 50km from the Towns River mouth and 20km upstream of the tidal influence in the vicinity of the Savannah Way road crossing.

The Towns River channel passes through the centre of the Project area and is joined by two major tributaries about 20km downstream of the Project area, Magaranyi River to the south-east and Yumanji Creek (Little Towns River) to the north. The Towns River and its tributaries display a highly sinuous and meandering form, which alternate between well-defined channels and braided channel areas. The low-lying upland floodplain areas in the vicinity of the proposed mine are wide and flat and contain many non-active channel features including ox-bow lakes and abandoned pools. The exception is where the streams abut ridgelines, where channels are usually more heavily armoured and straight and likely to have remained stable over time. Upstream of the proposed re-alignment is very meandering channel, indicating a stream channel that constantly moves. The proposed realignment section is adjacent to the iron ore ridge and therefore is constrained by that ridge and does not suggest that it moves regularly. This section is rock lined and relatively stable which will aid replication and ongoing stability. It has no riparian zone demonstrating vegetation or structure that varies from the surrounding woodland.

As displayed in the map over the page, the catchment area of the Towns River channel upstream of the major confluence is relatively small (503km² - 13%), compared to that of Magaranyi (2,068km² - 55%) and Yumanji (1,213km² - 32%) sub-catchments. Stream flows along the Towns River in the vicinity of the Project area are restricted to during, and just after, the wet season (November to April) and surface waters are confined to remnant pools during the dry season (May to October). During the wet season the Towns River has been observed to cease flowing for a week or more during periods of low rainfall. Although hydrographic data is not available for the Towns River or its tributaries, their catchment sizes and observations during baseline water quality surveys suggest that water contributions are consistent with catchment size.

As per the EIS guidelines, the potential acid forming (PAF) properties of rock materials (both waste and ore) proposed for excavation during mining operations are being characterised in order to gain an understanding of the risk of acid metalliferous mine drainage (AMD). The draft EIS will summarise the results of geochemical studies undertaken and provide an overview of the management procedures that will be implemented to prevent any environmental impacts from AMD.

The preliminary conclusion of the study is that AMD is not likely to be an issue with major implications for the Roper Bar Project. However, ongoing and more site specific studies are required to understand the extent and distribution of high sulfur zones which pose the greatest risk for acid mine drainage.

These details should allow the Minister to re-consider the environmental significance of the proposed action and if it has in fact changed, even though the project has already been determined to require assessment at the level of an EIS, and all environmental aspects of the project will require detailed assessment and allow for public scrutiny in the EIS process.

Yours sincerely



Norm Gardner.

Managing Director WDR Ltd.

