



PART A

INFORMATION FOR THE PUBLIC

**GUIDELINES FOR PREPARATION OF
A PUBLIC ENVIRONMENTAL REPORT**

FRANCES CREEK IRON ORE MINE

Territory Iron Limited

March 2006

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1 PURPOSE

The Northern Territory Minister for the Environment and Heritage has determined that this proposal requires assessment under the *Environmental Assessment Act* at the level of a Public Environmental Report (PER).

The proponent has also referred the project to the Australian Government under the *Environment Protection and Biodiversity Conservation Act* (EPBC Act). The Australian Government has determined the proposal is a controlled action under the EPBC Act. The controlling provisions for the proposed action are: sections 12 and 15A (World Heritage); 18 and 18A (Listed threatened species and communities); and sections 20 and 20A (Listed migratory species). The project will be assessed under a bilateral agreement between the Australian Government and the Northern Territory Government.

These guidelines have been developed to assist Territory Iron Limited in preparing a PER for the proposed Frances Creek Iron Ore Mine in accordance with Clause 8 of the Administrative Procedures of the *Environmental Assessment Act*. The object of these guidelines is to identify those matters that should be addressed in the PER. The guidelines are based on the initial outline of the proposal in the Notice of Intent (NOI).

These guidelines consist of two sections:

- Part A (this section) is the introduction and brief description of the project and the PER process; and
- Part B details the type and extent of information to be included in the PER.

The object of these guidelines is to identify those matters that should be addressed in the PER. The guidelines are based on the initial outline of the proposal in the proponent's NOI. The guidelines, however, are not necessarily exhaustive. They should not be interpreted as excluding from consideration any matters which are currently unforeseen that emerge as important or significant from scientific studies or otherwise during the preparation of the PER and the public consultation process.

This section of the guidelines has been developed to assist members of the public and other interested parties in preparing comments on the PER.

2 THE PROPONENT

The proponent is Perth-based Territory Iron Limited.

3 DESCRIPTION OF PROPOSAL

3.1 Introduction

The Frances Creek iron ore proposal is located approximately 180km south-east of Darwin and 30km north of the Pine Creek township.

Frances Creek lies within the Mary River catchment and is approximately 20km west of the Kakadu National Park boundary.

3.2 History

The Frances Creek area has undergone exploration and mining activities since the 1960s. Approximately six million tonnes of iron ore was produced from the deposits and exported via the Darwin port until 1974 when demand for the ore declined.

3.3 Geology

In the southern part of the Frances Creek project area the portions of the Pine Creek Orogen sequence exposed at surface are the Masson Formation and the Mundogie Sandstone and Wildman Siltstone with the Koolpin Formation, Gerowie Tuff and Mount Bonnie Formation occurring on the western property boundary. In the north, the main rock units are the Wildman Siltstone, the Koolpin Formation and the Gerowie Tuff. Sporadic Zamu Dolerite sills occur within the sequence with two major areas of granitoid intrusives occurring in the south and the north central portions of the property.

Jurassic to Cretaceous sediments of restricted development occurs in the southern parts of the property at higher elevations.

3.4 Resources

Production of about 1,000,000 tonnes of iron ore per annum is anticipated.

3.5 Mining

Territory Iron proposes to mine the Frances Creek deposit by conventional open-cut methods. It is anticipated that initially three separate north-south trending open pits will be developed by extending existing pits, followed by development of a new area to the north.

3.6 Mining waste

Mining operations for the proposed pit design will produce 3 million tonnes of waste rock and overburden annually, which will be placed in purpose-built waste dumps adjacent to the open pits. It is estimated that 30% of waste rock will be backfilled into pits at the later stages of pit development. The waste products are expected to consist of largely inert waste rock and tailings (ground up rock). Tailings will be produced if wet screening is required. Waste rock will comprise largely oxidised siltstone and shales as well as some dolerite and cretaceous sediments. Acid rock drainage is not expected but further characterisation of waste will be undertaken as part of the PER studies.

3.7 Ore processing and transport

A small processing plant will be constructed where the ore will be crushed and screened before being loaded onto road trains or haul trucks and transported to a storage area adjacent to the Alice Springs to Darwin railway line. From the storage area, lump and fine iron ore product will be loaded onto suitable rail carriages and transported to Darwin for export. Environmental issues associated with the development of a stockpile site at Darwin are being assessed in a separate proposal.

3.8 Water management

Sediment traps are proposed be established at appropriate runoff points from the stockpile and plant site to reduce sediment leaving the site. Water diversion structures and drains will also be constructed to separate natural water flows from disturbed areas where practical. Water produced from pit dewatering and the TSF will be reused in the processing plant or for dust suppression and will not be released to water courses.

A sampling program will be implemented to monitor water quality from the site and groundwater and surface water strategies will be developed during the environmental assessment process.

3.9 Infrastructure

On-site infrastructure will include:

- Power generator for processing facility;
- Landfill facility;
- Mine office including first aid room, canteen, and toilets with septic tanks;
- Existing freshwater dams/bores;
- Fuel dumps; and
- Magazine and explosives store.

Additionally a rail load-out site including storage facility will need to be established. Consideration is being given to construction of a new road to facilitate shorter access to the rail siding.

3.10 Workforce

Up to 40 people may be employed for mining and haulage operations. A further four to six management and accounting staff would be present on the site. These people would be accommodated at Pine Creek.

3.11 Decommissioning

Disturbed areas will be progressively rehabilitated and waste rock will be retained within pits wherever possible. Abandonment bunds will be constructed around the completed pits. The waste rock dumps will be stabilised, contoured and revegetated. The embankments of the tailings storage facility will be vegetated and the top surface

will be allowed to dry out and consolidate prior to application of waste rock and revegetation.

4 PER PROCESS

The proponent has been directed to prepare a PER. Once prepared, the PER will be exhibited for public review and comment for a period of 28 days, during which time advisory bodies will also comment on the document. Public and government advisory body comments are forwarded to the proponent. The Proponent prepares a Supplement to the PER and submits it to the Minister.

The Environment Protection Agency Program will prepare an Environmental Assessment Report and Recommendations based on the PER, the Supplement and any comments received. If the Minister approves the Report and Recommendations, these are forwarded to the Australian Government Minister for the Environment and Heritage for approval consideration under the EPBC Act. Subject to approval under the EPBC Act, the Report and Recommendations are then forwarded to the responsible (consent) Minister(s) for inclusion in permit, lease or license conditions and in relevant management procedures (e.g. Mining Management Plans).

The Assessment Report and Recommendations are included on the Environment Protection Agency's webpage and hard copies are provided to respondents and selected public libraries and viewing sites.

5 ADMINISTRATION

The nominated Action Officer for this project is Michael Browne from the Environment Protection Agency, Department of Natural Resources, Environment and the Arts. The contact telephone number is (08) 8924 4028 and facsimile number (08) 8924 4053, e-mail: michael.browne@nt.gov.au.

Copies of the final guidelines will be posted on the DNRETA website at [http:// www.nt.gov.au/nreta/environment/assessment/register](http://www.nt.gov.au/nreta/environment/assessment/register)
Copies of the PER will be available to the public for purchase from the proponent.

Comments on the PER should be forwarded to the nominated Action Officer.

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Figure 1 The Northern Territory Environmental Assessment Process

