



ANNUAL COMPLIANCE REPORT

REPORTING PERIOD: 27 FEBRUARY 2023 TO 26 FEBRUARY 2024

EPBC 2015/7436

Document No: NRE-0000-H-RPT-N-0004 Rev 1.0

Project Name: Nolans Rare Earth Project

NdPr



REVISION HISTORY

Date	Revision	Description	Prepared	Reviewed	Approved
27/05/2024	Rev 1.0	Issued for DCCEEW submission and public release	Y. Smythe McGuinness S. Environmental Scientist	T. Perry Head of Sustainability and Environment	S. Macnaughton Chief Operating Officer



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1.0 DECLARATION OF ACCURACY

Declaration of Accuracy	
<p>In making this declaration, I am aware that sections 490 and 491 of the <i>Environment Protection and Biodiversity Conservation Act 1999</i> (Cth) (<i>EPBC Act</i>) make it an offence in certain circumstances to knowingly provide false or misleading information or documents. The offence is punishable on conviction by imprisonment or a fine, or both. I declare that all the information and documentation supporting this compliance report is true and correct in every particular. I am authorised to bind the approval holder to this declaration and that I have no knowledge of that authorisation being revoked at the time of making this declaration.</p>	
Signed	
Full Name	Stuart Macnaughton
Position	Chief Operating Officer
Organisation	Arafura Rare Earths LTD – ABN 22 080 933 455
Date	27 May 2024

2.0 DESCRIPTION OF ACTIVITIES

Report Title	Annual Environmental Compliance Report 2023
EPBC Number	2015/7436
Project Name	Nolans Rare Earth Project
Approval Holder	<p><i>Previous Company Name:</i> Arafura Resources Limited</p> <p><i>Current Company Name:</i> Arafura Rare Earths LTD</p> <p>ACN 080 933 455 ABN 22 080 933 455</p> <p>Level 6, 432 Murray St Perth WA 6000 PO Box 5773 St Georges Terrace Perth WA 6831 T: +61 8 6370 2800 E: arafura@arultd.com</p>
Approved Action	To construct and operate an open pit rare earths mine, intermediate processing facility using a phosphoric acid pre-leach process and associated support infrastructure
Location of the Project	Approximately 135 km north-west of Alice Springs, Northern Territory
Reporting Period	27 February 2023 to 26 February 2024
Report Approved By	Stuart Macnaughton
Date of Preparation of the Report	27 May 2024

3.0 PURPOSE OF REPORT

This is the first Annual Compliance Report for EPBC Approval 2015/7436 (the Approval) granted to Arafura Resources Limited (now Arafura Rare Earths LTD, herein referred to as Arafura) on 11 May 2018 under the *Environment Protection and Biodiversity Conservation Act 1999* for the Nolans Rare Earth Project (the Project). The approved action commenced on 27 February 2023. The reporting period is therefore from 27 February 2023 to 26 February 2024 (12 months from the commencement of the action). This report has been prepared to meet Condition 11 of the Approval:

Within three months of every 12-month anniversary of the commencement of the action, the approval holder must publish a report on their website addressing compliance with each of the conditions of this approval, including implementation of the management plans as specified in the conditions. Documentary evidence providing proof of the date of publication and non-compliance with any of the conditions of this approval must be provided to the Department at the same time as the compliance report is published.

This report has been prepared in accordance with the Australian Government Department of Environment *Annual Compliance Report Guidelines 2023* (the Guidelines). These are the current guidelines as stipulated by the Australian Government Department of Climate Change, Energy, the Environment and Water (DCCEEW) at the time of report preparation: [Annual Compliance Report Guidelines – DCCEEW](#).

4.0 ACTIVITY SUMMARY

The following site works (activity) were undertaken at the Project site during the reporting period, from 27 February to mid-October 2023:

- Enabling works – minor construction activities aimed at preparing the site for safe access/egress, establishment of temporary facilities and access to water.
- Early works – construction of initial infrastructure to support the main construction works, including earthworks, installation of accommodation for work force, development of the borefield and headworks to provide water for construction activities and dust suppression.

Completion of these enabling and early construction site works prepared the site for construction readiness – and ensured that the site was secured in the interim. E.g. drainage and erosion controls in place.

Full construction works and continuation of the activity will follow relevant approvals and financing being secured, and announcement of Final Investment Decision (FID). At the time of preparation of this report, no activity was occurring at the Project site other than security and environmental monitoring.

5.0 APPROVAL CONDITIONS

The Approval contains fourteen (14) conditions of approval. All Approval conditions have been considered and addressed within this report. Each Approval condition is detailed within the Compliance Table (Table 6—1) in Section 6 of this report, together with the status of compliance of the Project at the time of report preparation. The status of compliance has been assigned in accordance with the *designations to record findings*, as stipulated in the Guidelines and shown in Table 5—1 below.

Table 5—1 Assessment of compliance

Designation	Description
Compliant	'Compliant' is achieved when all the requirements of a condition have been met, including the implementation of management plans or other measures required by those conditions.
Non-compliant	A designation of 'Non-compliant' must be given where the requirements of a condition or elements of a condition, including the implementation of management plans and other measures, have not been met.
Not Applicable	A designation of 'Not Applicable' must be given where the requirements of a condition or elements of a condition fall outside of the scope of the current reporting period. For example, a condition that applies to an activity that has not yet commenced.

There are five (5) environmental management plans (EMPs) required under the Approval conditions. These include:

1. Water Abstraction Management Plan (Condition 2)
2. Kerosene Camp Creek Management Plan (Condition 3)
3. Acid and Metalliferous Drainage Management Plan (Condition 4)
4. Biodiversity Management Plan (Condition 5)
5. Radiation Protection Management Plan and Radioactive Waste Management Plan (Condition 7) (note that these plans are being consolidated into one EMP).

Of these EMPs, the Water Abstraction Management Plan (WAMP) and the Biodiversity Management Plan (BMP) were relevant to the site works undertaken during the reporting period. These plans were implemented during the reporting period to ensure environmental management measures were in place, as described in Section 7 below. They were undergoing assessment by DCCEE (which is the current Department, as defined in the Approval) during the reporting period and had not been granted ministerial approval.

These plans were, however, approved by the relevant Northern Territory (NT) regulators prior to implementation. The WAMP (Rev 3.2) was approved by the Department of Environment, Parks and Water Security (DEPWS) as part of the Groundwater Extraction Licence L10013 issued on 20 March 2023. The BMP (Rev 1.0) was approved by the Department of Industry, Tourism and Trade (DITT) as an

appendix to the Mine Management Plan, under Mining Authorisation 1127-01 issued on 10 November 2022.

The other three EMPs listed above were not relevant to the site works undertaken during the reporting period. Each of these EMPs requires further engineering detailed design to be completed and/or comments provided by DCCEEW on earlier revisions to be addressed, before they will be finalised and submitted for further assessment.

Condition 8 of the Approval stipulates that:

The approval holder must not commence the action until the management plans required by conditions 2, 3, 4, 5 and 7 of this approval, are approved by the Minister. Once approved by the Minister, the management plans must be implemented.

Arafura submitted a request to DCCEEW on 25 March 2024 to vary Condition 8 - to enable phased approval of the EMPs prior to the commencement of the specific activities described within each plan. The request is under consideration.

Arafura is committed to ensuring that the request for variation to Condition 8 is resolved and that the required EMP approvals are obtained in the timeframes required.

6.0 COMPLIANCE TABLE

The following Compliance Table (Table 6—1) details each of the Approval conditions, their compliance status (as per Table 5—1 above), and comments on their implementation.

Table 6—1 Compliance Table

Condition Number	Condition	Is the Project Compliant with this Condition?	Evidence/comments
1.	The approval holder must not clear more than 4530 hectares of vegetation within the project area, including no more than: <ul style="list-style-type: none"> i. 267 hectares of Black-footed Rock-wallaby habitat, ii. 123 hectares of Great Desert Skink habitat, and iii. 125 hectares of Brush-tailed Mulgara habitat. 	Compliant	The total area of vegetation cleared within the Project area at the time of report preparation was 180.19 ha. These clearing activities were undertaken during the reporting period. This included: <ul style="list-style-type: none"> i. 0.14 ha of hectares of Black-footed Rock-wallaby habitat; ii. 30.48 ha of Great Desert Skink habitat; and iii. 30.48 ha of Brush-tailed Mulgara habitat. The 30.48 ha listed for Great Desert Skink habitat and Brush-tailed Mulgara habitat is the same area (not cumulative), as these two species occupy the same vegetation type. They have been listed separately above for ease of comparison with the Approval condition. Arafura implemented a ground disturbance permitting procedure as an operational control prior to carrying out vegetation clearing within the Project area. This procedure included verification of the cleared areas to ensure accurate records of vegetation clearance and species habitat disturbance are maintained.
2.	To manage the impacts of groundwater drawdown, the approval holder must submit to the Minister for approval, a Water Abstraction Management Plan that	Compliant	The WAMP was prepared in accordance with the detailed requirements of NT EPA Assessment Report 84, as outlined below.

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Condition Number	Condition	Is the Project Compliant with this Condition?	Evidence/comments
	<p>meets the following requirements of Assessment Report 84:</p> <ul style="list-style-type: none"> i. a) to i) of recommendation 3, ii. a) to c) of recommendation 4, iii. a) to g) of recommendation 5, and iv. a) to h) of recommendation 6. 		<p>NT EPA Assessment Report 84 – Recommendation 3:</p> <p><i>Before approvals or decisions are given or made for the Project, the Proponent or Operator shall provide to the relevant regulator a Water Abstraction Management Plan for the Nolans Project. The Water Abstraction Management Plan must, at a minimum provide:</i></p> <ul style="list-style-type: none"> <i>a) a full description of the groundwater model, assumptions and parameters</i> <i>b) further information to validate the existing class 1 groundwater model, including a clarification of recharge of the borefield and cross sections of appropriate spatial and vertical resolution of the NE Southern Basins aquifers</i> <i>c) revised model outputs for estimated groundwater drawdown, and recovery of groundwater levels post-closure (including 50, 100 and 1000 years), at the borefield and mine site, for the projected life of the Project</i> <i>d) a framework identifying timing, methods and parameters for the collection of further information on baseline groundwater levels, flow directions and flow rates to understand natural variance and hydrological conditions in the borefield and mine site</i> <i>e) details of all monitoring bores, including the lithology and aquifers intersected and the purpose of monitoring at each bore</i> <i>f) confirmation that all bores and bore meters would be constructed, operated and registered in accordance with the 'Minimum construction requirements for water bores in Australia' as published by the National Uniform Drillers Licensing Committee and the Department of Environment and Natural Resources 'Non-urban water metering code of practice for water extraction licences'</i> <i>g) measures to quantify and record the volume of water abstracted from the</i>

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			<p>borefield and mine site to support minimum monthly reporting of pumping records from individual bores</p> <p>h) a framework, including timeframes, for progressing to a Class 2 numerical groundwater model consistent with the Australian Groundwater Modelling Guidelines</p> <p>i) an independent peer review of the updated Water Abstraction Management Plan by a suitably qualified independent professional.</p> <p>The Water Abstraction Management Plan should be developed and implemented to the satisfaction of the relevant regulator.</p> <p>NT EPA Assessment Report 84 – Recommendation 4:</p> <p>The Water Abstraction Management Plan established in recommendation 3 must include assessment and management of any stock or drinking water bores that could be impacted by the Project, in agreement with the owners and/or operators of those bores. This is to include:</p> <p>a) conducting a hydro-census (condition) survey of local groundwater users prior to construction to establish baseline conditions</p> <p>b) a program to monitor water levels at those bores to detect whether levels are within observed baseline conditions</p> <p>c) measures to ensure identified groundwater user bores remain operational or provide an alternative water bore or supplies if required.</p> <p>NT EPA Assessment Report 84 – Recommendation 5:</p> <p>The Water Abstraction Management Plan established in recommendation 3 must incorporate an assessment of groundwater dependent ecosystems. This is to</p>

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Condition Number	Condition	Is the Project Compliant with this Condition?	Evidence/comments
			<p>include:</p> <ul style="list-style-type: none"> a) <i>mapping of potentially groundwater dependent vegetation by intersection of the following areas:</i> <ul style="list-style-type: none"> • <i>where standing water level is less than 15 metres below ground level</i> • <i>where vegetation contains potentially groundwater dependent species (this could be mapped using remote sensing and confirmed by field survey)</i> • <i>where groundwater is predicted to have a significant drawdown, due to the Project, including after completion of the Project.</i> b) <i>applying conservative preliminary trigger levels to areas where groundwater is less than 15 metres below ground level to avoid impacts on groundwater dependent vegetation</i> c) <i>an assessment of stygofauna to determine the likelihood of presence of stygofauna and, if present, include appropriate mitigation measures</i> d) <i>procedures for applying clear, quantitative and measureable trigger levels for groundwater drawdown and an outline of specific adaptive management responses that would be implemented if necessary</i> e) <i>proposed mitigation and management responses in the event that trigger levels are exceeded</i> f) <i>a plan to monitor groundwater levels (drawdown) and vegetation health, in areas where groundwater dependent vegetation occurs, and refine trigger levels for groundwater drawdown based on site-specific data</i> g) <i>an independent peer review of the proposed initial and revised groundwater trigger levels and vegetation health monitoring assessment by a suitably qualified independent professional.</i>

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Condition Number	Condition	Is the Project Compliant with this Condition?	Evidence/comments
			<p>NT EPA Assessment Report 84 – Recommendation 6: <i>Mining approvals in relation to groundwater abstraction should include conditions that require the Proponent or Operator to:</i></p> <ul style="list-style-type: none"> <i>a) allocate clear responsibilities and accountabilities for water use and management</i> <i>b) provide, in the Water Management Plan, regular updates of the projected water balance for the Project, including detailed estimates for the various phases of the Project and specifying the source and quantity of the water to be used</i> <i>c) demonstrate how water considerations are integrated in Project planning including final Project design and technologies</i> <i>d) report on continual improvement initiatives in water use and efficiencies including the provision of relevant water use targets</i> <i>e) provide details on how water would be effectively managed during Project operations, including minimising water consumption, maximising water reuse and preventing water waste including unnecessary or excessive flow or flood of water</i> <i>f) abstract water from bores only when equipped with operating flow meters record the volume of water abstracted from the borefield and the mine site as reported in the Water Abstraction Management Plan (recommendation 3)</i> <i>g) provide an annual Water Management Report to stakeholders. This is to include water use performance, performance in relation to triggers and any changes in triggers.</i> <p><i>Public disclosure of the Water Management Plan and annual Water Management Report shall be provided on the websites of (as applicable), the Proponent or Operator and relevant regulatory authorities.</i></p>

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Condition Number	Condition	Is the Project Compliant with this Condition?	Evidence/comments
			<p>The above requirements have been addressed in <i>ARMS-0000-H-PLN-N-0011 Arafura Resources Ltd Water Abstraction Management Plan</i>, and Rev 3.2 was approved for use by NT regulator DEPWS, under Groundwater Extraction Licence L10013 issued on 20 March 2023, with a subsequent amendment approved 8 August 2023.</p> <p>Rev 2.0 of the plan was first submitted to DCCEEW for assessment on 8 July 2022. Comments were received from the Department and the WAMP further revised. WAMP Rev 3.4 was approved for implementation by the delegate to the federal Minister for the Environment and Water on 14 May 2024. The WAMP Rev 3.4 is now considered fully approved for implementation.</p>
3.	To manage impacts on surface water flow and volume, the approval holder must submit to the Minister for approval, a Kerosene Camp Creek Management Plan that meets requirements a) to d) of recommendation 7 of Assessment Report 84.	Not Applicable	<p>The Kerosene Camp Creek diversion works were not undertaken during the reporting period. They are planned for completion at a later date, following FID and commencement of construction works.</p> <p>The need for this management plan was not triggered, therefore not applicable to the reporting period.</p> <p>The works are planned to commence in future, following receipt of ministerial approval.</p>
4.	To manage contaminants in the waste rock dumps, tailings storage facility, and residue storage facility, the approval holder must submit to the Minister for approval, an Acid and Metalliferous Drainage Management Plan that meets requirements a) to c) of recommendation 8 of Assessment Report 84.	Not Applicable	<p>No mining activities were undertaken during the reporting period, and no preparatory works related to the waste rock dumps, tailings storage facility, or residue storage facility were undertaken.</p> <p>The need for this management plan was therefore not triggered. This condition is therefore not applicable to the reporting period.</p> <p>The works are planned to commence in future, following receipt of ministerial approval.</p>

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	The design of the waste storages, and any works undertaken at the waste storages must be administered by a qualified and experienced independent certified engineer.		
5.	To manage the impacts on terrestrial fauna and flora, the approval holder must submit to the Minister for approval, a Biodiversity Management Plan that meets requirements a) to h) of recommendation 11 of Assessment Report 84.	Compliant	<p>A Biodiversity Management Plan has been prepared to meet the stipulated requirements of NT EPA Assessment Report 84, as outlined below.</p> <p>NT EPA Assessment Report 84 – Recommendation 11:</p> <p><i>Before approvals or decisions are given or made for the Project, the Proponent or operator shall provide to the relevant regulator a Biodiversity Management Plan for the Project. The Biodiversity Management Plan must, at a minimum, contain:</i></p> <ul style="list-style-type: none"> <i>a) an identification of potential project impacts and risks, mitigation measures and preventative actions for the protection of biodiversity values and habitat for threatened species</i> <i>b) a procedure for pre-clearance surveys for threatened species, including the great desert skink</i> <i>c) the final alignment of the borefield access track, incorporating a buffer of at least 200 m around the known warren of the great desert skink</i> <i>d) the scope, standards and timeframes for a flora and fauna monitoring program</i> <i>e) procedures for managing fire risk from the Project on habitat for threatened species</i> <i>f) weed hygiene and control procedures for avoiding the introduction</i>

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Condition Number	Condition	Is the Project Compliant with this Condition?	Evidence/comments
			<p><i>and/or spread of weeds into habitat for threatened species</i></p> <p><i>g) procedures for avoiding and/or managing the risk of introduced fauna on threatened species</i></p> <p><i>h) goals, measures and criteria for the rehabilitation of habitat for threatened species following the closure and decommissioning of the Project.</i></p> <p>The above requirements have been addressed in <i>ARMS-0000-H-PLN-N-0002 Nolans Rare Earths Biodiversity Management Plan</i>, and Rev 1.0 was approved for use by NT regulator DITT, under Mining Authorisation 1127-01 issued on 10 November 2022, with a subsequent amendment approved 8 August 2023.</p> <p>Rev 1.0 of the BMP was first submitted to the DCCEEW for assessment on 8 July 2022. Subsequent comments have been received from DCCEEW, which have been addressed through updates to the BMP. The most recent version of the BMP (Rev 4.0) was submitted to the Department for assessment on 17 May 2024. Final assessment of the BMP was pending at the time of preparation of this report.</p>
6.	Surveys required under condition 5 of this approval must be undertaken in accordance with survey guidelines and by a suitably qualified expert. Buffers of at least 200 meters must be applied to any additional Great Desert Skink warren identified during surveys required under condition 5 of this approval.	Compliant	<p>Arafura prepared the BMP to meet the requirements of condition 5, as described above. Rev 1.0 of the plan was approved by NT regulator DITT, under Mining Authorisation 1127-01 issued on 10 November 2022. Rev 4.0 of the BMP was under assessment by DCCEEW at the time of preparation of this report.</p> <p>Surveys described in the BMP were undertaken during the reporting period. The surveys collected information related to threatened species within the Project area – and to inform appropriate planning and management of site activities to reduce risk to them.</p> <p>The surveys were undertaken in accordance with the version of the BMP current at the</p>

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			<p>time. These surveys were conducted in accordance with the relevant survey guidelines and by a suitably qualified expert ecologist – Tom Reilly, from EcOz Environmental Consulting.</p> <p>Details of these surveys are provided in Section 7 of this report below, and summary reports included in Appendices B – D. These reports were prepared by EcOz Environmental Consulting.</p> <p>In cases where additional Great Desert Skink warrens were identified, 200 m buffers have been applied and further management requirements are to be determined. See Appendix E.</p>
7.	<p>To manage the containment of radionuclides and radiation protection of people and non-human biota, the approval holder must submit to the Minister for approval a Radiation Protection Management Plan and a Radioactive Waste Management Plan that meet requirements of:</p> <ul style="list-style-type: none"> i. a) to b) of recommendation 15, and ii. e) and g) of recommendation 16 of Assessment Report 84. <p>The Radiation Protection Management Plan and the Radioactive Waste</p>	Not Applicable	<p>No mining activities were undertaken during the reporting period, and works with the potential to cause risk of exposure to radiation were undertaken.</p> <p>The need for this management plan was therefore not triggered and the condition is therefore not applicable to the reporting period.</p> <p>The works are planned to commence in future, following receipt of ministerial approval.</p>

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Condition Number	Condition	Is the Project Compliant with this Condition?	Evidence/comments
	Management Plan must be developed by a suitably qualified expert based upon guidance material from ARPANSA.		
8.	The approval holder must not commence the action until the management plans required by conditions 2, 3, 4, 5 and 7 of this approval, are approved by the Minister. Once approved by the Minister, the management plans must be implemented.	Non-compliant	<p>The relevance, status of assessment and approval of the EMPs during the period of the site works, as required by Approval conditions 2, 3, 4, 5 and 7, is described in Section 5.0 above. The plans relevant to the site works completed were the WAMP and BMP. None of the five plans listed in the Approval were approved by the Minister at the time of completion of the site works, however all had previously been approved by NT regulators.</p> <p>Arafura received a Show Cause letter from the Department on 8 August 2023, noting that under Condition 8 the approval holder must not commence the action until conditions 2, 3, 4, 5 and 7 had been approved by the Minister. The letter requested that Arafura provide details relating to the conditions and site works completed.</p> <p>Upon receipt of the letter, Arafura engaged with DCCEEW as a priority and subsequently provided a detailed reply to the requested information.</p> <p>Arafura also undertook an immediate review of site works and provided a current status of the action to DCCEEW. This included a commitment to undertake no further ground disturbance activities and to finalise already commenced site works, to ensure that the site would be left in a safe state and that all essential environmental mitigations were implemented. For example, drainage management to prevent uncontrolled runoff.</p> <p>Following assessment of Arafura’s detailed response and supporting information, DCCEEW issued an infringement letter on 27 February 2024, for contravention of Approval condition 8. The infringement amount was paid and notified to the Department.</p> <p>Following receipt of payment, the infringement notice was listed on the Department’s</p>

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Condition Number	Condition	Is the Project Compliant with this Condition?	Evidence/comments
			<p>website, dated 01 March 2024. It can be accessed here: https://www.dcceew.gov.au/environment/epbc/compliance/infringements</p> <p>This non-compliance has therefore been addressed in full at the time of preparation of this report. Arafura has taken corrective action to ensure this condition will be met in future, as described in Sections 5.0 and 7.0 of this report.</p>
9.	<p>Within 10 days after the commencement of the action, the approval holder must advise the Department in writing of the actual date of commencement.</p>	Compliant	<p>The action was commenced on 27 February 2023. A notification email was sent to the Department on 7 March 2023, less than 10 days after commencement. The Department sent an acknowledgement email and letter on 30 May 2023 to confirm the notification was received. This condition was therefore met.</p>
10.	<p>The approval holder must maintain accurate records substantiating all activities associated with or relevant to the conditions of approval, including measures taken to implement the management plans required by this approval, and make them available upon request to the Department. Such records may be subject to audit by the Department or an independent auditor in accordance with section 458 of the EPBC Act. Summaries of audits will be posted on the Department's website. The results of audits may also be publicised through the general media.</p>	Compliant	<p>Arafura maintains accurate records for all activities associated with or relevant to the conditions of Approval – including implementation of the relevant management plans. These records can be made available upon request by the Department for review or audit.</p> <p>Arafura maintains an Environmental Management System, with records management maintained through Microsoft SharePoint and InEight document management software platforms. The Environmental Management System is currently being improved to meet the requirements of the International Organization for Standardization (ISO) standard for environmental management systems (AS/NZS ISO14001:2016), International Finance Corporation (IFC)'s Performance Standards on Environmental and Social Sustainability and the Equator Principles (EP4).</p> <p>This condition was therefore met during the reporting period and will continue to be maintained.</p>

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Condition Number	Condition	Is the Project Compliant with this Condition?	Evidence/comments
11.	Within three months of every 12-month anniversary of the commencement of the action, the approval holder must publish a report on their website addressing compliance with each of the conditions of this approval, including implementation of the management plans as specified in the conditions. Documentary evidence providing proof of the date of publication and non-compliance with any of the conditions of this approval must be provided to the Department at the same time as the compliance report is published.	Compliant	<p>The action was commenced on 27 February 2023, with site works were undertaken from 27 February until mid-October 2023, as described in Section 4 above.</p> <p>The first 12-month anniversary of the commencement of the action was 27 February 2024. The first annual compliance report is due within three months of this date, by 27 May 2024.</p> <p>This report has been prepared to meet the stipulated requirements of this condition. Including addressing compliance with each Approval condition, and implementation of the relevant management plans.</p> <p>This report has been prepared and published on the Arafura website on 27 May 2024. It can be accessed here: www.arulld.com/commitments/sustainability/</p> <p>Documentary evidence providing proof of publication and a copy of this report were submitted to the Department on the same date as it was published.</p> <p>This condition was therefore met.</p>
12.	Within 30 days after the completion of the action, the approval holder must advise the Department in writing of the actual date of completion and provide a map clearly defining the date, location and boundaries of the clearing footprint within the project area and be accompanied with a shapefile.	Not Applicable	The action was not completed within the reporting period. This condition is therefore not applicable to the reporting period.
13.	Upon the direction of the Minister, the approval holder must ensure that an independent audit of compliance with the	Not Applicable	An audit directive was not received by the Minister during the reporting period. This condition is therefore not applicable to the reporting period.

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Condition Number	Condition	Is the Project Compliant with this Condition?	Evidence/comments
	<p>conditions of approval is conducted, and a report submitted to the Minister. The approval holder must not commence the audit until the independent auditor and audit criteria have been approved by the Minister in writing. The audit report must address the criteria to the satisfaction of the Minister.</p>		
14.	<p>If, at any time after five years from the date of this approval, the approval holder has not commenced the action, then the approval holder must not commence the action without the written agreement of the Minister.</p>	Not Applicable	<p>The date of this Approval was 11 May 2018. The action was commenced on 27 February 2023, less than five years from the date of Approval. This condition is therefore not applicable.</p>

7.0 IMPLEMENTATION OF ENVIRONMENTAL MANAGEMENT PLANS

The following table (Table 7—1) details the implementation of the relevant EMPs implemented during the on site during the reporting period.

Table 7—1 Implementation of environmental management plans

Management Plan	Document Version	Evidence/comments
Water Abstraction Management Plan	<p>Rev 3.2 Current during the reporting period from 27/02/23 – 31/08/23</p> <p>Rev 3.3 Current during the reporting period from 01/09/23 – 31/01/24</p> <p>Rev 3.4 Current during the reporting period from</p>	<p>The WAMP was implemented during the reporting period, in accordance with the version current at that time. Implementation began following issue of the related water extraction licence (L10013) for the borefield area, which was approved by the NT regulator DEPWS on 20 March 2023, with a subsequent amendment approved 8 August 2023.</p> <p>An Annual Water Management Report for the WAMP was prepared which covers the period from April 2023 to April 2024. This is included at Appendix A, and a summary is provided below. The report covers all WAMP related activities within the Reporting Period (given that no WAMP specific activities were undertaken during February-March 2023 pending grant of the water extraction licence).</p> <p>Activities undertaken include:</p> <ul style="list-style-type: none"> • Collection of climate and rainfall data • Installation of groundwater monitoring bores • Monitoring of groundwater extraction • An assessment of other surrounding groundwater users (hydro-census) • Monitoring of groundwater levels • Monitoring of groundwater quality • Commencement of vegetation monitoring • Planning for other monitoring aspects to be implemented. <p>Monitoring information collected to date is being used to develop an adaptive management plan. This plan is a requirement under the water extraction licence and will further define ongoing water monitoring and management for the Project.</p>

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	01/02/23 – 26/02/23	<p>Climate Data</p> <p>There are three weather stations that have been set up on site to monitor climate and rainfall data. The Nolans Site Weather Station has been set up on site since 2015, and monitors for wind, humidity, temperature, rainfall, solar radiation, and evaporation. Two new weather stations were set up during the reporting period, which monitor for daily rainfall:</p> <ol style="list-style-type: none"> 1. Borefield D Weather Station, set up on 7 November 2023 2. Processing Plant Weather Station, set up on 8 November 2023. <p>Climate data is automatically logged at daily intervals across the three weather stations. Daily rainfall during the reporting period is shown in Appendix A. Records indicate that two rainfall events totaling 50 mm or greater over a 7-day period were recorded at the Nolans Mine Site. A major rainfall event was recorded at the end of March, with all weather stations recording rainfall totals in excess of 150 mm over 7 days. When compared to the long-term rainfall records since 2015, rainfall during the reporting period was within the normal range.</p> <p>Installation of Monitoring Bores</p> <p>Adding to the existing groundwater monitoring network on site, a total of 41 additional groundwater monitoring bores were installed during the reporting period. These were installed at various locations:</p> <ul style="list-style-type: none"> • 16 monitoring bores were installed in the southern area of the borefield (Reaphook Paleovalley). • 3 monitoring / observation bores were installed within Borefield D. • 10 unnested groundwater monitoring bores were installed in the planned mine site area (ore body aquifer). • 12 nested shallow/deep groundwater monitoring bores were installed in vicinity of the planned processing plant area. <p>These bores were included within the regular groundwater monitoring program being undertaken on site during the reporting period, and will continue to be monitored on an ongoing basis.</p> <p>Groundwater Extraction</p> <p>Water extraction occurred at Borefield D for a short duration of the reporting period, from August 2023 when Borefield D was commissioned until October 2023 when site works ceased. A total of 4.49 ML was extracted over the reporting period. This is</p>

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		<p>less than 0.1% of the maximum water entitlement of 4800 ML allowed per year under the water extraction licence (L10013). Given the small amount of extraction that occurred, potential impacts to groundwater dependent ecosystems are not expected, and the monitoring data collected during the reporting period representative of baseline conditions.</p> <p>Hydro-census</p> <p>A hydro-census was undertaken during the reporting period, which was conducted by consultant GHD together with Arafura. As part of the hydro-census a desktop and field assessment of surrounding groundwater users was undertaken. Groundwater users were identified on the three surrounding pastoral stations including Pine Hill, Aileron, and Napperby stations, with use recorded for stock and domestic water supply.</p> <p>To ensure the current groundwater users’ water supply and quality are not potentially impacted by the Project’s water extraction, a set of management measures were recommended in the hydro-census report, including:</p> <ul style="list-style-type: none"> • Inclusion of surrounding groundwater users’ bores within Arafura’s regular monitoring program. Installation of water level loggers, flow meters, and manual dipping recommended at selected bores. • Assessment of data collected from surrounding groundwater users; against the trigger levels adopted in the WAMP, and application of the relevant contingency measures in cases where trigger levels are exceeded. • Groundwater quality data to be shared with the NT Power and Water Corporation, including water quality parameters and groundwater level data. • Station holders are to be provided with groundwater quality / level and flow meter data annually. <p>Implementation of these recommendations has been undertaken, with surrounding groundwater users’ bores incorporated into Arafura’s regular monitoring program. Manual water dipping is undertaken where permission has been granted by the owner of the bore. Permission for access to data from additional bores is currently being sought. Seven of the 9 recommended water level loggers were installed during the reporting period.</p> <p>The flow meters were not installed during the reporting period due to logistical issues, however 8 of the 10 recommended flow meters were subsequently installed in April 2024.</p> <p>At the time of preparation of this report, planning for installation of the remaining two flow meters and remaining two water</p>

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		<p>level loggers was underway.</p> <p>Assessment of the data collected from surrounding groundwater users’ bores during the reporting period has been considered in the groundwater level analyses for the monitoring program, as further discussed below. Engagement with the Power and Water Corporation, and sharing of data with the station holders, is planned for the next reporting period.</p> <p>Groundwater Level</p> <p>An extensive groundwater monitoring bore network has been established on site consisting of both existing and new bores installed during the reporting period (as described above). Further details are provided in Appendix A, and includes:</p> <ul style="list-style-type: none"> • 8 monitoring bores within the borefield extraction area • 20 monitoring bores within the broader borefield area • 22 monitoring bores within the planned process plant and tailings storage area <p>Groundwater level was monitored at these bores during the reporting period. Groundwater levels were monitored with manual dips (taken monthly or quarterly depending on the bore) and groundwater level data loggers (set to log hourly, and downloaded monthly or quarterly depending on the bore). Results show that groundwater levels were generally stable across the reporting period, with a few exceptions, as further discussed in Appendix A.</p> <p>As stated in the summary report prepared by consultant GHD, the reporting period reflects baseline conditions. With only limited groundwater extraction occurring between August – October 2023, at 0.1% of the annual allocation, data collected during the reporting period is considered to be part of the baseline data collection.</p> <p>Groundwater Quality</p> <p>Groundwater quality was monitored as described below during the reporting period with both field measurements and laboratory analyses undertaken.</p> <p>This was undertaken in three (3) monitoring rounds:</p> <ol style="list-style-type: none"> 1. August 2023 (sampling of 5 bores within the borefield area and surrounding groundwater users) 2. December 2023 (sampling of 2 bores within the planned mine site areas)

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		<p>3. April 2024 (sampling of 2 bores within the planned process plant and tailings storage areas).</p> <p>Field measurements taken include:</p> <ul style="list-style-type: none"> • Temperature • Acidity (pH) • Electrical Conductivity (EC) • Dissolved Oxygen (DO) • Oxidation-Reduction Potential (ORP) • Turbidity. <p>Laboratory analyses taken include:</p> <ul style="list-style-type: none"> • Total Dissolved Solids (TDS) • Total Suspended Solids (TSS) • Total Hardness • Total Acidity and Alkalinity • Major ions (CaCO₃, CO₃, HCO₃, Ca, Mg, K, Na, Cl, SO₄, NO₃) • Metals total and dissolved (Al, As, B, Ba, Cd, Co, Cu, Fe, Li, Pb, P, Mn, Hg, Mo, Ni, Rb, Se, Sr, Ag, U, Th, and Zn). <p>Given that operation of the mine did not commence within the reporting period and limited site works were undertaken, the groundwater quality results will be used to determine an understanding of baseline groundwater quality across the borefield, planned process plant and tailings storage areas, planned mine site area, and for surrounding groundwater users. This is further discussed within the summary report prepared by consultant GHD shown in Appendix A.</p> <p>Vegetation Monitoring</p> <p>A vegetation monitoring program was planned and commenced during the reporting period. The vegetation monitoring includes a remote sensing program, which is being carried out by subject matter experts from consultancy CDM Smith. A field vegetation monitoring program is also being carried out by subject matter experts, including a qualified ecologist from</p>

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		<p>consultancy GHD.</p> <p>During the reporting period the remote sensing data analysis and monitoring program commenced. Results of this were not available at the time of preparation of this report. The remote sensing methodology is being refined and validated through field observations. The field component of the vegetation monitoring program was not commenced during the reporting period – however it was planned and subsequently commenced on 13 May 2024. The purpose of the vegetation monitoring program is to monitor vegetation health over time using both field and remote sensing observations – to enable monitoring for any impacts of water extraction on vegetation health in future. Baseline data compilation commenced during the reporting period, and this program will be further refined over time, as the ecosystem is better understood.</p> <p>Additional monitoring</p> <p>Additional monitoring aspects are planned to be undertaken in future, to further understand the hydrogeology within the borefield area, and monitor for potential impacts from planned water extraction on groundwater dependent ecosystems. Engagement with relevant stakeholders, including local Indigenous people, is being planned to understand cultural values associated with groundwater dependent ecosystems within the borefield area, and to inform the adaptive management plan that is currently being developed.</p> <p>It is noted that the Water Abstraction Management Plan was not approved during the reporting period, and has recently received Ministerial approval, as described in Section 6.0 above. Arafura implemented the version of the plan current during the reporting period and used best endeavors to collect baseline data, to enable effective future management of groundwater drawdown during operations. Under the approved WAMP, the monitoring program will address all associated requirements.</p>
Biodiversity Management Plan	<p>Rev 1.0 Current during the reporting period from 27/02/23 – 16/04/23</p>	<p>The Biodiversity Management Plan was implemented during the reporting period, in accordance with the version current at that time. Management activities were undertaken as relevant to the scope of site works, and the first annual biodiversity monitoring surveys were undertaken. Key activities undertaken included:</p> <ul style="list-style-type: none"> • Internal ground disturbance permitting and pre-clearance surveys. • Implementation of works controls. • Commencement of annual biodiversity monitoring surveys. <p>As stipulated in the Approval (Condition 6), pre-clearance surveys and annual biodiversity monitoring surveys were conducted</p>

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	<p>Rev 2.0 Current during the reporting period from 17/04/23 – 03/10/23</p> <p>Rev 2.1 Current during the reporting period from 04/10/23 – 26/02/24</p>	<p>in accordance with Survey Guidelines and by a Suitably Qualified Expert, as defined in the Approval and outlined below.</p> <p>Suitably qualified expert means a person who has professional qualifications, training, skills and a minimum of ten years demonstrated experience related to the nominated subject matter that can provide an authoritative independent assessment and/or advice on performance relative to the subject matter using the relevant protocols, standards, methods and/or literature.</p> <p>Pre-clearance surveys and annual biodiversity monitoring surveys were undertaken by a qualified ecologist from EcOz Environmental Consultants, Tom Reilly, who meets the above definition of a suitably qualified expert. Tom Reilly has extensive ecological consulting experience in the Northern Territory, extending from the central deserts to the Top End, and is currently the lead ecologist engaged for the Nolans Project. Tom Reilly’s qualifications have previously been provided to the Department for confirmation (provided via email on 8 April 2024 together with a revision of the Biodiversity Management Plan).</p> <p>Survey guidelines means the following documents:</p> <ul style="list-style-type: none"> • <i>Survey guidelines for Australia's threatened reptiles: Guidelines for detecting reptiles listed as threatened under the EPBC Act</i> (Commonwealth of Australia, 2011) (or as amended). • <i>Survey guidelines for Australia's threatened birds: Guidelines for detecting birds listed as threatened under the EPBC Act</i> (Commonwealth of Australia, 2010 and erratum added to page 131 in April 2017) (or as amended). • <i>Survey guidelines for Australia's threatened mammals: Guidelines for detecting mammals listed as threatened under the EPBC Act</i> (Commonwealth of Australia, 2011) (or as amended). <p>The biodiversity monitoring programs were based on the above survey guidelines for threatened reptiles (in relation to the Great Desert Skink) and threatened mammals (in relation to the Central Australian Rock-Wallaby). As described in the pre-clearance survey summary reports in Appendices B and C, and in the Biodiversity Monitoring Interim Report at Appendix D.</p> <p>Pre-clearance Surveys</p> <p>An internal Arafura ground disturbance permitting procedure was implemented for all works undertaken on site during the reporting period (see Section 4.0 for a description of site works). As part of the ground disturbance permitting procedure, pre-clearance surveys were undertaken for the presence of threatened fauna within areas of potential suitable habitat; and for the presence of weeds in proximity to known weed infestations. Pre-clearance surveys were undertaken in a total of 17 areas</p>

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		<p>during two survey events:</p> <ul style="list-style-type: none"> • 13 areas were surveyed from 29-30 March 2023 including areas along the site access road, and areas within the borefield associated with groundwater monitoring bores and their access tracks. See summary report in Appendix C. • 4 areas were surveyed on 17 July 2023 within the borefield, associated with bore extraction infrastructure, water pipeline, and groundwater monitoring bores. See summary report in Appendix D. <p>The areas along the site access road (4 areas surveyed 29-30 March) were surveyed for potential suitable habitat for the Central Australian Rock-wallaby. The results of the surveys found that the Central Australian Rock-wallaby was unlikely to occur within the clearance areas.</p> <p>The areas within the borefield (9 areas surveyed from 29-30 March and 4 areas surveyed on 17 July 2023) were surveyed for potential occurrence of the Great Desert Skink. It was assessed that the Great Desert Skink had potential to occur within the clearance area within nine (9) of these areas; and was unlikely to occur within four (4) of these areas. Despite containing suitable habitat in nine (9) of these areas, no Great Desert Skink burrows were identified during the surveys. As such, no specific mitigation measures or buffers were recommended by the surveying ecologist.</p> <p>It was noted, however, that several large burrow systems were found during the survey that may have originally belonged to Great Desert Skink (in 4 of the clearance areas); however, these burrows did not have a latrine (or other evidence) consistent with occupied or active Great Desert Skink burrow systems. It was recommended by the surveying ecologist that these burrows and surrounding areas, including borefield area C and the water pipeline easement area, should be included in future biodiversity monitoring activities planned to occur for this species as part of the biodiversity monitoring program. This was undertaken as recommended, as outlined within the biodiversity monitoring surveys section below.</p> <p>It was also recommended by the surveying ecologist that clearing activities within Great Desert Skink habitat should occur during daylight hours (when the species shelters in its burrow), and if possible, the clearing activity should ideally occur during the species hibernation period (generally mid-April to September). This was recommended to reduce the chance of injury or death of foraging individuals that may reside in burrows present in the surrounding landscape. This recommendation was followed, with all site works occurring during daylight hours, and works within the borefield areas undertaken between April – August 2023.</p> <p>The areas along the site access road and some borefield areas (13 areas surveyed from 29-30 March) were also surveyed for the</p>

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		<p>presence of weeds. Buffel grass (<i>Cenchrus ciliaris</i>) was present at five sites, and Caltrop (<i>Tribulus terrestris</i>) was potentially present at one site (although not confirmed).</p> <p>A range of recommendations were made by the surveying ecologist for weed management, erosion control and minimising clearance of trees where practicable. These recommendations were implemented, as outlined in the works controls section below.</p> <p>Works Controls</p> <p>Controls were implemented during all works undertaken on site to minimise impacts to terrestrial flora and fauna. Controls were implemented as per the Biodiversity Management Plan, the recommendations of pre-clearance surveys, and other relevant environmental management plans.</p> <p>Wherever possible, previously cleared or disturbed areas were used before clearing vegetation from undisturbed areas. For example, existing access tracks were used wherever present. Clearing of mature trees and thick vegetation was avoided wherever possible, for example the placement of bore pads was chosen to avoid established trees and thick mulga vegetation when possible. No clearing works were undertaken within 200 m of identified Great Desert Skink burrows.</p> <p>A weed management plan (Rev 1.0 approved by NT regulator DITT on 10 November 2022) has been prepared and is being progressively implemented. During all site works weed control measures were implemented including the following:</p> <ul style="list-style-type: none"> • All vehicles/machinery/equipment entering the Project area were checked to be clean and free of soil and vegetative matter • All vehicles/machinery/equipment operating in areas of known weeds (e.g. in areas where weeds were identified in pre-clearance surveys) were checked and cleaned for weed hygiene before moving in to weed free areas • All vehicles, machinery and equipment used established access tracks when moving within site, except for those involved in clearing • Site environmental inductions for all personnel and contractors included vehicle weed hygiene requirements. <p>An air quality and dust management plan (Rev 2.0 approved by NT regulator DITT on 10 November 2022) has been prepared and is being progressively implemented. Dust suppression was used during works at risk of causing excessive dust emissions, e.g. during works on the site access road.</p>

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		<p>Traffic management was implemented during works, with all vehicles required to remain on established tracks and roads, and all works to be undertaken during daylight hours. Speed limits were implemented on site to reduce the likelihood of fauna strikes.</p> <p>An erosion and sediment control plan (Rev 1.0 approved by NT regulator DITT on 10 November 2022) has been prepared and is being progressively implemented. Erosion and sediment controls were implemented as appropriate to the scope of works undertaken on site during the reporting period. This included construction of drainage channels, a sedimentation pond in the planned process plant area, topsoil stockpiling, etc. The measures were implemented to reduce the likelihood of impacts from clearing on surrounding vegetation, soil stability, and surface water contamination.</p> <p>Biodiversity Monitoring Surveys</p> <p>A Biodiversity Monitoring Interim Report was prepared to outline the annual biodiversity monitoring survey effort, methodology and results for the reporting period. This is included in Appendix D, and a summary is provided below. The 2023-24 monitoring program for Great Desert Skinks was still underway at the end of the reporting period. A final report for the 2023-2024 monitoring program will subsequently be prepared, which is anticipated for June 2024.</p> <p>The biodiversity monitoring program undertaken during the reporting period included targeted monitoring for:</p> <ol style="list-style-type: none"> 1. Great Desert Skink (<i>Liopholis kintorei</i>) (Vulnerable EPBC Act; Vulnerable TPWC Act) 2. Central Australian Rock-wallaby (<i>Petrogale lateralis centralis</i>) (Vulnerable EPBC Act; Near Threatened TPWC Act) 3. Predator species - Cat (<i>Felis catus</i>), Fox (<i>Vulpes vulpes</i>) and Dingo (<i>Canis lupus dingo</i>) <p>1. Great Desert Skink</p> <p>The objectives of the Great Desert Skink monitoring program in 2023-24 were to monitor activity at known or previously confirmed Great Desert Skink burrows (1 burrow previously known); and to search other areas of suitable habitat for new burrow systems to better understand the size and extent of the current 'population' within the bore field.</p> <p>Monitoring activities included transect searches around potential burrow systems for recent signs of activity, which was conducted in November 2023 (during the active period of the species). Camera trapping was also implemented to identify the presence of Great Desert Skinks at surrounding potential burrow systems, which was carried out from November to</p>

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		<p>May 2024 (for the whole active period of the species). Initial data collected from the camera trapping has been analysed, however data from the later period was still being processed at the time of preparation of this report.</p> <p>To date, the findings of the monitoring program are a total of 17 active and 17 non-active Great Desert Skink burrow systems. All active burrow systems were located within one area, with an approximate size of 1,200 m x 800 m (referred to as a 'burrow cluster'). The 'burrow cluster' occurs close to an existing monitoring bore and an existing station track. In the baseline studies undertaken for the Project area, only one Great Desert Skink burrow system was identified. Results of the current monitoring indicate this burrow system is currently inactive, with no signs of recent activity or occupation.</p> <p>These findings indicate an increase in the occurrence of the species within the borefield area compared to the one known burrow previously recorded; and indicate the use of burrow systems may be mobile over time and not static. There is no evidence of decline in the local population, in fact the opposite.</p> <p>The recommendations made in the interim biodiversity monitoring report include informing the regulator of these occurrences, and the development (with the regulator) and implementation of management measures in this area to minimise impacts. That is, vehicle movements limited to daytime hours only, predator control, fire management, and no new vegetation clearing or road maintenance activities should occur within 200 m of these active burrow systems without prior approval from the regulator.</p> <p>A 200 m buffer has been established around each of the identified active Great Desert Skink burrows, as per recommendations and as required in the Approval (Condition 6). The 200 m buffer around the one previously identified burrow has also been maintained, although currently thought to be inactive, as required by the Approval (Condition 5). The location of these burrows and 200 m buffers are shown in the map at Appendix E.</p> <p>As an initial management measure as per the recommendations, vehicle movements are limited to daytime hours within the borefield area; and no new vegetation clearing or road maintenance activities will occur within the buffer zones of these active and previously identified Great Desert Skink burrow systems without prior approval from the regulator.</p> <p>In terms of longer-term ongoing management of these burrow systems, Arafura will consult with the relevant regulator as recommended, to determine appropriate management measures including predator control and fire management. The final 2023-24 Biodiversity Monitoring Report currently in development will help to further inform this.</p>



Management Plan	Document Version	Evidence/comments
		<p>2. Central Australian Rock-wallaby</p> <p>The objectives of the Central Australian Rock-wallaby monitoring program in 2023-24 were to undertake a pilot survey to test scat search methodology to inform the ongoing monitoring program, while undertaking a survey of new Project tenement areas on site. Site selection for areas to be surveyed, as part of the 2024-25 monitoring program, was also completed.</p> <p>Monitoring activities included day-time searches in potential habitat for critical features such as shelter / den sites (caves, rock boulders, rock ledges) and presence of important food plants (Desert Fig, Spearwood). Day-time searches for signs of activity, mainly including scats and rock shelters worn smooth from resting, to determine species presence / absence. Observations/sightings were obtained of rock-wallabies basking during the early morning, using binoculars from a location on the ground beneath suitable habitat. Thirteen transect searches were undertaken from 23-25 February 2024.</p> <p>Monitoring results did not find any signs of Central Australian Rock-wallaby presence within the surveyed areas (the new tenement areas). Scat results enabling identification of other species presence did however indicate the scat search methodology used is appropriate for ongoing monitoring within the Project area. Recommended site selection for the 2024-25 Central Australian Rock-wallaby monitoring program is to be confirmed.</p> <p>3. Predator Species (Cat, Fox and Dingo)</p> <p>The objective of the predator species monitoring program in 2023-24 was to obtain baseline data, for comparison with future monitoring data, on predators (cat/fox/dingo) within and surrounding the Project site. Camera trapping with baits was used to identify presence / absence, to estimate activity and individual counts of predator species at the selected survey sites. A total of 28 sites were monitored for approximately 10 weeks from late November 2023 to late January 2024. Cameras set on Great Desert Skink burrows (14 cameras) were also analysed for predator species (although these cameras were not baited).</p> <p>Results indicated that cats, foxes, and dingoes were all present on site. Cats were present at 89% of the predator monitoring sites, across all operational areas and habitat types. Cats were also present at 57% of the Great Desert Skink camera sites. Notably, there was footage of cats successfully hunting and killing Great Desert Skink on at least 3 occasions at the skink camera sites. This is direct evidence that cats are impacting this local population of Great Desert Skinks.</p>

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		<p>Foxes were detected at 25% of predator monitoring sites, mainly within the borefield area. Dingoes, conversely, were detected at 18% of predator monitoring sites, all located within the planned mine site and camp/village areas. Neither foxes nor dingoes were recorded at the Great Desert Skink sites.</p> <p>While the objective of collecting baseline data for predator species was achieved, results also indicate that predator control, particularly aimed at cats, could be a beneficial management program to consider on site. This will be considered in consultation with the relevant regulators, as consistent with the recommendations received in relation to the Great Desert Skink monitoring outlined above.</p> <p>It is noted that the BMP was under assessment by the Department at the time of preparation of this report. Arafura implemented the version of the plan current during the reporting period and used best endeavors to manage impacts on terrestrial flora and fauna, as stipulated under the Approval (Conditions 5 and 6) and in line with the expert conservation advice received. Once the management plan is finalised and approved, the biodiversity monitoring program and implementation of site controls will be adapted as needed to meet all requirements of the approved management plan.</p>

8.0 CORRECTING NON-COMPLIANCE

One non-compliance with the Approval conditions occurred during the reporting period, in relation to Condition 8. Site works (the action) was commenced prior to the required environmental management plans being approved. This was detected by the Department upon issue of a Show Cause letter to Arafura on 8 August 2023. As further detailed in the Compliance Table (Table 6—1) above, this non-compliance has been addressed in full. Arafura is committed to compliance with all Approval conditions and has taken corrective actions as outlined below to ensure all conditions of Approval will be met going forward.

Arafura has continued communications with the Department to progress assessment of the EMPs. Arafura also submitted a request to DCCEEW on 25 March 2024 to vary Condition 8 - to enable phased approval of the EMPs prior to the commencement of the specific activities described within each plan. DCCEEW are currently considering this request. Further Project works will not commence until these aspects are resolved.

Arafura has reviewed and is currently undertaking extensive improvement of its environmental management system. The environmental management system is being developed to align with international standards including the International Finance Corporation (IFC)'s Performance Standards on Environmental and Social Sustainability, the Equator Principles (EP4), and the International Organization for Standardization (ISO) standard for environmental management systems (AS/NZS ISO14001:2016). These improvements will support compliance to be an essential aspect embedded within Arafura's procedures and operations.

9.0 NEW ENVIRONMENTAL RISKS

No new environmental risks not previously considered in the environmental risk assessment of the Project have been identified during the reporting period.

10.0 ABBREVIATIONS AND DEFINITIONS

Abbreviation	Meaning
Approval	EPBC Approval 2015/7436 granted to Arafura Resources Limited on 11 May 2018
Arafura	Arafura Rare Earths LTD (previously Arafura Resources Limited)
BMP	Biodiversity Management Plan
Department	The Australian Government agency responsible for administering the EPBC Act – DCCEEW at this time
DCCEEW	Department of Climate Change, Energy, the Environment and Water (Cth)
DEPWS	Department of Environment, Parks and Water Security (NT)
DITT	Department of Industry, Tourism and Trade (NT)
EMP	Environmental Management Plan
EPBC Act	<i>Environment Protection and Biodiversity Conservation Act 1999</i> (Cth)
EP4	Equator Principles
FID	Final Investment Decision
IFC	International Finance Corporation
ISO	International Organization for Standardization
Minister	The Australian Government Minister administering the EPBC Act including any delegate thereof
NT	Northern Territory
NT EPA	Northern Territory Environment Protection Authority
TPWC Act	<i>Territory Parks and Wildlife Conservation Act 1976</i> (NT)
WAMP	Water Abstraction Management Plan