



HASTINGS
Technology Metals Limited

YANGIBANA RARE EARTHS PROJECT

Annual Compliance Report Yangibana Rare Earths Project (EPBC 2016/7845)

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| A | 23/2/23 | Review | Alan Tandy | Lisa McGrath | Rudolph Van Niekerk |
| | | | | | |

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| | |
|----------------------|---|
| | (and variation requests of 12 October 2017, 26 March 2018, 20 July 2018 and 1 April 2019)]. |
| Project Location | 270km Northeast of Carnarvon in the Gascoyne Re3gion of Western Australia |
| Responsible Person | Lisa McGrath (GM Environment) |
| Reporting Period | 28/1/2022 to 27/1/2023 |
| Report Prepared Date | 1/3/2023 |

2 COMPLIANCE WITH CONDITIONS

2.1 CONDITION 1

Condition: To minimise **impacts** to **protected matters**, the approval holder must not **clear** more than 1,056 hectares within the 11,940-hectare **development envelope**.

Compliance: The Project has not commenced mining and has only undertaken minor ground disturbance . The table below details the current disturbance approved across the Project tenements and the disturbance that has occurred across the project to date and is correct as of 28th of February 2023. The data has been obtained from site survey pick up and is verified accurate. The table shows that the Project is significantly below the 1,056ha disturbance limit, and compliant with the condition.

Table 1 Current Project Disturbance Figures

| TENEMENT | Ha Allowance (per approved Mining Proposal) | Hectares |
|--------------------------|---|-------------|
| Existing Pastoral Track | 0 | 0.880913267 |
| Existing Shire Road | 0 | 0.064553837 |
| G 09/14 | 64.7 | 3.472026809 |
| G 09/14 | 64.9 | 10.76589844 |
| G 09/17 | 73.6 | 0.047187942 |
| G 09/20 | 199 | 5.597371265 |
| G 09/26 | 4.143 | 1.186099927 |
| L 09/68 | 2.3 | 0.654983103 |
| L 09/69 | 4.1 | 1.19934751 |
| L 09/80 | 5.4 | 5.352062387 |
| L 09/81 | 23.1 | 18.68133103 |
| L 09/87 | 6.5 | 0.13325019 |
| L 09/89 | 11.6 | 0.341748222 |
| L 09/93 | 13.8 | 7.601428158 |
| L 09/95 | 51.9 | 47.15076996 |
| L 09/97 | 85.7 | 53.02088474 |
| M 09/157 | 115.4 | 11.48825408 |
| M 09/158 | 60.4 | 11.01390996 |
| M 09/163 | 3.6 | 0.944748154 |
| M 09/176 (Not in MP yet) | 0 | 0.008850432 |
| Total | 790.143 | 179.6056194 |

2.2 CONDITION 2

Condition- To minimise **impacts to protected matters**, the approval holder must not abstract:

- a. more than 2.5 gigalitres per annum of groundwater from the fractured rock aquifer of the Yangibana North and West, Bald Hill and Bald Hill SE and Frasers mine pits and the paleochannel of the **SipHon Borefield**.
- b. any groundwater from the **Gifford Creek calcrete aquifers**.

Compliance- Condition two is not in effect until the Project has an approved Ecohydrological plan in place. The plan is not currently in place and the Project was restricted to a maximum cumulative abstraction of 0.164GL from the SipHon Borefield. 0.1094GL were abstracted during the reporting period. The 0.164 figure was not exceeded over the reporting period, thus the abstraction volume allowed under condition two was not exceeded.

No water was abstracted from the Gifford Creek Calcrete Aquifers.

2.3 CONDITION 3

Condition- The approval holder must ensure the action does not cause any **adverse effect** on the **function of groundwater dependent ecosystems (GDEs)** within 5 km of the **SipHon Borefield**.

Compliance- over the reporting period a baseline vegetation health condition report was commissioned and completed by Eco Logical Australia (Appendix 1). The report shows that with the very limited abstraction from the SipHon Borefield there has been no significant change to vegetation health than can be attributed to the work undertaken by Hastings. The report calls for further regular monitoring of vegetation health, and this will occur to enable future compliance with this condition to be demonstrated.

2.4 CONDITIONS 4 -14

Conditions four to 14 all relate to the requirement to have an approved Ecohydrological Plan in place prior to the full use (2.5GL pa) of the SipHon Borefield. The Project does not currently have an approved plan in place and is not yet drawing the full allocation of water from the borefield.

While the plan is being prepared, the Project had condition 7 varied to increase the total allowed abstraction to no more than 0.164GL and 0.018GL be taken every 28 days. This volume is sufficient for the current construction activities on site and is being strictly adhered to.

The figure below (Figure 1) shows how the Project is currently tracking water use. The figure shows that the prior to condition 7 being altered on 8 February 2023, the Project did not exceed the 0.11GL total limit, and since the condition has been changed, the Project has not exceeded the 0.164 GL limit or 0.018GL per 28 days.

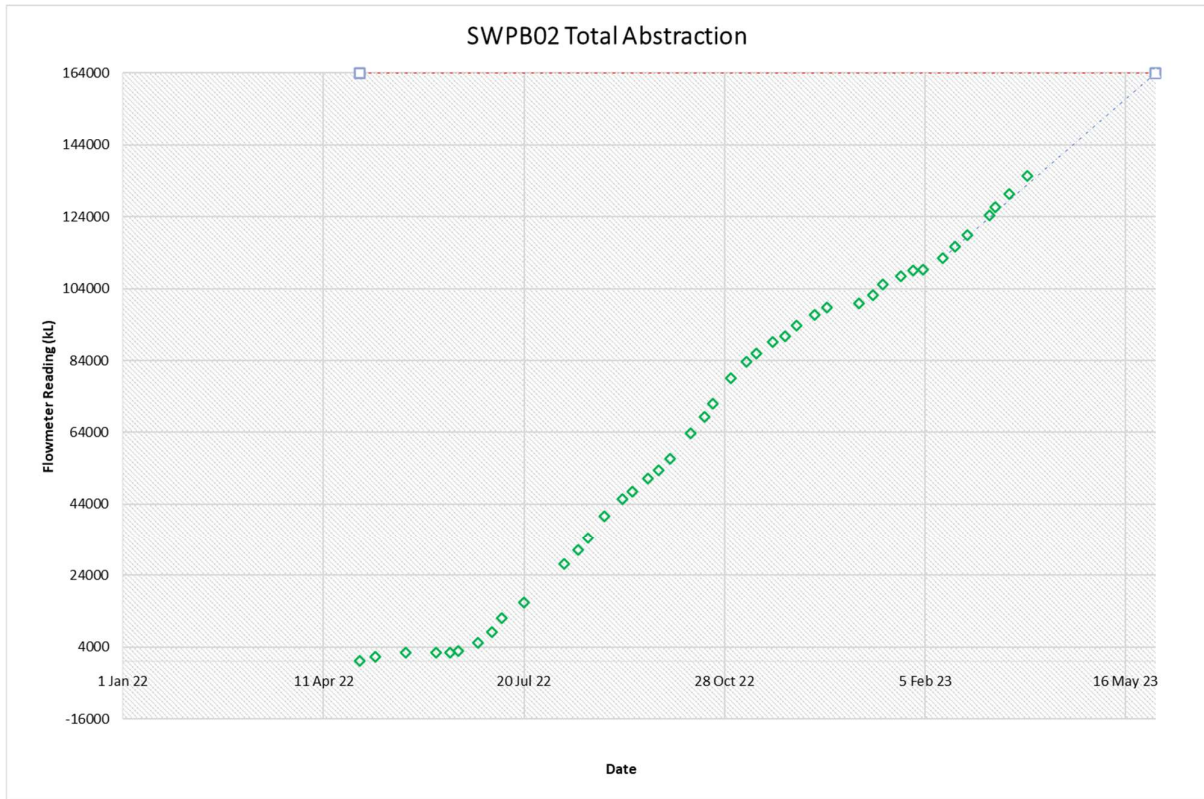


Figure 1- Water Abstraction from SipHon Borefield

The Project expects to submit an Ecohydrological Plan satisfying the requirements of conditions four to 14 in Q2 2023. The groundwater modelling is currently being finalised and when it is received the report will be finalised. The report will then be revied by a suitable qualified expert prior to being submitted for approval. Until full approval of the plan is received, the 0.018GL per 28-day limit and 0.168 GL total abstraction will be complied with.

2.5 CONDITION 15

Condition- The approval holder must notify the **Department** in writing of the date of **commencement of the action** and the date of **commencement** of each stage of the action within 10 **business days** after the date of **commencement of the action** or the relevant stages of the action.

Compliance- The DDDEW was made aware of the commencement of the Project on the 4 February 2022. The condition has been complied with.

2.6 CONDITION 16

Condition- If the commencement of the action does not occur within 5 years from the date of this approval, then the approval holder must not commence the action without the prior written agreement of the Minister.

Compliance- the Project has commenced within the five-year time from the date of the approval and the department has been notified. Compliance with the condition is considered complete.

2.7 CONDITION 17

Condition- The approval holder must maintain accurate and complete **compliance records**.

Compliance- The Project has an active environmental management system and is maintaining full records of compliance.

2.8 CONDITION 18

Condition- If the **Department** makes a request in writing, the approval holder must provide electronic copies of **compliance records** to the **Department** within the timeframe specified in the request.

Compliance- no request to demonstrate compliance has been received. The Project is in a position to provide records if requested and considers that it is fully compliant with the condition.

2.9 CONDITION 19

Condition- The approval holder must prepare a **compliance report** for each 12-month period following the date of **commencement of the action**, or otherwise in accordance with an annual date that has been agreed to in writing by the **Minister**. The approval holder must:

- a. publish each **compliance report** on the website within 60 **business days** following the relevant 12 month period;
- b. notify the **Department** by email that a **compliance report** has been published on the **website** and provide the weblink for the **compliance report** within five **business days** of the date of publication;
- c. keep all **compliance reports** publicly available on the **website** until this approval expires;
- d. exclude or redact **sensitive ecological data** from **compliance reports** published on the **website**; and
- e. where any **sensitive ecological data** has been excluded from the version published, submit the full **compliance report** to the **Department** within 5 **business days** of publication.

Note: **Compliance reports** may be published on the **Department's** website.

Compliance-this document forms the compliance report and when completed and approved internally, the requirements of sub conditions a- e will be satisfied. The compliance with this condition is not currently complete, however compliance will occur prior to the final date for submission, 31 March 2023.

2.10 CONDITION 20

Condition- The approval holder must notify the **Department** in writing of any: **incident**; non-compliance with the conditions; or non-compliance with the commitments made in **plans**. The notification must be given as soon as practicable, and no later than two business days after becoming aware of the **incident** or non-compliance. The notification must specify:

- a. any condition which is or may be in breach.
- b. a short description of the **incident** and/or non-compliance; and
- c. the location (including co-ordinates), date, and time of the **incident** and/or non-compliance. In the event the exact information cannot be provided, provide the best information available.

Compliance- there have been zero non compliances to date associated with this approval.

2.11 CONDITION 21

Condition- The approval holder must provide to the **Department** the details of any **incident** or non-compliance with the conditions or commitments made in **plans** as soon as practicable and no later than 10 **business days** after becoming aware of the **incident** or non-compliance, specifying:

- a. any corrective action or investigation which the approval holder has already taken or intends to take in the immediate future;
- b. the potential **impacts** of the **incident** or non-compliance; and
- c. the method and timing of any remedial action that will be undertaken by the approval holder.

Compliance- Zero incidents or non-compliances have been recorded across the reporting period, therefore the condition is not applicable to this compliance report.

2.12 CONDITION 22

Condition- The approval holder must ensure that **independent audits** of compliance with the conditions are conducted as requested in writing by the **Minister**.

Compliance- there have been no audits of the Project requested as part of this approval and therefore the condition is not applicable for this reporting period.

2.13 CONDITION 23

Condition- For each **independent audit**, the approval holder must:

- a. provide the name and qualifications of the independent auditor and the draft audit criteria to the **Department**;
- b. only commence the **independent audit** once the audit criteria have been approved in writing by the **Department**; and
- c. submit an audit report to the **Department** within the timeframe specified in the approved audit criteria.

Compliance- there have been no audits of the Project as part of this approval and therefore the condition is not applicable for this reporting period.

2.14 CONDITION 24

Condition- The approval holder must publish the audit report on the **website** within 10 business days of receiving the **Department's** approval of the audit report and keep the audit report published on the **website** until the end date of this approval.

Compliance- there have been no audits of the Project as part of this approval and therefore the condition is not applicable for this reporting period.

2.15 CONDITION 25

Condition- Within 30 days after the **completion of the action**, the approval holder must notify the **Department** in writing and provide **completion data**.

Compliance- The Project will comply with this condition when the action is completed, however this has not occurred within the reporting period.

3 EPBC APPROVAL CONDITIONS AND COMPLIANCE TABLE

The following table outlines compliance throughout the reporting period.

| Condition number | Condition | Is the Project Compliant | Evidence Comments |
|------------------|---|--------------------------|--|
| 1 | To minimise impacts to protected matters, the approval holder must not clear more than 1,056 hectares within the 11,940-hectare development envelope. | Compliant | Table 1 details the clearing across the Project to date. The total clearing is below the allowable limit. |
| 2 | <p>To minimise impacts to protected matters, the approval holder must not abstract:</p> <p>a. more than 2.5 gigalitres per annum of groundwater from the fractured rock aquifer of the Yangibana North and West, Bald Hill and Bald Hill SE and Frasers mine pits and the paleochannel of the SipHon Borefield.</p> <p>b. any groundwater from the Gifford Creek calcrete aquifers.</p> | Compliant | 0.1094 GI were abstracted during the reporting period from the two aquifers as outlined in Table xx. |
| 3 | The approval holder must ensure the action does not cause any adverse effect on the function of groundwater dependent ecosystems (GDEs) within 5 km of the SipHon Borefield. | Compliant | An initial Flora Health assessment has been completed and shows no adverse impacts. The monitoring shall occur to continue to enable compliance with the condition to be demonstrated. |
| 4 | <p>To ensure the action does not cause adverse effect on the function of GDEs, the approval holder must provide for the approval of the Minister:</p> <p>a. description and location of all GDEs within 5 km of the SipHon Borefield</p> <p>b. performance criteria.</p> | Not Applicable | The report has not been developed or approved. |

| Condition number | Condition | Is the Project Compliant | Evidence Comments |
|------------------|--|--------------------------|--|
| | <p>c. trigger values; and</p> <p>d. limits.</p> <p>The approval holder must undertake the action in accordance with the approved performance criteria, trigger values and limits.</p> | | |
| 5 | <p>The description and location, including a map, of all identified GDEs, performance criteria, trigger values and limits must be submitted to the Minister for approval with an accompanying GDE Program prepared by a suitably qualified water resources expert, which explains the scientific basis on which the performance criteria, trigger values and limits have been derived to ensure that Condition 3 will be met. The GDE Program must include, and provide justification of:</p> <p>a. description and location, including a map, of all identified GDEs;</p> <p>b. performance criteria, trigger values and limits;</p> <p>c. an ecohydrological model, that identifies all potential impact pathways, to be used to validate current modelling and consideration of cumulative impacts which includes:</p> <p>i. confirmed ground elevations and groundwater levels;</p> <p>ii. an analysis of the saturation of the Gifford Creek calcrete within 5 km downstream of the SipHon Borefield;</p> <p>iii. a peer review, by a suitably qualified expert, of the ecohydrological model; and</p> <p>iv. a peer review, by a suitably qualified expert, of the validated groundwater model.</p> <p>d. a site-specific risk assessment, based on the ecohydrological model;</p> | Not Applicable | The report has not been developed or approved. |

| Condition number | Condition | Is the Project Compliant | Evidence Comments |
|------------------|--|--------------------------|---|
| | <p>e. proposed ongoing monitoring strategy for groundwater and GDEs within 5km of the SipHon Borefield;</p> <p>f. the procedure/methodology used to detect whether a trigger value and/or limit has been reached or exceeded;</p> <p>g. proposed mitigation strategy, including corrective action(s) if trigger values and/or limits are reached or exceeded and consideration of cumulative impacts; and</p> <p>h. proposed reporting.</p> <p>Where validation of the groundwater model determines the model is inaccurate, an updated groundwater model, peer reviewed by a suitably qualified expert, must be provided for the Ministers approval</p> | | |
| 6 | <p>The description and location of all identified GDEs, performance criteria, trigger values and limits must be provided to the Minister for written approval within 24 months of the commencement of mining stage.</p> | Not Applicable | The report has not been developed or approved. |
| 7 | <p>Unless the Minister has approved the description and location of all identified GDEs, performance criteria, trigger values and limits in writing in accordance with condition 6, the approval holder must not abstract more than:</p> <p>a. 0.164 gigalitres from SipHon Borefield, unless otherwise agreed to by the Minister in writing.</p> <p>b. 0.018 gigalitres from SipHon Borefield within any 28-day period, unless otherwise agreed to by the Minister in writing.</p> | Compliant | Figure 1 in this report shows how groundwater abstraction levels have been complied with. |

| Condition number | Condition | Is the Project Compliant | Evidence Comments |
|------------------|---|--------------------------|--|
| 8 | For each 12-month period following the date of the Minister's approval of the GDEs, performance criteria, trigger values and limits, or in accordance with a date otherwise agreed in writing by the Minister, the approval holder must submit an outcomes report prepared by a suitably qualified water resources expert for the written acceptance of the Department. Each outcomes report, for the life of the approval, must be submitted to the Department within 2 months of the end of the 12-month period that is the subject of the outcomes report. | Not Applicable | The report has not been developed or approved. |
| 9 | The outcomes report submitted under Condition 7 must include, but not be limited to: a. performance against the approved trigger values and limits, including analysis of trends capable of detecting whether any approved trigger value or limit is likely to be reached or exceed. b. any changes to the existing regulatory arrangements in place to avoid adverse effects to the function of GDEs, not limited to legislation, standards or codes or practice, governance arrangements and existing controls. | Not Applicable | The report has not been developed or approved. |
| 10 | The Minister may request the provision of additional information and specify a deadline by which the approval holder must provide this information, to substantiate an outcomes report and/or the risk to the function of GDEs. | Not Applicable | The report has not been developed or approved. |
| 11 | If, on the basis of the information provided (or that has not been provided) in an outcomes report and/or in response to a request from the Minister under these conditions, and/or other information available to the Minister, the Minister determines that the action has had, or is likely to have, an adverse effect on the function of GDEs, the Minister may notify the approval holder in writing in accordance with the provisions of Condition 12. | Not Applicable | The report has not been developed or approved. |
| 12 | If the approval holder detects that a trigger value has been reached or exceeded, the approval holder must report this to the Minister in writing within ten business days of the | Not Applicable | The report has not been developed or approved. |

| Condition number | Condition | Is the Project Compliant | Evidence Comments |
|------------------|--|--------------------------|--|
| | detection. If a trigger value is reached or exceeded, the approval holder must submit within two (2) months of the detection, any proposed corrective action(s) to the Minister in writing and demonstrate that the proposed corrective action(s) will not result in impacts beyond the scope of the action. | | |
| 13 | If the approval holder detects that a limit has been reached or exceeded, the approval holder must report this to the Minister in writing within three business days of the detection. The approval holder must cease all groundwater abstraction associated with the action within ten business days of detecting that a limit has been reached or exceeded, or of receiving notification that the Minister has determined that an adverse effect on the function of GDEs has occurred or is likely to occur. | Not Applicable | The report has not been developed or approved. |
| 14 | After a limit has been reached or exceeded, the approval holder must not recommence groundwater abstraction until the impact has been reversed, or the Minister has agreed, in writing, that no adverse effect on the function of GDEs has occurred, is occurring, or likely to occur, and approval to recommence groundwater abstraction has been given by the Minister in writing. Approval to recommence groundwater abstraction may be subject to conditions that the Minister considers reasonable. The Minister may direct the approval holder to implement corrective action(s) at the approval holder's expense. | Not Applicable | The report has not been developed or approved. |
| 15 | The approval holder must notify the Department in writing of the date of commencement of the action and the date of commencement of each stage of the action within 10 business days after the date of commencement of the action or the relevant stages of the action. | Compliant | The department was notified of the commencement of the Project on 4 February 2022. This has been acknowledged by the department. |
| 16 | If the commencement of the action does not occur within 5 years from the date of this approval, then the approval holder must not commence the action without the prior written agreement of the Minister. | Compliant | The Project has commenced within the timeframe and therefore the condition is satisfied |

| Condition number | Condition | Is the Project Compliant | Evidence Comments |
|------------------|--|--------------------------|---|
| 17 | The approval holder must maintain accurate and complete compliance records. | Compliant | Compliance records are being kept at site. |
| 18 | If the Department makes a request in writing, the approval holder must provide electronic copies of compliance records to the Department within the timeframe specified in the request. | Not Applicable | No requests have been received, but should one be received, the Project would be in a position to comply. |
| 19 | <p>The approval holder must prepare a compliance report for each 12-month period following the date of commencement of the action, or otherwise in accordance with an annual date that has been agreed to in writing by the Minister. The approval holder must:</p> <ul style="list-style-type: none"> a. publish each compliance report on the website within 60 business days following the relevant 12 month period; b. notify the Department by email that a compliance report has been published on the website and provide the weblink for the compliance report within five business days of the date of publication; c. keep all compliance reports publicly available on the website until this approval expires; d. exclude or redact sensitive ecological data from compliance reports published on the website; and e. where any sensitive ecological data has been excluded from the version published, submit the full compliance report to the Department within 5 business days of publication. <p>Note: Compliance reports may be published on the Department’s website.</p> | Compliant | This document forms the first compliance report covering the period 1 March 2022 to 28 February 2023. The requirements to publish and report will be satisfied as part of the report development process. |

| Condition number | Condition | Is the Project Compliant | Evidence Comments |
|------------------|--|--------------------------|---|
| 20 | <p>The approval holder must notify the Department in writing of any: incident; non-compliance with the conditions; or non-compliance with the commitments made in plans. The notification must be given as soon as practicable, and no later than two business days after becoming aware of the incident or non-compliance. The notification must specify:</p> <ul style="list-style-type: none"> a. any condition which is or may be in breach. b. a short description of the incident and/or non-compliance; and c. the location (including co-ordinates), date, and time of the incident and/or non-compliance. In the event the exact information cannot be provided, provide the best information available. | Not Applicable | No incidents have occurred throughout the reporting period. |
| 21 | <p>The approval holder must provide to the Department the details of any incident or non-compliance with the conditions or commitments made in plans as soon as practicable and no later than 10 business days after becoming aware of the incident or non-compliance, specifying:</p> <ul style="list-style-type: none"> a. any corrective action or investigation which the approval holder has already taken or intends to take in the immediate future; b. the potential impacts of the incident or non-compliance; and c. the method and timing of any remedial action that will be undertaken by the approval holder. | Not Applicable | No incidents have occurred throughout the reporting period. |
| 22 | <p>The approval holder must ensure that independent audits of compliance with the conditions are conducted as requested in writing by the Minister.</p> | Not Applicable | No audits have been requested. The Project will comply with the requirements of any future requested audit. |

| Condition number | Condition | Is the Project Compliant | Evidence Comments |
|------------------|---|--------------------------|---|
| 23 | <p>For each independent audit, the approval holder must:</p> <ul style="list-style-type: none"> a. provide the name and qualifications of the independent auditor and the draft audit criteria to the Department; b. only commence the independent audit once the audit criteria have been approved in writing by the Department; and c. submit an audit report to the Department within the timeframe specified in the approved audit criteria. | Not Applicable | No audits have been requested. The Project will comply with the requirements of any future requested audit. |
| 24 | The approval holder must publish the audit report on the website within 10 business days of receiving the Department's approval of the audit report and keep the audit report published on the website until the end date of this approval. | Not Applicable | No audits have been requested. The Project will comply with the requirements of any future requested audit. |
| 25 | Within 30 days after the completion of the action, the approval holder must notify the Department in writing and provide completion data. | Not Applicable | The Project is not complete at this stage. |

4 NEW ENVIRONMENTAL RISKS

No new risks have been identified during this reporting period.

5 OTHER INFORMATION

For the next reporting period the focus will be on satisfying conditions 4-14. The Project will require groundwater for mining and beneficiation activities and will therefore need the full 2.5GL pa allocation. The Project understands the requirement to have the Ecohydrological Plan in place and will seek to get this developed and approved as soon as possible.

The monitoring at the borefield that has occurred to date will be continued to better understand the response to the aquifer from constant pumping. Currently the paleochannel aquifer shows little broad drawdown from dewatering and other Project activities.

At various stages throughout the reporting period bores were equipped with level loggers to supply real time information of water table response to groundwater abstraction. The logger data will be supplied in future iterations of this report.