

Hon. Judy Edwards, MLA

MINISTER FOR THE ENVIRONMENT AND HERITAGE

Dear Minister

Yakabindie Nickel Project - Extension of Approval Period

Thank you for your memo of 6 July 2001 seeking advice in regard to the request by the proponent, WMC Resources Ltd, for an additional extension of the approval period beyond that allowed for under Condition 11 of Statement 430 for the Yakabindie Nickel Project. The advice set out below constitutes a report pursuant to section 46 of the *Environmental Protection Act 1986* (EP Act).

The project was originally approved in December 1990 and has since been the subject of four reviews under section 46 of the EP Act. The first and second reviews were for expansions of the proposal and the third review was for an extension of the approval period, which had expired in December 1995. The most recent review was approved in October 1996 under Statement 430 for an expansion of the proposal, and included an approval period of only two years, which expired in October 1998. This two year approval period was included because of the extension of approval already granted to this proposal.

Condition 11 of Statement 430 allowed for an approval period of two years with provision for an extension of approval period for an additional three years, subject to the Minister's consent. In September 1998, such an approval was granted by your predecessor. As mining has not yet commenced, this approval now expires in October 2001.

The Environmental Protection Authority (EPA) has traditionally recommended five year approval periods for commencement of a project to take into account changes in community expectations and improving standards of environmental management. If a proposal has not commenced in that time, the EPA would want to revisit the assessment to ascertain whether new or amended conditions should be introduced.

In the case of Yakabindie Nickel, the assessment was undertaken about ten years ago but the project has not commenced. However, very recently WMC Resources Ltd became the proponent for the project. The last paragraph of the letter from WMC applying for the extension sets out that "WMC would be happy to provide further detailed submissions if required".

Noting that there is now a new proponent and that the proponent would provide a detailed submission on their future plans, the EPA is of the view that the request by WMC to amend the Environmental Condition (No. 11) to extend the time period for commencement should be approved for one year in the first instance so as to provide time for the Company to submit a detailed submission to the EPA in relation to their plans for future activities.

Recommendation

That Environmental Condition 11 of Ministerial Statement 430 be amended to delete the word "three" and insert "four" in its place.

The effect of this would be to extend the approval to October 2002.

Yours sincerely

Bernard Bowen
CHAIRMAN

24 July 2001

Encl.