

CLEARING PERMIT

Granted under section 51E of the Environmental Protection Act 1986

PERMIT DETAILS

Purpose Permit Number:

3045 / 1

File Number:

A0464/200901

Duration of Permit:

From 22 August 2009 to 31 July 2014

PERMIT HOLDER

Galaxy Resources Limited

LAND ON WHICH CLEARING IS TO BE DONE

Mining Lease 74/12 Mining Lease 74/182

PURPOSE FOR WHICH THE CLEARING MAY BE DONE

1. Clearing for the purpose of mineral production.

Type of clearing authorised

1. The Permit Holder must not clear more than 15 hectares of native vegetation. All clearing must be within the area cross-hatched yellow on attached Plan 3045/1.

Avoid, minimise etc clearing

- 2. In determining the amount of native vegetation to be cleared authorised under this Permit, the Permit Holder must have regard to the following principles, set out in order of preference:
 - (i) avoid the clearing of native vegetation;
 - (ii) minimise the amount of native vegetation to be cleared; and
 - (iii) reduce the impact of clearing on any environmental value.

Dieback and weed control

- 3. (a) When undertaking any clearing or other activity authorised under this Permit, the Permit Holder must take the following steps to minimise the risk of the introduction and spread of *weeds* and *dieback*:
 - (i) clean earth-moving machinery of soil and vegetation prior to entering and leaving the area to be cleared;
 - (ii) ensure that no *dieback* or *weed*-affected soil, *mulch*, *fill* or other material is brought into the area to be cleared; and
 - (iii) restrict the movement of machines and other vehicles to the limits of the areas to be cleared.
 - (b) At least once in each 12 month period for the term of this Permit, the Permit Holder must remove or kill any *weeds* growing within areas cleared under this Permit.

Retain vegetative material and topsoil

4. The Permit Holder shall retain the vegetative material and topsoil removed by clearing authorised under this Permit and stockpile the vegetative material and topsoil in an area that has already been cleared.

Offsets

- 5. If part or all of the clearing to be done is or may be at variance with one or more of the clearing principles, then the Permit Holder must implement an *offset* in accordance with Conditions 5(a) and 5(b) of this Permit with respect to that clearing.
 - (a) Determination of offsets:
 - (i) in determining the *offset* to be implemented with respect to a particular area of native vegetation proposed to be cleared under this Permit, the Permit Holder must have regard to the *offset* principles contained in condition 5(b) of this Permit;
 - (ii) once the Permit Holder has developed an offset proposal, the Permit Holder must provide that offset proposal to the Director, Environment Division, Department of Mines and Petroleum, for the Director, Environment Division, Department of Mines and Petroleum's approval prior to undertaking any clearing to which the offset relates, and prior to implementing the offset;
 - (iii) clearing may not commence until and unless the Director, Environment Division, Department of Mines and Petroleum has approved the *offset proposal* to which the clearing relates;
 - (iv) the Permit Holder shall implement the offset proposal approved under condition 5(a)(iii); and
 - (v) each *offset proposal* shall include a direct offset, timing for implementation of the *offset proposal* and may additionally include *contributing offsets*.
 - (b) For the purpose of this Condition, the offset principles are as follows:
 - (i) direct offsets should directly counterbalance the loss of the native vegetation;
 - (ii) contributing offsets should complement and enhance the direct offset;
 - (iii) offsets are implemented only once all avenues to avoid, minimise, rectify or reduce environmental impacts have been exhausted;
 - (iv) the environmental values, habitat, species, *ecological community*, physical area, ecosystem, landscape, and hydrology of the *offset* should be the same as, or better than, that of the area of native vegetation being *offset*;
 - (v) a ratio greater than 1:1 should be applied to the size of the area of native vegetation that is offset to compensate for the risk that the *offset* may fail;
 - (vi) offsets must entail a robust and consistent assessment process;
 - (vii) in determining an appropriate offset, consideration should be given to ecosystem function, rarity and type of ecological community, vegetation condition, habitat quality and area of native vegetation cleared;
 - (viii) the *offset* should either result in no net loss of native vegetation, or lead to a net gain in native vegetation and improve the condition of the natural environment;
 - (ix) offsets must satisfy all statutory requirements;
 - (x) offsets must be clearly defined, documented and audited;
 - (xi) offsets must ensure a long-term (10-30 year) benefit; and
 - (xii) an environmental specialist must be involved in the design, assessment and monitoring of offsets.

Records to be kept

- 6. The Permit Holder must maintain the following records for activities done pursuant to this Permit:
 - (a) In relation to the clearing of native vegetation authorised under this Permit:
 - (i) the location where the clearing occurred, recorded using a Global Positioning System (GPS) unit set to Geocentric Datum Australia 1994 (GDA94), expressing the geographical coordinates in Eastings and Northings;
 - (ii) the date that the area was cleared;
 - (iii) the size of the area cleared (in hectares): and
 - (iv) purpose for which clearing was undertaken.
 - (b) In relation to the *offset* of areas pursuant to Condition 5:
 - (i) the location of any area of offsets recorded using a Global Positioning System (GPS) unit set to Geocentric Datum Australia 1994 (GDA94), expressing the geographical coordinates in Eastings and Northings;
 - (ii) a description of the offset activities undertaken; and
 - (iii) the size of the offset area (in hectares).

Reporting

- 7. (a) The Permit Holder shall provide a report to the Director, Environment Division, Department of Mines and Petroleum by 31 July each year for the life of this permit, demonstrating adherence to all Conditions of this permit, and setting out the records required under Conditions 6(a) and 6(b) of this permit in relation to clearing carried out between 1 July and 30 June of the previous financial year.
 - (b) Prior to 31 July 2014, the Permit Holder must provide to the Director, Environment Division, Department of Mines and Petroleum a written report of records required under Conditions 6(a) and 6(b) of this Permit where these records have not already been provided under condition 7(a) of this Permit.

Definitions

condition means the rating given to native vegetation using the Keighery scale and refers to the degree of change in the structure, density and species present in the particular vegetation in comparison to undisturbed vegetation of the same type;

contributing offset/s has the same meaning as is given to that term in the Environmental Protection Authority's Position Statement No.9: Environmental Offsets, January 2006;

dieback means the effect of *Phytophthora* species on native vegetation;

direct offset/s has the same meaning as is given to that term in the Environmental Protection Authority's Position Statement No.9: Environmental Offsets, January 2006;

ecological community/ies means a naturally occurring biological assemblage that occurs in a particular type of habitat (English and Blythe, 1997; 1999);

environmental specialist means a person who is engaged by the Permit Holder for the purpose of providing environmental advice, who holds a tertiary qualification in environmental science or equivalent, and has experience relevant to the type of environmental advice that an environmental specialist is required to provide under this Permit;

fill means material used to increase the ground level, or fill a hollow;

mulch means the use of organic matter, wood chips or rocks to slow the movement of water across the soil surface and to reduce evaporation;

offset/s means an offset required to be implemented under condition 5 of this Permit;

offset proposal means an offset determined by the Permit Holder in accordance with condition 5 of this Permit;

weed/s means a species listed in Appendix 3 of the "Environmental Weed Strategy" published by the Department of Conservation and Land Management (1999), and plants declared under section 37 of the Agricultural and Related Resources Protection Act 1976.

Phil Gorey

DIRECTOR

ENVIRONMENT DIVISION

DEPARTMENT OF MINES AND PETROLEUM

Officer with delegated authority under Section 20

of the Environmental Protection Act 1986

23 July 2009