

# WATER FACT SHEET



## THE FUTURE OF KARARA

- In 2017 the Karara Iron Ore Project achieved an annual iron ore concentrate production rate of 8 million tonnes per annum (Mtpa).
- Karara is now examining opportunities to increase its production rate beyond 8Mtpa consistently, as part of a broader strategy to improve the long-term economic viability of its magnetite mining operation.
- Any regular increase in the iron ore production rate will require a modest increase in water allocation to the Project.
- Karara has initiated an application with the Department of Water and Environment Regulation (DWER) for an increase in its existing water allocation licence from 5 to 7 Gigalitres per annum (Glpa) with a 5C water licence application.

## KARARA MINING WATER STUDIES

Karara Mining Limited (Karara) recently commissioned an investigation to identify additional water resources that could sustainably be extracted from the Yandanooka borefield within the Parmelia aquifer.

Groundwater levels across the Parmelia aquifer have continued to rise despite Karara's current abstraction of 5Glpa over the past 5 years.

Available monitoring data from the Yandanooka borefield and regionally across the Parmelia aquifer system, indicate that additional water can be sustainably sourced from this aquifer.

Karara believes a modest increase in water allocation from 5 to 7Glpa is sustainable following scientific research and peer-reviewed hydrogeological modelling completed by Rockwater Pty Ltd, a leading independent hydrogeological and environmental consultancy.

Research suggests that increased abstraction from the Parmelia aquifer will not harm the aquifer or the surface environment, and may in fact be beneficial in the management of issues associated with rising water tables in the area.

Karara will continue working closely with landowners, business, communities and Government to achieve a sustainable and responsible outcome around water usage and to ensure the long-term viability of the Karara Iron Ore Project.

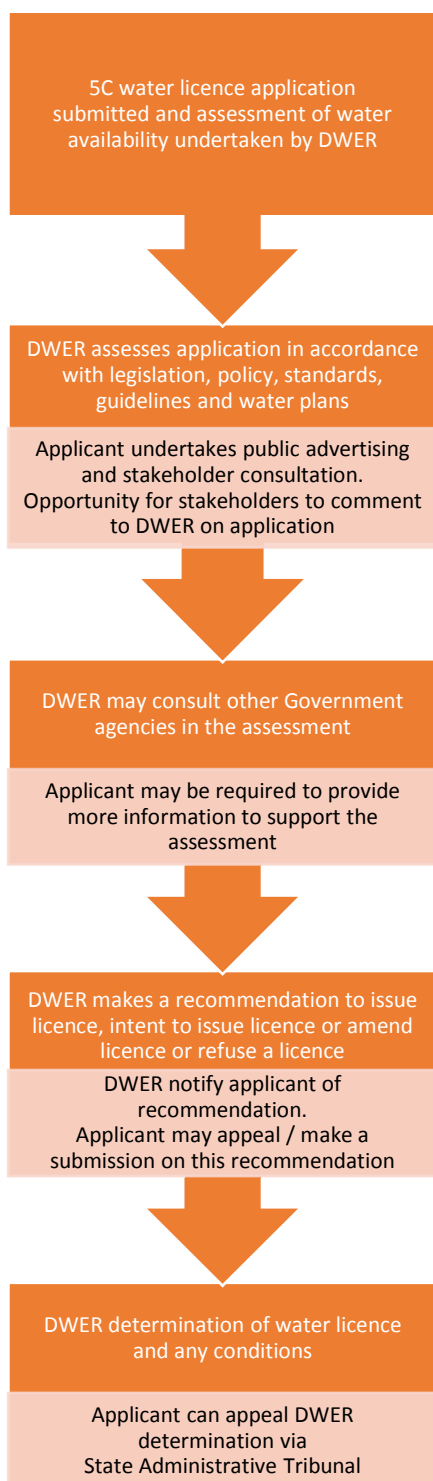
Department of Water and Environment Regulation (DWER) will conduct a separate water review of the groundwater area and assess any availability of water for this application. If DWER determines that allocation limits can be increased, Karara will then advertise the application and public consultation will commence.

There will be a formal opportunity for stakeholders to comment to DWER on the application. A flow chart outlining this process is detailed overleaf.

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# WATER LICENCE APPLICATION PROCESS

Karara Mining Limited (Karara) is seeking an increase in its annual water licence allocation from 5 to 7 Glpa from the Department of Water and Environment Regulation (DWER), Western Australia



## WATER LICENSING

DWER administers the Rights in Water and Irrigation Act (1914) providing and granting licences and permits to take water and undertake certain works.

DWER in consultation with decision making authorities considers potential impacts on the State's water resources from future land planning and development proposals, including mining operation water applications and changes to existing licensing. Assessment can consider factors such as drinking water source areas, watercourses and estuaries, floodplains and underground aquifers.

Applications to amend or renew a water licence are assessed on an individual, transparent and equitable basis in accordance with the requirements of the Rights in Water and Irrigation Act 1914, licensing policies and water allocation plans. There is a defined application process in seeking to amend an existing water licence, including a 5C water licence application and public advertising of this application in combination with community and stakeholder feedback; all of which is considered and assessed by DWER.

## ASSESSMENT OF APPLICATION

Consideration is given to both the short and long-term economic, environmental and social impacts of granting and / or refusing licences and takes into consideration the following:

- Is the application in the public interest, environmentally acceptable and ecologically sustainable?
- Does the application prejudice current and future needs for water, or is it, in the opinion of the department, likely to have a detrimental effect on another licencees' use of water?
- Can the water be provided by another source?
- Is the application in keeping with local practices, or a water allocation plan approved by the department?
- Is the proposed development consistent with current land use planning, requirements and policies of other government agencies, or any intergovernmental agreement or arrangement?
- A licence assessment may not be limited to these considerations. The department may require an applicant to provide further information to enable an assessment to be undertaken on a case-by-case basis.

## FURTHER INFORMATION

[www.water.wa.gov.au/licensing/water-licensing](http://www.water.wa.gov.au/licensing/water-licensing) | +61 8 6364 7000

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