

Our ref: 20172622:ATH

11 May 2018

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Aboriginal Land Commissioner  
Office of the Aboriginal Land Commissioner  
GPO 9932  
Darwin NT 0801

**Senior Associates:**  
Emma Farnell  
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Dear Commissioner Mansfield

**Conveyancing Manager:**  
Theresa Cocks

**RE: REVIEW OF DETRIMENT ISSUES - MARIA ISLAND AND LIMMEN BIGHT RIVER LAND CLAIM NO 71 AND PART OF MARIA ISLAND REGION LAND CLAIM NO 198; LOWER ROPER RIVER LAND CLAIM NO 70**

**Darwin**  
Level 7, NT House,  
22 Mitchell Street  
T 08 8946 2999

I write on behalf of Northern Territory Iron Ore Pty Ltd (**NTIO**), with respect to the review of detriment issues in two matters before the Aboriginal Land Commissioner:

**Palmerston**  
Suite 2  
6 Woodlake Boulevard  
T 08 8931 3388

- Maria Island and Limmen Bight River Land Claim No 71 and part of the Maria Island Land Claim No 198 (**Limmen Bight/Maria Island Land Claim**) as contained in the Aboriginal Land Commissioner's Report of March 2002; and
- Lower Roper River Land Claim No 70 (**Lower Roper Land Claim**) as contained in the Aboriginal Land Commissioner's Report of March 2003.

**Casuarina**  
Unit 3  
293B Trower Road  
T 08 8942 2333

When referring to the land claims collectively I will simply refer to them as the Land Claims.

**Alice Springs**  
Suite 3, 1<sup>st</sup> Floor  
Mbantua Offices  
64 Todd Street  
T 08 8952 4200

NTIO is the proponent of the Roper Valley Iron Ore Project (**Project**), which will suffer detriment if either of the Land Claims are granted. This correspondence is a follow-up to two letters provided to the Aboriginal Land Commissioner from Ward Keller on 30 April 2018 with regard to the Limmen Bight/Maria Island Land Claim and on 3 May 2018 with regard to the Lower Roper Land Claim. This correspondence provides more detail about the Project and updates the detriment that may be suffered if either of the Land Claims is granted.

The detriment will be virtually identical under either of the Land Claims, so the detriment review for both will be addressed in this letter. As noted in the earlier correspondence, however, I ask that the jurisdictional confusion between the Land Claims be addressed in Commissioner's final reports.

The Project can be thought of as an integrated linear project stretching for over 100 kilometres west from the mouth of the Roper River in and along the Roper Valley. Even though the Land Claims affect only one component of the Project

near the mouth of the Roper River, discussing the Project as a whole places the detriment in a fuller context.

The attached map from the Notice of Intent for the Project (Annexure 1) provides visual representation of the Project's geographic breadth. At the western end of the Project are a number of mineral tenements located 100-150 kilometres east of Mataranka. One of the major deposit areas is located approximately 15 kilometres west and north of Minyerri. The other is located approximately 50 kilometres west of Ngukurr. Iron ore will be transported from the mining areas via existing roads that will be upgraded as part of the Project, primarily Hodgson River Road, Roper Highway, Nathan River Road, and Port Roper Road, to a Barge Loading Facility (**BLF**) at SPL 219 near the mouth of the Roper River. Iron Ore will be loaded onto the barges at the BLF and transhipped to ocean going vessels some 40 kilometres offshore in the Gulf of Carpentaria.

In some respects, the project is a successor to what was known as the Sherwin Iron Ore Project (**SIO Project**). In March 2013 Sherwin Iron received approval of a Mining Management Plan from the Northern Territory Government for the extraction of 200,000 tonnes of bulk iron ore sample from one of the tenements now owned by NTIO. Bulk sample mining commenced in June 2013 and the ore was trucked to Darwin for export through the Port of Darwin. The first iron ore shipment left Darwin in September 2013.

Over the subsequent several months further approval for larger bulk samples were obtained and four additional shipments of 273,000 tonnes were made. In July 2014, however, Sherwin Iron encountered financial difficulties and went into voluntary administration, and the SIO Project went into care and maintenance.

NTIO acquired Sherwin Iron's assets in September 2016. Those assets, though, did not include SPL 219. That was acquired from a different entity in March 2017.

The Project is different enough from the SIO Project that its own environmental assessment is required pursuant to the *Environmental Assessment Act* (NT), an assessment that is currently underway. As noted in the earlier correspondence, the Commonwealth has also determined that the Projected is a Controlled Action under the *Environment Protection and Biodiversity Conservation Act 1999* (Cth) and has advised the Northern Territory Environmental Protection Authority (**NTEPA**) that the Project must be assessed by the NTEPA under the bilateral agreement between the Commonwealth and the Northern Territory.

The life of the mine is expected to be more than 20 years, with the mineral resource (Direct Shipping Ore) estimated to be greater than 40 million tonnes at 58% Fe. The Project includes improvements to approximately 235 kilometres of existing roads, including widening and sealing some sections of the roads and works to improve wet season access conditions.

The BLF at SPL 219 will include berthing piles driven into the river bed adjacent to the riverbank. Barges will moor along the berthing piles to be loaded before being towed to sea for transhipment.

The macro-level detriment is the most obvious. A grant of either of the Land Claims could prevent operation of the Project. While the BLF may look like it is only a small component of the Project, it is amongst the most critical to the Project's viability. There is no other cost-effective means to get the resources to market. Anything that prevents or makes more costly transport of the ore has the potential to put the Project in jeopardy.

Putting the Project at risk means putting the jobs that will be directly generated by the Project at risk. Table 4.1 in the Notice of Intent for the Project (Annexure 2) indicates 200-400 jobs



will be directly created during the construction phase of the Project, with operation of the Project directly resulting in 150-300 jobs.<sup>1</sup>

The investment NTIO has made and the further investment of over \$250 million it intends to make in the Project would also be placed in jeopardy.

Regional economic opportunity would also be placed in jeopardy. The improvements planned for the road network will be to public roads, improvements that will increase safe and reliable access through the Roper Valley. A grant of the Land Claim places these road improvements at risk because the improvements are part of the Project.

NTIO has, in consultation with the Northern Territory Government and with the support of local communities, taken a deliberate decision to pursue a transport and logistics solution for the Project that involves the upgrade and use of public roads to transport iron ore products to the BLF. These roads will be built to appropriate public road standards and be made available for use by both the Project and the general public.

The roads to be sealed and upgraded as part of the Project development include:

- Approximately 40 km of the Roper Highway from the current end of the bitumen seal at Fizzer Creek to the start of the recently completed high level bridges at Roper and Wilton rivers (built at a cost of \$50 million);
- Approximately 85 km of the Nathan River Road to the Port Roper Road turnoff; and
- Approximately 45 km of the Port Roper Road.

These roads not only link remote Indigenous communities with the Stuart Highway, but in the case of the Roper Highway and Nathan River Road, form part of the Savannah Way, described in numerous tourist publications as "*Australia's Adventure Drive, linking Cairns in Tropical North Queensland with the historic pearling town of Broome in Western Australia's Kimberley, via the natural wonders of Australia's tropical savannahs and the Northern Territory's Top End.*" The Port Roper Road provides the only road access to the mouth of the Roper River, an important site for traditional, commercial and recreational fishing activities.

Yours faithfully  
**WARD KELLER**



**BRADLY TORGAN**  
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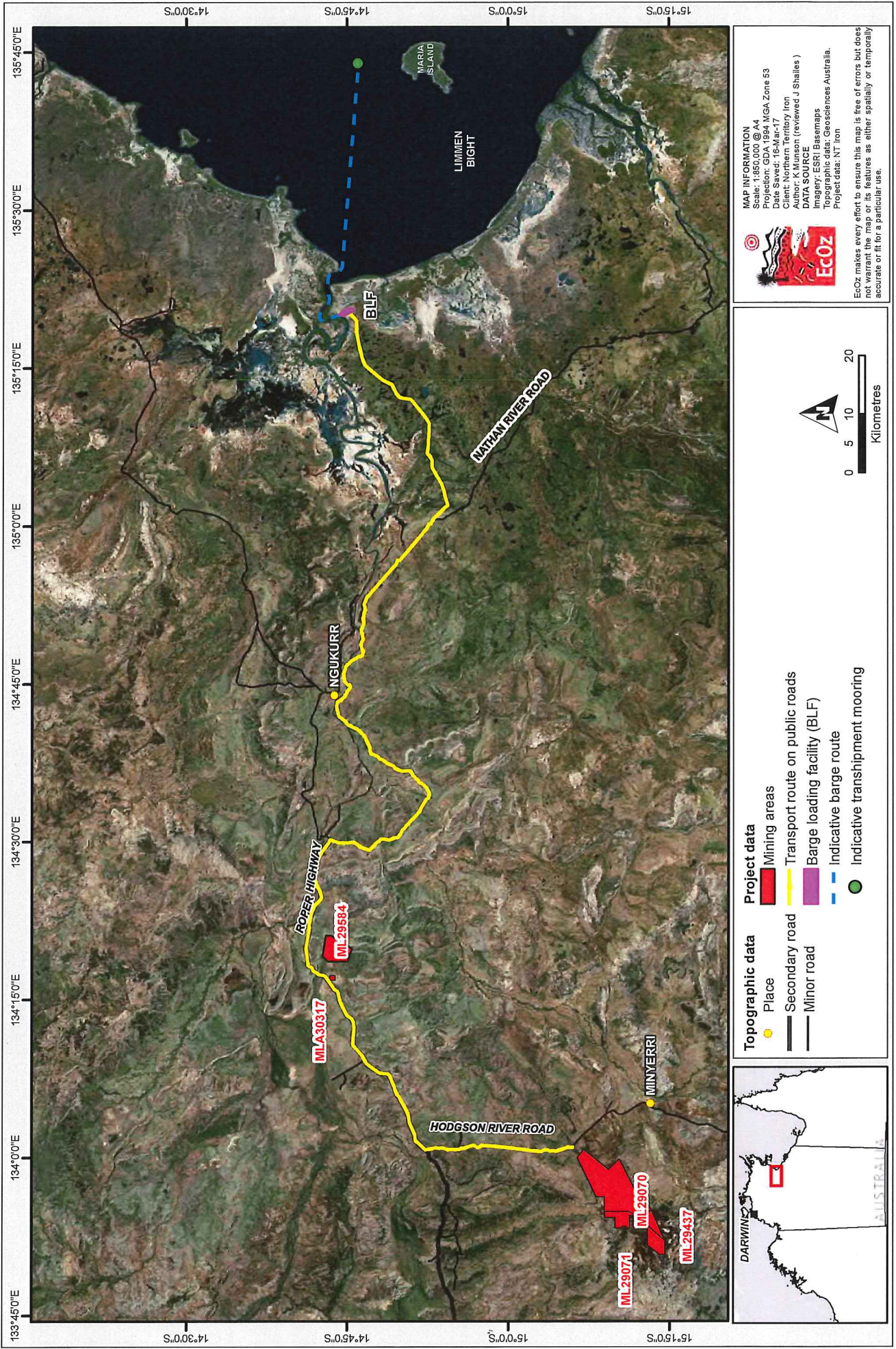
cc: [elena.zola@network.pmc.gov.au](mailto:elena.zola@network.pmc.gov.au)

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<sup>1</sup> The entire Notice of Intent is available on the NTEPA website at [https://ntepa.nt.gov.au/data/assets/pdf\\_file/0008/453158/noi\\_roper\\_valley\\_iron\\_ore.pdf](https://ntepa.nt.gov.au/data/assets/pdf_file/0008/453158/noi_roper_valley_iron_ore.pdf).

# Annexure 1





Path: Z:\01 EcOz\_Documents\04 EcOz\_Venue GIS\NT Iron Ore\EZ16141011 Project Files\Detailed location.mxd

**Figure 3. Location of project components**

# Annexure 2





## 4 Project Description

This section provides a detailed description of the activities proposed as part of the project.

### 4.1 Project overview

The project will involve the following main elements:

- open pit mining at Deposits C, W and X
- ore processing
- road transport to a BLF
- barge loading and transshipment to OGV
- supporting infrastructure and services.

An overview of key project components is provided in Table 4-1. Additional feasibility studies have commenced, the results of which will inform more detailed project planning.

**Table 4-1. Project components and associated detail**

Component	Overview
Proposed Construction Commencement	Q2 2018 (constrained by timely receipt of approvals)
Proposed Operation Commencement	Q2 2019
Life of Mine	>20 years
Mineral Resource (Direct Shipping Ore)	>40 Mt @ 58% Fe
Mineral Resource (In Situ)	>490 Mt @ 42% Fe
Marketable Iron Ore	150 – 300 Mt @ 56 – 58 % Fe
Production Rate (Direct Shipping Ore)	2 – 6 Mtpa
Production Rate (Low Grade Ore)	2 – 6 Mtpa
Beneficiation Process	Crushing ± grinding ± size separation ± gravity separation ± magnetic separation
Process mass yield	40% – 70%
Combined DSO + Concentrate Output	2 – 10 Mtpa
Project Water Demand	300 ML/pa to produce 2 Mtpa Direct Shipping Ore Only (minimum water demand) 2,000 ML/pa to produce 6 Mtpa of Iron Ore Concentrate (maximum water demand)
Project Water Supply	Harvested surface water flows and recycled water ± groundwater bores
Mining Method	Open Pit with some waste backfill
Strip Ratio	2:1 Waste : Direct Shipping Ore (DSO) + Low Grade Ore (LGO)
Number of Open Pits	3 – 10
Depth of Open Pits	10m to 40m below surface
Crushing Rate	2 – 12 Mtpa
Product Quality	56 – 58 % Fe



Component	Overview
Product Logistics (land)	Road train on upgraded public roads to BLF
Product Logistics (marine)	Shallow draft (<4m) barges loaded from stockpiles at the BLF towed by shallow draft tugs to OGV loading point ± 40km offshore from Roper River mouth
Mine Area disturbance footprint	± 2,400 ha
BLF footprint	± 100 ha
Barge route seabed disturbance footprint	nil
OGV sea bed disturbance footprint	Single point mooring
Public road upgrade	± 160 km for Area C plus a further ± 75 km for Area X&W
Workforce Accommodation	Demountable buildings at mine area(s) and BLF
Workforce (construction)	200 – 400 direct, + indirect
Workforce (operations)	150 – 300 direct, + indirect

Each of these components, together with the proven mineral resources, are more fully described in the sections below.

## 4.2 Project footprint

The disturbance footprint for the project will involve the following components:

- Mining Areas
  - Internal access and haul roads
  - Pits
  - Topsoil stockpiles
  - Waste rock stockpiles
  - LGO stockpiles
  - DSO stockpiles
  - Product stockpiles (mine)
  - Crushing, screening and ore processing hardstands
  - Process reject storage facilities
  - Workshop, warehouse and vehicle parking hardstands
  - Office hardstands
  - Accommodation
- Water storage dams and pipelines<sup>1</sup>
- Public road upgrades
- BLF
  - Berthing and loading facilities
  - Product stockpiles

<sup>1</sup> Requirements to be determined following further development of water sourcing strategy