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Weld Range Iron Ore Project

Dust Management Plan

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TERMS AND ABBREVIATIONS GLOSSARY

ALARP	As Low As Reasonably Practicable
ANFO	Ammonium Nitrate Fuel Oil
ВоМ	Bureau of Meteorology
СР	Central Processing
CSIRO	Commonwealth Scientific and Industry Research Organisation
DOE	Department of Environment
DSO	Direct Shipping Ore
EETM	Emission Estimation Technique Manual
EPA	Environmental Protection Agency (WA unless stated otherwise)
EPP	Environmental Protection Policy
Mtpa	Million Tonnes per Annum
NEPC	National Environmental Protection Council
NEPM	National Environmental Protection Measure
NPI	National Pollution Inventory
PM2.5	Particulate Matter 2.5 microns or smaller
PM10	Particulate Matter 10 microns or smaller
ROM	Run of Mine
SKM	Sinclair Knight Merz
SMC	Sinosteel Midwest Corporation
TSP	Total Suspended Particulate Matter
USEPA	United States Environmental Protection Agency
WRIOP	Weld Range Iron Ore Project

DEFINITIONS

Audit	Systematic examination to determine whether activities and related results conform to planned arrangements and whether these arrangements are implemented effectively and are suitable for achieving the environmental policies and objectives
As low as reasonably practicable (ALARP)	a level of risk wherein the cost of any further risk reduction measure is grossly disproportionate to the risk reduction it would achieve
Corrective action	an action implemented to eliminate the cause of a non-conformity or incident in order to prevent recurrence. The corrective action is commensurate with the severity of the non-conformity, incident or potential incident
Environment	surroundings in which an organization operates, including air, water, land, natural resources, flora, fauna, humans, and their interrelation
Environmental aspects and impacts	an environmental aspect is any organisation's activity that can impact on the environment, being either positive or negative e.g. removal of topsoil is an aspect, the impact may be harm to native vegetation
Hazard	source or situation with a potential for harm in terms of human injury or ill health, damage to property, damage to the workplace environment, or a combination of these
Hazard/risk assessment	in Australia, the term "risk assessment" is used to mean the overall process of estimating the magnitude of risk and deciding what actions will be taken
Non-conformance	any deviation from work standards, practices, procedures, regulations, management system performance etc. that could either directly or indirectly lead to an injury or illness, property damage, damage to the workplace environment, or a combination of these
Environmental Objectives	overall environmental goal, arising from the environmental policy, that an organisation sets itself to achieve, and which is quantified where practicable
Environmental Policy	statement by the organization of its intentions and principles in relation to its overall environmental performance which provides a framework for action and for the setting of its environmental objectives and targets
Risk	risk is the effect of uncertainty on business objectives. Risk is measured in terms of the consequences of a risk event and the likelihood of their occurrence. The consequences of a risk event may be positive or negative



Safety freedom from danger: protection from or non-exposure to the risk of harm or injury



1.0 INTRODUCTION

Western Australia's economy is heavily dependent on mineral resource projects and its future growth and development rely on the continued viability of resource development projects. The Weld Range Iron Ore Project will provide financial and social benefits for the area through employment, infrastructure and flow-on effect to the non-mining sector.

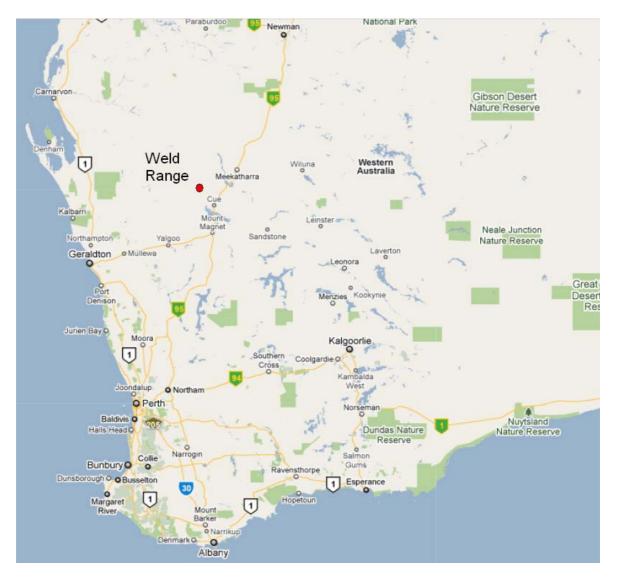


Figure 1.1 Location Map

Sinosteel Midwest Corporation Ltd (SMC) is an incorporated entity set up to conduct mineral exploration, engineering, environmental and economic studies into the feasibility to mine Weld Range 60km NW of Cue.

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The Weld Range Iron Ore Project (the Project) is a direct shipping iron ore project with high grade outcrops over a 60 km strike length. SMC is targeting to export 15 million tonnes per annum (Mtpa) of iron ore over a 15 year period, however, this Management Plan covers the first 11 years of planned operations. To implement this project, major infrastructure will be designed, installed and constructed immediately, with production scheduled for 2014, and decommissioning in 2024.

There are a number of potentially significant environment impacts expected as a result of the Project. As a result, environment management plans for the significant factors have been developed as a primary method of controlling, managing and monitoring these known and expected environmental impacts. The management plans and elements of the Project's Environmental Management System (EMS) that will be used to achieve the environmental objectives, targets and commitments of the Project and the application of mitigation measures.

It is a primary objective that all environmental impacts during operation of the Project are avoided or minimised as far as reasonably practicable; consistent with the principles of environmental protection. Environmental impacts will also be evident during construction of the Project infrastructure and the objectives and management practices within these plans will also apply to these construction activities.

Compliance with commitments outlines in this document will be internally audited by SMC and subject to external audits by the relevant regulatory agencies, including the Department of Environment and Conservation (DEC) and the Department of Mines and Petroleum (DMP).

1.1 Background

High grade iron ore mineralisation occurs within Weld Range as a series of outcroppings of extensive goethite haematite lodes. The proposed operations at Weld Range are expected to have a disturbance footprint of approximately 35.89 km² (3,589.1 ha), or 16 % of SMC's tenement holdings. Impact on the Weld Range from mining (pits and waste dumps) is approximately 10% of the total area of land.

Mining will occur at two main deposits, namely Beebyn and Madoonga. The ore will be fragmented at the mine face using conventional ANFO and controlled blast designs. The ore from the pits will be transported via road train to the CP, located approximately midway between the pits, and comprises road train unloading/tipping, crushing, screening, stockyards and train load out.

Ore is to be transported along a 390km rail link to a proposed deepwater port at Oakajee, north of Geraldton. State Government policy specifies that this infrastructure will be provided by a third party. Ore will be transported in rail cars on the new rail line servicing the Midwest iron ore region. The ore will be emptied from the rail cars by a rail car dumper and stacked and stockpiled prior to ship loading.

1.2 Objective

The objective of this Dust Management Plan is to:

- Identify dust emissions and sensitive receptors;
- Outline procedures for dust monitoring at sensitive receptors to ensure dust emissions meet appropriate criteria and do not cause environmental problems; and
- Describe control procedures to minimise dust emissions.

1.3 Scope of EMP

The Dust Management Plan aims to satisfy the above objectives for the Weld Range Project, namely for management of dust resulting from mining activities relating to the Beeebyn and Madoonga ore bodies.

The Management Plan applies to the operational phase of the Weld Range Project.

1.4 Climate and Meteorology

1.4.1 Temperature

The long term mean maximum and mean minimum temperature profiles for Meekatharra are presented in the Figure 1.2. This data spans the period in which temperature data was recorded at

Meekatharra (1950 – 2008). Mean maximum temperatures range from 38.2° C in January to 19° C in July. Mean minimum temperatures range from 24.3° C in January to 7.4° C in July. Very hot summers and mild winters are representative of the region.

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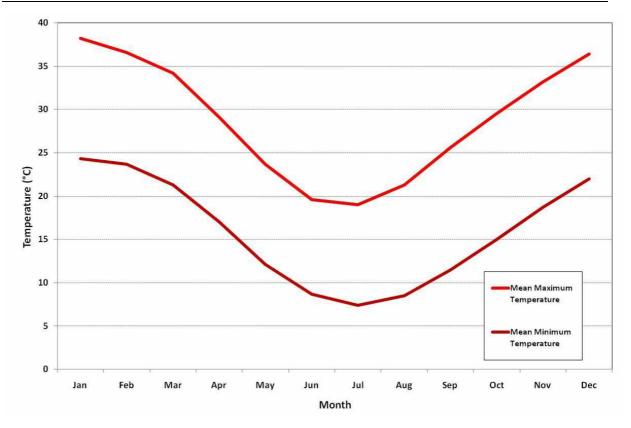


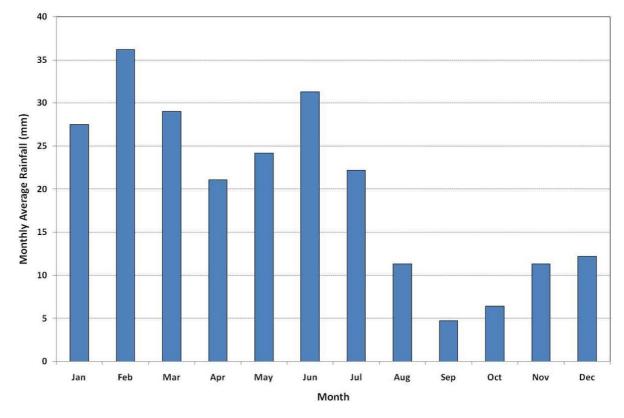
Figure 1.2 Meekatharra Mean Monthly Max and Min Temperature Profiles (1955 – 2008)

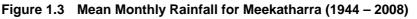
1.4.2 Rainfall

The long term mean monthly rainfall for Meekatharra is presented in the Figure 1.3. This data spans the period in which rainfall data was recorded at Meekatharra (1944 - 2008). This figure shows that the late summer and early winter months (February and June) provide the most rainfall over the year. The total annual rainfall in this region is very low (less than 250 mm per annum). September is the driest month of the year, receiving on average less than 5 mm of rainfall over the entire month. This dry environment has the potential to result in higher particulate emissions from mining activities.

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1.4.3 Relative Humidity

The long term mean relative humidity of each month is presented in Figure 1.4. These data span the period in which humidity data was recorded at Meekatharra (1950 – 2008). The morning (9am) mean relative humidity is consistently higher than the afternoon (3pm) mean. On average, humidity increases to between 41% and 63% in the winter months and decreases to between 16% and 28% in the summer months. This low humidity can increase the potential for higher particulate emissions from mining activities.

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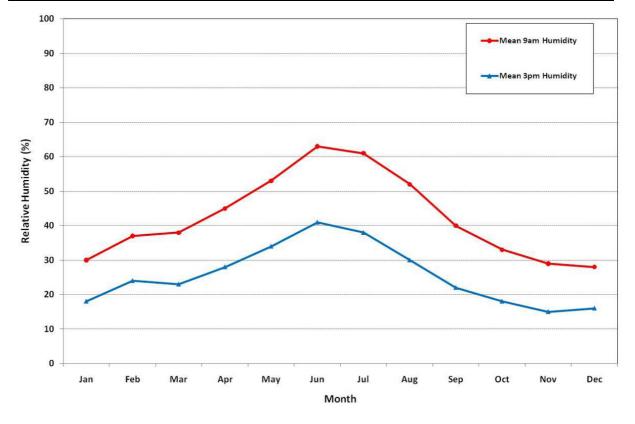


Figure 1.4 Long Term Mean Relative Humidity of each month

1.4.4 Winds

The 2003 annual wind rose for Meekatharra is presented in Figure 1.5. 2003 was used by SKM to model dust impacts as it was the year, between 2002 and 2006, with the highest number of high dust events.

Annually there is some variation of the wind speed distribution, but the general wind pattern remains consistent, ranging from the east to the south.

Seasonally:

- for January to March, eastern and south-eastern winds are predominant;
- for April to June, the main winds are from the east;
- for July to September, the winds are primarily from the east or south; and
- for October to December, the wind pattern is similar to July to September, but the wind speed is generally higher.

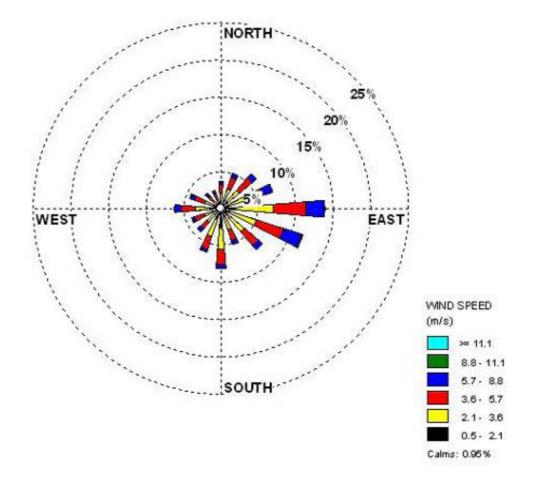


Figure 1.5 2003 Annual Wind Rose

2.0 KEY ENVIRONMENTAL PRINCIPLES AND ENVIRONMENTAL POLICY

Environmental excellence is a primary management objective and the responsibility of every team member working on the WRIOP. SMC is dedicated to continuous efforts to make its operations compatible with minimising its impacts on the environment.

3.0 ENVIRONMENTAL LEGISLATION AND POLICY

3.1 Environmental Laws and Regulations

- Environmental Protection Act 1986 (WA)
- Environmental Protection Regulations 1987 (WA)
- Soil and Land Conservation Act 1945 (WA)
- Environmental Protection (Unauthorised Discharge) Regulations 2004 (WA)
- Environmental Protection (Kwinana Atmospheric Wastes) Policy 1992

3.2 Standards and Guidance Notes

- Air quality assessment was carried out with reference to the WA Air Quality and Air Pollution Modelling Guidance Notes (DOE 2006).
- Ambient Air Quality NEPM
- National Pollution Inventory NEPM
- Commonwealth Government Guidelines
- Ambient Air Guide for Siting of Sampler Units, AS 2922
- Workplace Atmospheres Methods for Sampling Respirable Dust, AS 2985
- Workplace Atmospheres Methods for Sampling Inspirable Dust, AS 3640
- Total Suspended Particles (TSP) Determination of Total Suspended Particles, AS 2724.3

4.0 SKM DUST ASSESSMENT

In 2009, Sinclair Knight Merz (SKM) were contracted by Sinosteel Midwest Corporation Pty Ltd (SMC) to carry out a dust investigation for the Weld Range Project. This study comprises an assessment of the air quality impacts predicted from the proposed operation of mining, materials processing, handling and transport of 15.0 Mtpa of Direct Shipped Ore (DSO) iron ore at Weld Range. A subsequent report, released November 2009, detailed the air quality assessment undertaken, with focus on potential emissions in the form of particulates (dust).

The air quality assessment was carried out with reference to the WA Air Quality and Air Pollution Modelling Guidance Notes (DOE 2006), (SKM 2009).

SKM determined the potential air quality impacts through atmospheric dispersion modelling of particulates, and comparison to assessment criteria as outlined in table at key sensitive receptor locations.

4.1 Air Pollutants and Effects

4.1.1 Airborne Particulate Matter

Typically, particulate matter has been characterised by its size as measured by collection devices specified by regulatory agencies. The particulate size ranges specified in ambient air quality criteria are Total Suspended Particulate Matter (TSP) below 10 µm in aerodynamic diameter (PM10) and particulate matter below 2.5 µm in aerodynamic diameter (PM2.5).

4.1.2 Human Health Impacts

The health effect of particulates in the PM10 and below range is mainly the exacerbation of respiratory problems, decreased lung function, irregular heartbeat and premature death in people with heart or lung disease (USEPA 2006). The population that is most susceptible include the elderly, people with existing respiratory and/or cardiovascular problems and children. Larger particles, approximately greater than 10 μ m in diameter, generally adhere to the mucus in the nose, mouth, pharynx and larger bronchi and can be removed by swallowing or clearing of the mouth or lungs.

4.1.3 Environmental Impacts

Particulate matter can also enhance some chemical reactions in the atmosphere and reduce visibility. The deposition of larger particles can have the following consequences: staining and soiling of surfaces; and aesthetic or chemical contamination of water bodies or vegetation; this can lead to forest and farm crop damage and the reduction in diversity of ecosystems and effects on personal comfort, amenity and health (USEPA 2006).

4.1.4 Key Pollutants of Interest

The key pollutants of interest that have been investigated in this assessment are PM10 and TSP.

This is due to particles larger than PM2.5 being the primary constituent of the dust generated from the mining activities performed in this project.

The NEPC set health based ambient air quality standards for particular matter 10 microns or smaller (PM10). The Kwinana EPP was produced by the EPA (1999) in response to high levels of airborne pollutants (including pollutants) in defined zones around the Kwinana industrial area. The policy specifies air quality Standards and Limits for Total Suspended Particulate Matter (TSP), expressed as a 24 hour average.

Pollutant	Criteria Type	Averaging Period	Assessment Criteria	Source
Particulate Matter (as PM10)	Ground-level Concentration	24 hours	50 µg/m³	NEPM
TotalSuspendedParticulate Matter (TSP)	Ground-level Concentration	24 hours	90 µg/m³	Kwinana EPP
TotalSuspendedParticulate Matter (TSP)	Deposition Rate	Monthly	2 g/m²	NSW EPA

Table 4.1 Criteria (Upper Limits) for Particulates

5.0 POTENTIAL ENVIRONMENTAL IMPACTS OF DUST EMISSIONS

5.1 Environmental Impacts Relating to Dust Emissions

Dust emission sources considered to be significant are:

- Blasting events;
- Ore/waste excavation;
- Ore/waste dumping onto stockpiles;
- Bulldozing of ore/waste;
- Wheel generated dust from Haulpack and Road Train movements;
- High volume light vehicle movements;
- Road Train loading and unloading;
- Wind Erosion from ore/waste stockpiles;
- Ore crushing and screening; and
- Conveyor operations including reclaimers.

5.1.1 Emissions from Beebyn Pit Operations

- Three blasting locations;
- Three waste material dump points, one for each waste stockpile;
- One Run of Mine (ROM) dump point;
- Bulldozers, for each ore/waste stockpile;
- Ore crushing and front end loader filling road trains;
- Excavators operating around the blasting points; and
- Material moisture content of 3%.

5.1.2 Emissions from Madoonga Pit Operations

• Two blasting locations;



- Two waste material dump points, one for each waste stockpile;
- One ROM dump point;
- Bulldozers, for each ore/waste stockpile;
- Ore crushing and front end loader filling road trains;
- Excavators operating around the blasting points; and
- Material moisture content of 3%.

5.1.3 Emissions from the Central Processing Facility

- Road train unloading;
- Crushing and screening;
- Stockpiling;
- Train load out facilities;
- Material moisture content of 3%.

5.2 Environmental Impacts Resulting from Dust Emissions

Environmental aspects can either have a positive or negative impact. The dust assessment performed by SKM identified key sensitive receptors as being surrounding flora and vegetation, and the accommodation villages.

5.2.1 Flora and Vegetation

Airborne particles have the potential to land on vegetation, blocking their stomata and inhibiting the photosynthesis. This can cause death to some sensitive plants and affect the ongoing survival of particular species. Sensitive plant communities that occur in the area may be potentially impacted.

5.2.2 Workers' Accommodation Village

Particulate concentrations and depositions rates have been modelled at discrete receptors within the minesite region (SKM 2009). Modelling has shown that the location of the Workers' Accommodation Village will receive dust concentrations close to the PM10 50µg/m³ limit, but criteria will not be exceeded with appropriate controls.

6.0 OBJECTIVES, TARGETS AND PERFORMANCE INDICATORS

On an annual basis, objectives and targets will be reviewed. This will be through a risk based assessment.

The outcomes of a risk based assessment will influence the following;

- Legal non-compliance issues;
- Audit findings and corrective actions;
- Stakeholder complaints and views;
- Technological options;
- Financial, operational, and business requirements

6.1 Management Objectives

The EPA objectives for the management of dust emissions are to:

• Ensure that air emissions (dust and particulates) do not adversely affect environmental values or the health, welfare and amenity of people and land uses by meeting statutory requirements and acceptable standards.

6.2 **Performance Indicators**

- Dust shall not cause an environmental nuisance and emission limits shall comply with the legal requirements
- No adverse impacts on the health of vegetation, particularly sensitive plant communities
- No community complaints registered in review of the complaints register, concerning excessive dust emissions at the Workers Village
- No dust related complaints that remain unresolved after complaint registered.
- Water volumes, quality and sources, used for dust suppression to be determined
- Trigger levels for dust controls to be determined

7.0 DUST MANAGEMENT

7.1 General

- Land disturbance will be kept to a minimum and controlled through a Ground Disturbance Procedure. There will be ongoing rehabilitation of cleared land
- Surveys of boundaries to be cleared will be conducted to verify work areas and planned so that the area of disturbance can be kept to a minimum
- Site and operations will be visually monitored
- Consideration given to the prevailing wind direction and potential for dust deposition at sensitive receptors when designing roads and other mine infrastructure

7.2 Pit Operations

7.2.1 Blasting

- Blasting will not occur in the Beebyn Pit when winds are between 22.5 degrees north (north north-easterly) and 180 degrees (southerly).
- Blasting will not occur at the Madoonga Pit when winds are between 202.5 degrees (north north-westerly) and 337.5 degrees (south south-westerly).
- Blasting will be restricted to when other operations are halted, i.e. when work is stopped for breaks and personnel are a crib-huts.
- Surrounding vegetation will be monitored from the beginning of blasting activities. In particular, site personnel will monitor dust deposition on nearby floristic communities.

7.2.2 Excavating

• Removal of topsoil will be kept to a maximum depth as far as practicable

7.2.3 Haul Roads

- Consideration will be given to the design and location of haul roads in relation to sensitive receptors
- Vehicle speeds will be restricted on unsealed roads
- Water will be regularly applied to unsealed roads via controlled spray or dribble bars



7.2.4 Other Locations and Management Actions

Table 7.1 Dust Management Locations and Management Actions

Location	Management Action/s
Waste Material Dump Points at	Watering of waste stockpiles (up to 2L/m ²) as required
Waste Stockpiles	Use of bulldozers to maintain the waste stockpiles
ROM Dump Point	Watering of waste stockpiles (up to 2L/m ²) as required
Ore Stockpile	Watering of ore stockpiles (up to 2L/m ²) as required
	Use of bulldozers to maintain the ore stockpile
Ore Crushing and Screening	Crushing and screening machinery are to be fitted with dust hooding, including fabric filters
Front End Loading of Road Trains	Consideration of climatic conditions will be given when loading road trains
Material Moisture Content	Material moisture content of 3%
Road Train Unloading	As far as practicable, activities will be restricted to times when the climatic conditions are most favourable
Crushing and Screening	Water sprays will be fitted to dump hoppers, crushing and screening plants and stackers
Stockpiling	Watering of ore stockpiles (up to 2L/m ²) as required
	Use of bulldozers to maintain the ore stockpile
Train Load-Out Facilities	
Material Moisture Content	Material moisture content of 3%

7.3 Implementation, Strategy and Management Controls

The SMC Environmental Manager will implement this Dust Plan throughout the operational life of the mine. In following this plan, fit for purpose systems, practices or procedures will be utilized and

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documented, or developed (where they don't currently exist) to ensure best practice and that environmental risks and effects are as low as reasonably practical (ALARP).

7.4 Roles and Responsibilities

7.4.1 Mine Manager

- Ensure the mine operates in compliance with regulatory conditions
- Ensure dust levels are within acceptable limits, as stipulated in this Plan
- Ensure appropriate resources are made available to adequately implement this Plan

7.4.2 Environmental Superintendent

- Ensures this Plan is current and implemented on site
- Facilitates auditing of dust levels at source and sensitive receptors is implemented (dust monitoring programmes)
- Ensures incidents where dust trigger levels are exceeded are appropriately reported and investigated

7.4.3 Environmental Officers / Technicians

- Deliver the environmental induction to minesite personnel
- Maintain dust monitoring equipment
- Collect dust monitoring data and maintain records for reporting and auditing purposes

7.4.4 Area Superintendents

- Understand the SMC Environmental Policy, site dust issues, controls and mitigation measures for Weld Range
- Work with the Environmental Superintendent to ensure dust levels are maintained at acceptable levels

7.4.5 Work Supervisors

- Understand the SMC Environmental Policy, site dust issues, controls and mitigation measures for Weld Range
- Accept 'near miss' cards from staff and submit to site Environmental Personnel

- Ensure necessary controls are in place to maintain work areas at acceptable dust levels, as far as reasonably practicable
- Implement appropriate mitigation measures where dust levels exceed trigger levels
- Where control or mitigation measures are not effectively maintaining dust levels to acceptable levels, report this to the Area Superintendent for support in implementing improvements

7.4.6 All Site Personnel

- Undergo site induction prior to commencing work at Weld Range
- Understand the SMC Environmental Policy, site dust issues, controls and mitigation measures for Weld Range
- Report excessive dust levels to a Work Supervisor
- Complete and submit a 'near miss' card, citing an environmental incident, where there is prolonged excessive dust emissions with the potential to affect human and environmental health

7.5 Induction and Training

Area Superintendents will ensure that all personnel working under them have received adequate onsite induction training covering relevant environmental and safety requirements at the commencement of their work.

Ongoing training will be via daily 'pre-starts' and weekly tool box meetings.

7.6 Environmental Communication

Environmental personnel will deliver specific environmental messages at toolbox meetings. Environmental notice boards will be used to display up to date information. 'Environmental Alerts' will be used to communicate excessive dust levels, if these occur.

7.7 Incident Reporting and Investigation

Environmental incidents are defined as any planned or unplanned event that occurred as a result of operations undertaken by SMC. Incidents will be investigated and reported in accordance with the requirements of this Plan. The primary purpose of any incident/injury investigation is to identify and correct as soon as possible the root causes of a reported event through detailed analysis of contributing factors.

7.8 Monitoring and Inspection

Area Superintendents and Supervisors will visually monitor site activities to initially assess compliance with the Dust Management Plan. If conditions are obviously in need of suppression or if improved engineering controls, such as dust hoods on crushing and screening machinery is required, Area Superintendents will initiate these actions.

Environmental personnel will ensure dust monitoring equipment is functional and data is collected as required.

7.9 Auditing

SMC Environmental personnel will conduct scheduled site inspections and 'second party' environmental audits. This is for the purpose of reviewing environment performance and effectiveness of mine operations against the aims and objectives set by the Dust Management Plan. 'Second party' audits will verify the conformance of operations to the requirements of the Plan and to identify opportunities for improvement in environmental performance. Actual and/or potential non-compliance items will be managed in accordance with the Incident/Injury Reporting and Notification procedure.

'Third Party' Environmental audits will be conducted by a suitably qualified person in compliance with ISO 14012:1996 Guidelines for Environmental Auditing: Quality Criteria for Environmental Auditors. These audits will take into account dust emission levels, effectiveness of control measures, monitoring programs, training and communications, and overall compliance with this Plan.

7.10 Compliance

All SMC personnel are required to comply with this Dust Management Plan and associated procedures. Receipt of complaints will be a trigger for selected dust monitoring and management procedures.

7.11 Non-Conformity and Corrective Actions

Deficiencies may be identified as a result of an audit, incident/injury investigation, site inspection report, internal or external communication, review or some other risk management process.

These system deficiencies will be:

- Documented;
- Follow-up action(s) nominated;
- Follow-up action(s) monitored until closed out;
- Risk management processes/control measures and/or safe operating procedures reviewed and updated as required; and

• All appropriate persons advised of relevant outcomes and/or any changes.

7.12 Management Review

This Dust Management Plan will be reviewed and updated on an annual basis, or as change of conditions deem it necessary.



ENVIRONMENTAL POLICY

Sinosteel Midwest Corporation Environmental Policy

Sinosteel Midwest Corporation Limited (SMC) shares the community's desire to both develop resources and protect and preserve the environment.

All SMC activities will meet statutory requirements as a minimum standard and be planned and performed so that adverse effects on the environment are either avoided or appropriately managed.

In fulfilling this policy, SMC will:

- Establish a set of policies, objectives and commitments for all activities;
- Identify its legal environmental responsibilities and comply with all applicable laws and regulations;
- Develop and apply responsible environmental management where laws and regulations do not exist;
- Assess potential environmental impacts before conducting new activities;
- Institute a management system that, among other aspects, identifies environmental responsibilities for all its employees and contractors;
- Design and implement a system of work procedures and training programs that will encourage respect for the environment and the prevention of pollution and enable employees and contractors to identify and fulfil their environmental responsibilities;
- Implement monitoring and auditing systems that will ensure the company's environmental commitments and objectives are being achieved; and
- Develop and foster a corporate culture that encourages continuous improvement in environmental performance.

APPROVED BY					
Name	Signatu	ıre	Date		
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No of Pages 1		Paper Copies no	ot controlled	Author EHS / SN	