

6 October 2025

The Secretary
Department of Planning, Housing and Infrastructure
4 Paramatta Square, 12 Darcy St
PARAMATTA NSW 2150

Dear Secretary

Iluka Resources Balranald Project – State Significant Development 5285 Condition 16A

In reference to clause 16A of SSD 5585, this letter requests an extension of time until 31 October 2026 to retire the required Stage 1 biodiversity offset credits. A justification for the requested extension is provided below.

By way of background, Iluka Resources Limited, through its wholly owned subsidiary Basin Properties Pty Ltd, has two Biodiversity Stewardship Agreements (BSA) registered on Western Lands Lease titles of Iluka owned properties (BS0213 – Juno; and BS0209 – Upson Downs). These BSAs were finalised in July 2025. In reference to Iluka's letter to you dated 17 July 2025, and Department's response dated 25 July 2025, Iluka was granted an extension of time to 31 October 2025 to retire the Stage 1 offsets in order to allow an Equivalency Assessment (**Assessment**) of credits under the Framework for Biodiversity Assessment (FBA) to the equivalent credits under the Biodiversity Assessment Method (BAM) to be completed.

On 18 July 2025, Iluka submitted its Assessment application to the Planning, Offsets & Threatened Species & Ecosystems Division (POTSE) in the NSW Department of Climate Change, Energy, the Environment and Water (DCCEEW). On 19 September 2025, POTSE provided Iluka with a draft Assessment outcome, which identified an increase in the number of credits required for Stage 1 compared to the original Final Statement of Reasonable Equivalence (**Final Statement**) issued by POTSE in December 2023 for the Balranald Project credit requirement identified in the December 2022 MOD1 Consent. In carrying out the Assessment, POTSE identified and has subsequently acknowledged an error in their original equivalence calculation from December 2023, which was only discovered through comparison of the two equivalency calculations. On learning of this error, Iluka immediately notified representatives of the Department of Planning, Housing and Infrastructure (DPHI).

The 2023 Final Statement and associated POTSE spreadsheet of workings were used to develop Iluka's biodiversity offset package to meet the Stage 1 credit requirements of SSD 5285 Table 7 of Condition 16. Iluka's two registered BSAs (BS0213 and BS0209) cover a large area of land and were developed with the intention of creating a surplus of credits beyond the Stage 1 requirement in light of Iluka having further credits to retire in relation to Stage 2 offset requirements of SSD 5285.

The draft Assessment outcome from POTSE now indicates that Iluka has insufficient credits from the BSAs to meet Stage 1 of the Balranald Project for one PCT trading group (being PCT 153: Black Bluebush & PCT154: Pearl Bluebush). Iluka is currently in a position to satisfy approximately 94% of the Stage 1 credit requirement based on the two registered BSAs, and would need to source an additional 920 credits of PCT153 & 154. This late development was unforeseen given that Iluka was using and relying on an approved equivalency calculation provided by POTSE to guide its offset credit requirements.

To finalise the Assessment, it requires approval by the Environmental Agency Head (EAH), a process which POSTE has advised takes a minimum of two weeks in order for the Final Statement of Reasonable Equivalence to be issued. Therefore, Iluka is seeking an extension of time beyond the current due date of 31 October 2025. Additionally, given that Iluka's strong preference is to register an additional or amended BSA to

generate the offset credits required to meet the newly identified shortfall of PCT153 & 154, Iluka is requesting a further 12 months, to 31 October 2026, to provide sufficient time to do so. This time will be used to continue engagement with the Assurance and Biodiversity Stewardship Branch within DCCEEW to register an additional or amended BSA to fulfill the credit shortfall. The rationale for the additional 12 months is the time it takes to establish a BSA with the surveys and reporting required, as demonstrated by the time taken to register the existing two BSAs.

Iluka has existing landholdings in the Balranald region that have already been identified for future BSAs, and given the Balranald Project is a staged operation in terms of offsets, Iluka plans to target the future staged credit requirement and bring forward the BSA registration to satisfy the shortfall of credits for Stage 1.

Iluka will notify the Secretary in writing once the Assessment is complete, and will continue to engage with representatives of DPHI in relation to its progress to register an additional or amended BSA in order to satisfy the full Stage 1 offset credit requirement.

Please contact me if you wish to discuss this matter further (ryan.inocco@iluka.com or M: 0447 904 744).

Yours sincerely



Ryan Inocco

Principal Advisor – Land