



Report

Multi Year Monitoring Period – Summary Plan – Christmas Creek

Chichester Metals Pty Ltd

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Rev: 0



1 BACKGROUND

The Christmas Creek Mine (the facility) is located in the Pilbara region of Western Australia approximately 130km north of Newman within the East Pilbara Shire. The facility has Scope 1 covered emissions of greater than 100,000 tCO₂-e per annum and is covered by the *National Greenhouse and Energy Reporting (Safeguard Mechanism) Rule 2015* (Safeguard Mechanism).

The facility has two production variables (PV) under the Safeguard Mechanism:

- Run-of-mine iron ore (ROM Iron Ore PV); and
- Electricity generation (Electricity Generation PV).

The facility has exceeded its Safeguard Mechanism Baseline (baseline) during the FY24 period and is undergoing decarbonisation activities during the following years which are reasonably likely to reduce the emissions intensity of the ROM Iron Ore PV by FY28. This will involve the gradual replacement of diesel mining fleet with battery electric and trailing cable machinery from FY24.

Chichester Metals Pty Ltd (the applicant) is applying for a 5-year Multi-Year Monitoring Period (MYMP) under the Safeguard Mechanism because, based on current forecasts, it is likely that the total Scope 1 covered emissions for the facility will be below the total baseline at the end of the MYMP period.

2 ACTIVITY DESCRIPTION

The applicant will begin replacing its diesel heavy mobile equipment (HME) fleet at Christmas Creek with battery electric and trailing cable machinery from FY24, displacing the need for diesel while maintaining production volumes. The activity is intended to reduce the emissions intensity of the ROM Iron Ore PV from 0.005504 tCO₂-e/wmt in FY24 (actual) to 0.000928 tCO₂-e/wmt in FY28 (forecast), representing a reduction of 83% over the period.

Christmas Creek is a priority site for Fortescue's 2030 Decarbonisation Program which includes the construction of wind and solar generation to displace power from thermal generation sources. It also includes the displacement of diesel in Fortescue's mobile fleet with both battery electric HME as well as electric drills and excavators with trailing cables. The Decarbonisation program necessitates the build out of high voltage electricity transmission infrastructure as well as low voltage electrical site infrastructure to reticulate the mine sites prior to deployment of electrified machines.

3 FINANCIAL YEAR THE ACTIVITY IS EXPECTED TO START

The first year of the Multi Year Monitoring Period (MYMP) will be the 2023/2024 financial year and extends to the end of the 2027/2028 financial year (5 years).



4 EXPECTED NET EMISSIONS AMOUNT FOR THE MYMP

The activity will result in, at first, the gradual reduction in emissions intensity of the ROM Iron Ore PV at Christmas Creek, starting in FY26. When larger numbers of battery electric and trailing cable equipment become available there is expected to be a rapid and significant decrease in emissions intensity below baseline. The emissions intensity will start to reduce during FY26 and continues to fall away sharply during FY27 and FY28, below the approved emissions intensity value for Christmas Creek.

The total baseline (from both the ROM Iron Ore and Electricity Generation PVs) over the 5-year MYMP is expected to be approximately 1.53 million tCO₂-e (based on forecast production). Deployment of battery electric and trailing cable mining equipment is expected to reduce net emissions to 1.47 million tCO₂-e over the MYMP period (based on forecast diesel consumption). The net emissions at the end of the MYMP period is expected to be approximately 58,000 tCO₂-e below baseline.