

Environmental Permit

Environment Protection Act (CAP. 549)

Permit number

EP 00217/25

Approved document

EP 00217/25/DOC45A

EP 00217/25/DOC61A

The Environment and Resources Authority (hereinafter the Authority; the Competent Authority or ERA) in exercise of its powers under the Environment Protection Act (CAP. 549) and applicable subsidiary legislation referred to in this permit, hereby authorises:

AX Hotel Operations p.l.c. (hereinafter “the Permit Holder”),
(Company Registration number: **C 40905**)

whose Registered Office is at:

**AX Group,
AX Business Centre
Triq id-Difiza Ċivili
Mosta
MST 1741**

to operate an installation at:

**AX Sunny Coast Resort & Spa
Qawra Road,
Qawra,
SPB 1981**

This Permit is valid for **one (1) year** from the permit granted date below and subject to the conditions overleaf.

Signed

Date

Nathalie Ellul Unit Manager (Env. Permitting) f/Director Regulatory Affairs	Permit Granted: 24/08/2026
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Authorised to sign on behalf of the Competent Authority

Preamble

This permit is being issued for a period of one (1) year in view of the envisaged cessation of operations. An application for operations which qualify for an Environmental Permit under S.L. 549.172 shall be submitted to the Authority at least six (6) months prior to the commencement of operations.

Conditions

1 General

The permitted installation shall be managed, controlled and operated in line with the conditions of this Permit.

1.1 Permitted Operations

1.1.1 The Permit Holder is authorised to carry out the operations and the associated operations specified in Table 1.1.1.

Table 1.1.1 – List of permitted operations		
Operation	Description of specified operation	Limits of specified operation
Category 2.12 of S.L. 549.172: Operations with a discharge of trade effluent to sea, land, storm or rainwater drains or culverts, falling within the scope of the Water Policy Framework Regulations (SL 549.100)	Discharge of trade effluent to sea: One (1) Reverse Osmosis plant	From input of seawater abstracted from sea well and storage in seawater holding tank to delivery of utility including storage in treated water reservoir and discharge of brine reject to sea.
	Two (2) seawater pools	From input of seawater abstracted from sea well to delivery of utility in seawater pools, and discharge of chlorinated backwash effluent to sea via wastewater holding tanks.
Associated operations of utilities	Two (2) sea wells	From abstraction of sea water to delivery of utility for use in seawater pool and reverse osmosis plant.

1.2 Conditions to be enforced by other Entities

1.2.1 The conditions to be imposed and enforced by the **Environmental Health Directorate** and the **Water Services Corporation** are outlined in approved document **EP 0217/25/DOC45A** and **EP 0217/25/DOC61A**, respectively.

2. Site Infrastructure and Operations

2.1 Site Infrastructure

- 2.1.1 The operations authorised under condition 1.1.1 shall not extend beyond the Site, as shown on the Site Map in Schedule 1 (a) to this Permit.

3. Operating Conditions

3.1 Effluent Discharges

- 3.1.1 The operations shall not hinder the achievement of the environmental objective of any protected area or for the relevant water body as established in the Water Policy Framework Regulations (S.L. 549.100) and the Flora, Fauna and Natural Habitats Protection Regulations (S.L. 549.44).
- 3.1.2 The Permit Holder shall not allow the introduction into groundwater of any substance included in the Regulations for the Protection of Groundwater against pollution and deterioration (S.L. 549.53). The Permit Holder shall not allow any discharges to groundwater for substances other than those specified in the Regulations unless specifically permitted by the Authority.
- 3.1.3 All plant, equipment, and associated abatement systems associated with discharges to sea shall be maintained in good working order and in accordance with the manufacturer's specifications and maintenance schedules.
- 3.1.4 In case of contamination to the seawater body (including but not limited to scum, foam, particulates or other residual matter) resulting from the permitted operations at the installation, the Permit Holder is to ensure:
- a) the polluting operation is immediately stopped;
 - b) contamination is contained, collected and disposed of at authorised facilities; and
 - c) to inform the Authority immediately on ceu.notifications.era@era.org.mt.
- 3.1.5 Discharges to the marine environment shall only take place through the discharge points specified in table 3.1.5, as marked in Schedule 1(b), as per the description in the submitted application.

Table 3.1.5: Discharge point to the marine environment		
Emission point reference ¹	Source	UTM (WGS84) coordinates in decimal degrees
ED1	Seawater pools' backwash and overflow	35.952500 N 14.424695 E
ED2	Reverse Osmosis brine	35.952434 N 14.424726 E

- 3.1.6 The Permit Holder shall maintain and calibrate the flow meters installed for discharge points ED1 and ED2 indicated in Table 3.1.5 as per manufacturer's specifications and records shall be

¹ According to Section 6 of the application

kept as per condition 4.1.1. Data from the flow meters shall be recorded and reported in line with Table S2.4.1 of Schedule 2 as part of the Annual Environment Report.

- 3.1.7 In case of constraints inhibiting the operation of a flow meters, the Authority shall be informed within one (1) week from the occurrence. The alternative means of measurement or calculation or, where not possible, estimates for the Total Annual Load of pollutants specified in Table S2.4.1 shall be sent to the Authority for approval. This proposal shall also include justifications as to why readings from the flow meters could not be provided in line with condition 3.1.6. If the alternative method proposed is approved by the Authority, data shall also be recorded and reported in line with Schedule 2 as part of the Annual Environment Report.
- 3.1.8 No chemicals other than sulphuric acid, caustic soda and chloorstabil for the RO plant and hydrochloric acid, chlorine tablets and granules for the seawater pools shall be used. The utilisation of other chemicals shall be subject to approval by the Authority.
- 3.1.9 Monitoring of ED1 and ED2 prior to discharge to sea shall be carried out on an annual basis for the parameters listed in Table 3.1.9. Sampling with replicates shall take place at least three (3) times during the year and is to reflect seasonal and operational variations.

Table 3.1.9: Emission limits to the marine environment			
Emission point reference	Parameter	Limit	Frequency
ED1	pH	6-10	Minimum of 3 sampling exercises with replicates shall take place once between December and February, once in May or October, and once in July or August.
	Free Chlorine	0.3 mg/l	
	Total suspended solids (TSS)	35 mg/l	
	Temperature	5°C above ambient at outlet	
ED2	pH	6-10	Minimum of 3 sampling exercises with replicates shall take place once between December and February, once in May or October, and once in July or August.
	Total dissolved solids (TDS)	N/A (mg/l)	
	Salinity	N/A (psu)	
	Dissolved oxygen	N/A (% saturation O ₂)	
	Temperature	5°C above ambient at outlet	

- 3.1.10 The parameters, limits and frequency specified in Table 3.1.10 may be subject to revision by the Authority as deemed necessary. These limits shall not be used as means of selecting the detection limits of the equipment or analytical method to be used.
- 3.1.11 The Permit Holder shall ensure that monitoring is carried out by a laboratory accredited to at least EN ISO 17025:2017 and preferably for every test listed in Table 3.1.10. The Permit Holder shall submit a report with the effluent monitoring results, including a copy of the laboratory's accreditation certification, in the Annual Environmental Report (AER). Certificates of results shall also be submitted with monitoring results.
- 3.1.12 In the case of monitoring that makes use of multi-parametric probes, these are to be calibrated as per instrumentation standard. A copy of latest certification is to be submitted to the Authority together with the monitoring results.

- 3.1.13 Following the submission of the results in line with Section 2.3 of the AER, the Authority may request corrective action aimed at achieving the emission limit values for any confirmed exceedances. Upon the implementation of the corrective action there shall be additional monitoring exercise/s to verify that emissions are returned to the permitted Emission Limit Values.
- 3.1.14 The effluent monitoring results shall be submitted as part of the Annual Environmental Report. The information contained in this report shall be prepared in accordance with the format specified in Schedule 2.
- 3.1.15 The Authority may request additional monitoring to assess any impacts on the marine environment as result of the discharge of effluent to sea which may be undertaken by the Authority at the Permit Holder's expense.
- 3.1.16 Foul sewer drains must be strictly segregated from storm water drains.
- 3.1.17 Rainwater shall be segregated from all process areas that are potentially contaminated. If this is not possible, rainwater from areas where contamination by fuels, oils or chemicals is likely shall pass through an adequately sized interceptor or other suitable filtration equipment.
- 3.1.18 The Permit Holder shall make sure that sampling and associated monitoring shall be carried out according to the requirements in Schedule XI of S.L. 549.100 (Water Policy Framework Regulations).
- 3.1.19 Process effluents shall not be diluted prior to off-site transfer.

4 Site Management

4.1 Site records and archive

4.1.1 Records shall include details of the following:

- a) Any incidents that took place on site such as mechanical faults in the machinery or equipment used on site, any spills, fires, etc. and the remedial action taken;
- b) Any other incidents that the Permit Holder deems important to record;
- c) Any complaints related to the operations on site and/or the site itself;
- d) Any maintenance and inspections carried out on machinery and equipment (including infrastructure related to discharges of effluent from site); and
- e) Any defects or damage to the site security system/s; and
- f) Any instances when the pool is emptied and prior to the refilling of the pool.

Each record shall be compiled within 24 hours of the relevant event and must be retained for a period of 5 years from the date when the records were produced. In the cases of records as per d) and f) above, these are also to be notified to the Authority's Compliance and Enforcement Unit on ceu.notifications.era@era.org.mt within 24 hours of the relevant event. The records shall be made available in a legible manner for inspection at any time where the Authority representative request to inspect them.

4.1.2 The Permit Holder shall maintain a record of the skills and training requirements for all staff whose tasks in relation to the permitted installation may have an impact on the environment and shall keep records of all relevant training.

4.1.3 The operator shall endeavour to maintain the Environmental Management System (EMS) in place.

4.2 Reporting

4.2.1 The Permit Holder shall submit to the Authority an Annual Environmental Report (AER) of the previous year by not later than end of March of each year, providing the information listed in Schedule 2 of this Permit and in the format specified therein. It shall also be ensured that all certification and documentation as per Schedule 2 are submitted according to the relevant timeframes therein.

4.2.2 All reports and written and/or verbal notifications required by this Permit shall be made and sent to the Authority addressed to the Compliance and Enforcement Unit, Environment and Resources Authority.

4.2.3 The Permit Holder shall provide a reply to any clarifications which the Authority may have about any documentation or submissions made within the timeframe stipulated by the Authority.

4.3 Closure and decommissioning

4.3.1 The Permit Holder shall notify the Authority prior to ceasing operations permanently in part or full. All equipment, materials and waste must be removed from the site and managed in an environmentally sound to the Authority's satisfaction. Final decommissioning shall be carried out within twelve (12) months of final cessation.

4.3.2 All obligations of this Permit shall subsist until such time that the Authority notifies the Permit Holder in writing that all obligations and conditions of the Permit have been fulfilled without prejudice to any liabilities and third-party rights.

4.3.3 When deemed necessary, the Authority may require the Permit Holder to take such additional measures as it considers necessary with respect to after care obligations in relation but not limited to the remedial action, rehabilitation, and monitoring of the waste management or waste production site.

5 General conditions

5.1.1 This Permit is granted saving third party rights and without prejudice to any other legislation or regulations or authorisations required from any other competent authorities or site owners.

5.1.2 All terms within this Permit, associated conditions and their respective interpretations are identical to those listed within in CAP. 549 Environment Protection Act and its subsidiary legislations.

- 5.1.3 The Authority may carry out pre-set or unannounced compliance or monitoring compliance checks and take any actions necessary in line with CAP 549, at the Permit Holder's expense.
- 5.1.4 The Authority's representatives may inspect and photograph any part of the site and ask for any closed or locked areas to be opened and may demand to be provided with any proof, documentation, plans, receipts or any other records.
- 5.1.5 The Permit Holder shall maintain a register of third-party complaints. The register shall record the details of the complainant(s) if available, the date, source and nature of the complaint and the corrective action undertaken, where such action proves necessary.
- 5.1.6 The Permit Holder shall store and handle all chemicals, fuels, and hazardous materials in designated, labelled, and adequately contained areas with impermeable bunding and segregation of incompatible substances. Spill-response kits shall be maintained on site in sufficient quantities and strategic locations, and any spill or accidental release shall be immediately contained, collected, and managed to prevent contamination of drains, surface water, groundwater, or land. In any incident of environmental significance, the Permit Holder shall minimise environmental impact, notify ERA and other relevant authorities within 24 hours, and implement any investigations, remedial actions, or preventive measures required by the Authority.
- 5.1.7 The Permit Holder, or a designated representative(s), shall be fully aware of all Permit conditions and ensure continuous compliance. All personnel involved in permitted activities must be trained, instructed, and aware of their duties, including measures to prevent or address environmental hazards. The Permit Holder shall also notify the Authority of any temporary cessation of operations.
- 5.1.8 The Authority may add, amend, delete or substitute any of the conditions of this Permit after notifying the Permit Holder of its intention and after describing the changes to the Permit Holder. This, without prejudice to any prevailing circumstances that would preclude the Authority from following such a procedure.
- 5.1.9 The Permit Holder shall notify the Authority of any change in the Permit Holder's trading name, registered name or registered office address and shall apply for a variation to the Permit. The above is to be done at least ten (10) working days prior to their occurrence.
- 5.1.10 This Permit is granted against a bank guarantee of **€10,000** which shall be renewed annually. This guarantee will have to be maintained throughout the validity of the Permit. Following renewal and/or variations/modifications to this permit, the Authority may require amendments to the Bank Guarantee.
- 5.1.11 The Authority may withdraw funds from the bank guarantee for any breach of Permit conditions, instructions, or legal obligations under the Act or its subsidiary legislation. This does not preclude further enforcement action by ERA. If funds are withdrawn, the Permit Holder shall replenish the guarantee within two (2) months. Release of the Bank Guarantee is subject to the Authority's confirmation of full compliance.
- 5.1.12 In cases where the bank guarantee does not cover the expenses incurred by the Authority to take any remedial action on the Permit Holder's behalf, the Permit Holder is to financially reimburse the Authority of all the expenses incurred within.

- 5.1.13 A copy of this Permit shall be available at all times at the permitted facility, including any Variation/Modification Notices.
- 5.1.14 Without prejudice to condition 5.1.11, the Authority may take any action deemed necessary including but not limited to the suspension of any activity/operation until investigations are concluded.
- 5.1.15 The Authority may suspend or revoke this environmental Permit in line with the provisions of CAP. 549.
- 5.1.16 Whenever there is a conflict between the conditions of this Permit and approved documents, the conditions of the Permit shall prevail.
- 5.1.17 The Permit Holder may apply for a modification in Permit and shall seek the Authority's written agreement prior to any operational changes, by sending to the Authority:
- a. Written notice of the details of the proposed change, including an assessment of its possible effects (including changes in emissions and waste production) on the environment from the Permitted Installation;
 - b. Any relevant supporting information (e.g. chemical/fuel consumption, technical details, changes in the type/use of substances/mixtures, etc.);
 - c. Assessments and drawings, and;
 - d. The proposed implementation date.

Any such change shall only be implemented following the issue of a modification of the Permit by the Authority.

- 5.1.18 The Permit Holder shall notify the following matters to the Authority in writing at least 10 working days prior to their occurrence:
- a. Any change in the Permit Holder's trading name, registered name or registered office address;
 - b. Any change to particulars of the Permit Holder's corporate identity.

Schedule 1(a)

Site Map

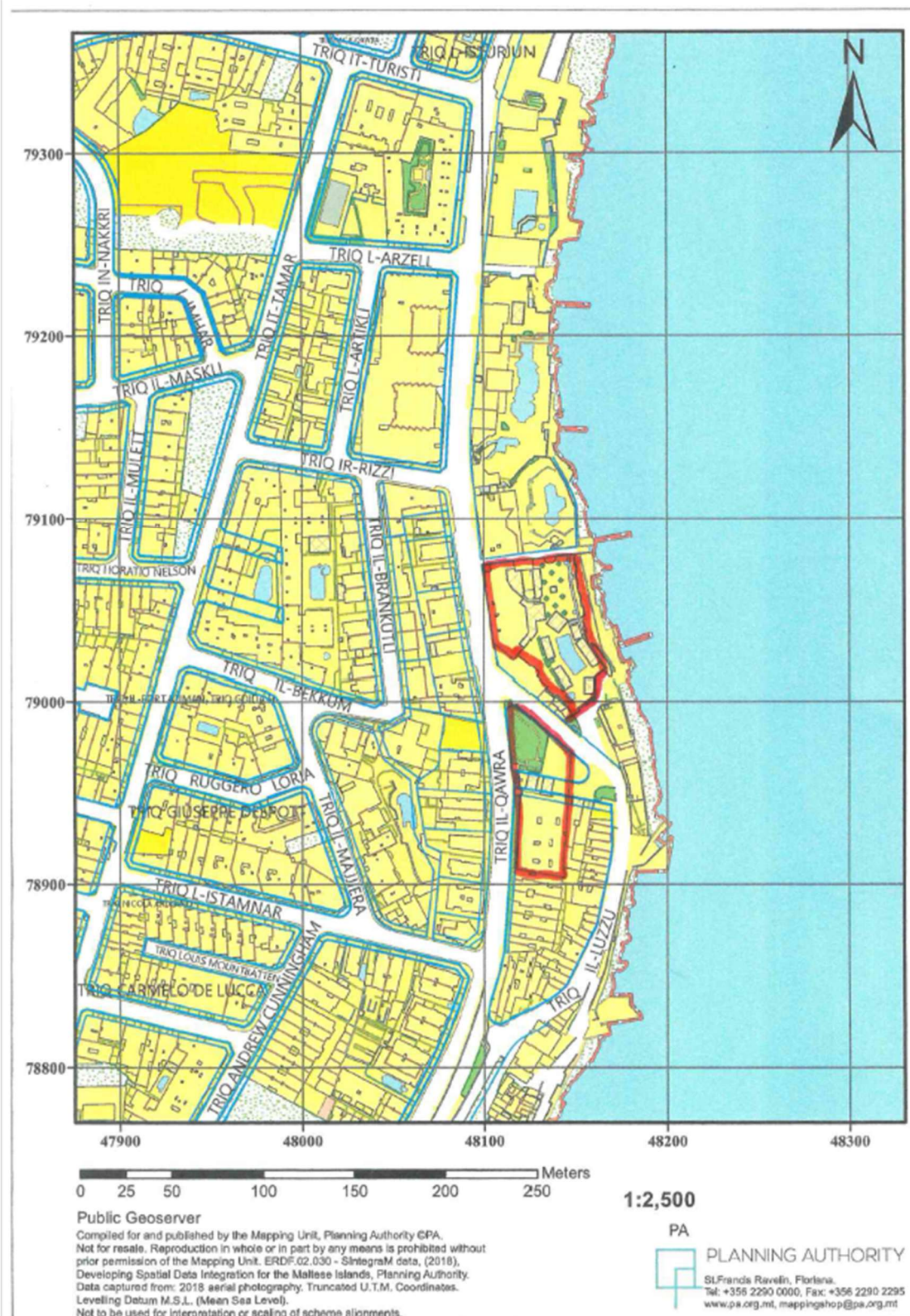


Fig. S.1.1: Site of the permitted installation, showing the extent of the area outlined in red to undertake the operations specified in condition 1.1.1. The extent of the site is indicative and shall not be used for interpretation purposes.

Schedule 1 (b)
Site Layout Plan – Emissions to sea

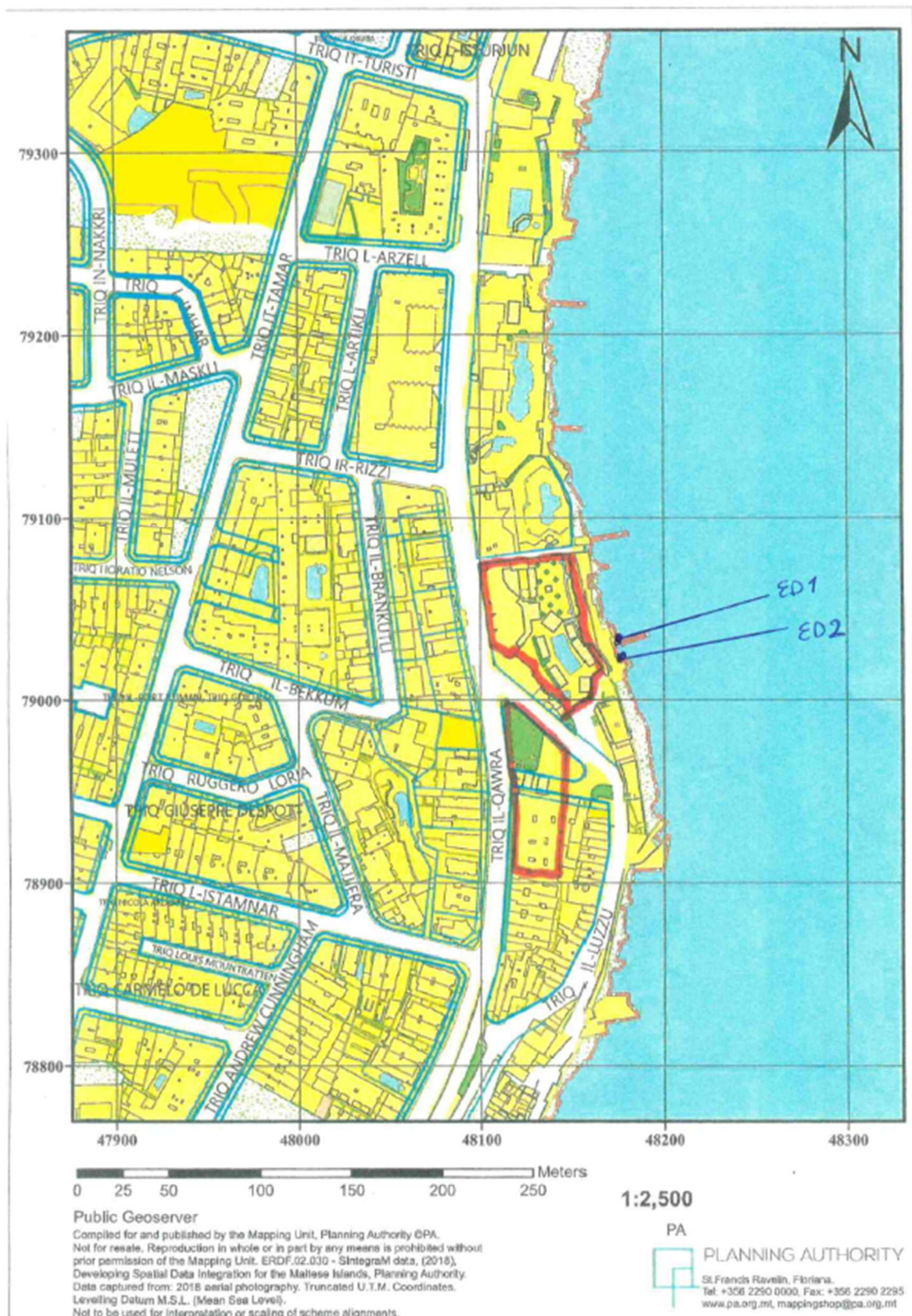


Fig. S1.2: Site layout plan showing the location of emissions point to sea from the installation. The location point is indicative and shall not be used for interpretation purposes.

Schedule 1 (c)
Site Layout Plan – Position of seawalls

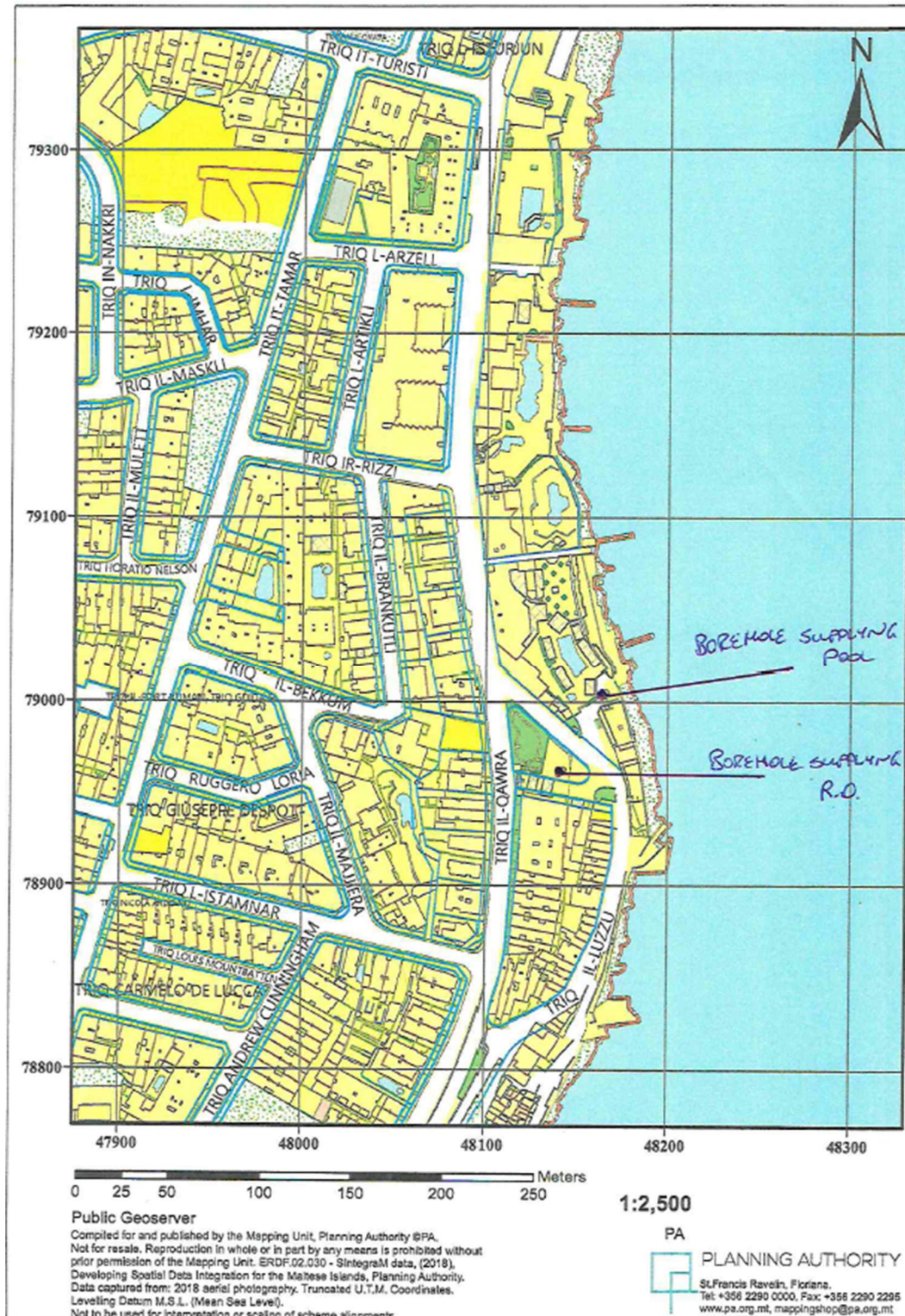


Fig. S1.3: Site layout plan showing the location of seawalls. The location point is indicative and shall not be used for interpretation purposes.

Schedule 2

Annual Environmental Report and Submissions

Important note

By this submission, you confirm that you give your explicit consent for the entire contents of this Annual Environment Report to be made available on the Authority's public website.

S2.1 Introduction

Environmental Permit Number	
Reporting Year (Calendar Year: 1 January to 31 December)	
Name and locality of Site	
Brief description of operations at the site	

S2.2 Fuel Consumption Data

Equipment ¹	Fuel type	Fuel Consumption	Units	Operating Hours
			Litres	
			Litres	
			Litres	
			Litres	

S2.3 Incidents and Complaints**S2.3.1 Non-Compliance Incidents during Reporting Year**

Date of incident	Brief description of Incident	Cause	Corrective action

Total number of non-compliance incidents for the previous reporting period:	
Total number of non-compliance incidents for the current reporting period:	

S2.3.2 Complaints made by the public or through the Authority

Date of complaint	Description of complaint	Actions taken

Total number of complaints for previous reporting year:	
Total number of complaints for current reporting period:	

¹ E.g. Boilers and generators

S2.4 Monitoring Data

S2.4.1 Emissions to the Marine Environment

Emission point reference	Effluent	Parameter	Emission Limit Value	Standard methodology used	Concentration				Total annual number of exceedances ¹	Unit	Flow rate (m ³ /hr)	Total annual load (kg)
					December/February exercise	May/October exercise	July/August exercise	Annual Mean ²				
ED1	Seawater pools' backwash and overflow	pH	6 – 10							-		
		Free Chlorine	0.3 mg/l							mg/l		
		Total suspended solids (TSS)	35 mg/l							mg/l		
		Temperature	5°C above ambient at outlet							°C		
ED2	Reverse Osmosis brine	pH	6 - 10							-		
		Total dissolved solids (TDS)	N/A (mg/l)							mg/l		
		Salinity	N/A (psu)							psu		
		Dissolved oxygen	N/A (% saturation O ₂)							% saturation O ₂		
		Temperature	5°C above ambient at outlet							°C		

Name of laboratory(ies) where tests in this section were carried out (as applicable)	
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¹ If the total number of exceedances exceeds 0, the value of each of these exceedances (for the reporting year) must be submitted in a separate report, together with action taken (table S2.4.2) to regularise the situation.

² Annual average (mean) per parameter of the 3 sampling exercises as per condition 3.1.11 and 3.1.12

Accreditation certificate of laboratory that carried out the emission monitoring AND/OR a valid instrument calibration certificate	
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S2.4.2 Corrective Action (to be compiled if emission limit values in Section S2.4 are exceeded)

Emission Point Reference	Proposed Action (may include reference to additional documentation)
e.g. ED1	

S2.4 Submission of certificates/reports

Requirement/documentation	Submission date	Tick (✓)
Monitoring results for ED1 and ED2 (condition 3.1.11 and 3.1.16)	Every year ¹	☐
Certificates of analyses and accreditation certification of laboratory that carried out the sampling and/or chemical analyses of ED1 and ED2 (condition 3.1.13)	Every year	☐
Submission of the Annual Environment Report (AER) (condition 4.2.1)	Every year	☐

Permit Holder's declaration

I declare that, to the best of my knowledge, all the above information is correct and substantiated.

.....		
Name	ID Card Number	on behalf of / in my own name
<i>(in block letters)</i>		<i>(in block letters)</i>
.....		
Signature		Date

END OF PERMIT

¹ Monitoring to be carried out at least three (3) times annually.