

To: Shire of Ravensthorpe

Re: Draft Mining Industry Policy

19 October 2022

Introduction

AMEC appreciates the opportunity to consult on the proposed Mining Industry Policy by the Shire of Ravensthorpe and the real and potential operational problems that could arise for the mining and exploration industry.

We consider that there are real opportunities for the mining and exploration industry to engage with local governments and the broader community. Each new mineral discovery brings with it jobs, growth and benefits for local communities.

About AMEC

The Association of Mining and Exploration Companies (AMEC) is a national industry association representing over 530 member companies across Australia, with the majority having project interests in Western Australia. Our members are mineral explorers, emerging miners, producers, and a wide range of businesses working in and for the industry.

Mineral exploration and mining make a critical contribution to Australia's economy, directly employing over 274,000 people. In 2020/21 Industry generated a record high \$301 billion in mining exports, invested \$3.2 billion in exploration expenditure to discover the mines of the future, and collectively paid over \$43.2 billion in royalties and taxes.

General Remarks

For AMEC and its members ensuring that each operation has a social licence to operate alongside communities is of the utmost importance. It is understood that this document has been formulated to provide a standardised response from the Local Government due to the increased mining and mineral exploration activities in the area. However, the current drafting raises a range of concerns, which are detailed below from general to specific sections.

Flexibility

The document does not allow for the potential reality that the Shire of Ravensthorpe may want future mining and mineral exploration activity to occur with the associated jobs and growth.

Duplicative.

The biggest concern amongst members is that this document reflects a potentially duplicative regulatory process. As the document itself acknowledges all of the issues highlighted are already

regulated by Department of Mining, Industry Regulation and Safety, and the Department of Water and Environment Regulation. As the Shire has a more consultative role rather than a decision-making role, some companies believe some of the policy statements are overly prescriptive in nature. The policy binds the Shire to respond and not reflect the realities of what is being proposed.

Mining is different from mineral exploration

The policy conflates mineral exploration and mining, which are fundamentally different¹. They have different scales of impact and cost.

Mineral exploration is a range of scientific activities that determine if there are minerals under the ground. The majority of mineral exploration is very low impact and is focussed on narrowing the search area to mineralisation that is worth the expense and risk of any form of drilling. Early stage mineral exploration is difficult to distinguish from hiking – geologists walk the ground looking for clues of geological potential. This is followed by the use of airborne surveys, electromagnetic technologies and geochemical analysis. The combination of this scientific analysis occurs before a company contemplates drilling.

Statistically, less than one per cent of exploration projects typically progress to establishing a mine. All mineral exploration activity requires rehabilitation and remediation. If the exploration process identifies a geological formation that could be commercially extracted, then mining in the future may be possible if financial market conditions, commodity prices, and other global economic factors align.

A decision to mine is not a regulatory forgone conclusion. Western Australia has a rigorous environmental assessment process that a company will spend multiple years ensuring their project meets regulatory expectations. However, if a geological deposit is mined then the jobs, economic and social benefits to a community can be transformative.

This document does not differentiate between mining or mineral exploration and should be rewritten in collaboration with the Department of Mining, Industry Regulation and Safety and/or Industry to do so.

Incomplete

Another concern is the incomplete nature of the document, which highlights that policy objective “a” is to build a more sustainable community. Most of the mining and mineral exploration industry would welcome opportunities to do so, and if the document could include suggested pathways that would be beneficial.

Policy objectives b, c and d outline the Shire conditions to be imposed on all mining and exploration activities, while acknowledging “The Shire of Ravensthorpe does not approve nor regulate exploration and or mining projects”. These three objectives should be removed from the policy as mining and exploration activities are regulated by the Minister of Mines and DMIRS at the time of grant and amended from time to time under the Mining Act as well as other legislation, including Environment

¹ The South Australian government’s video steps through the mineral exploration process: <https://www.youtube.com/watch?v=bX4p9nw00L8>

and Work Health and Safety Legislation. The inclusion of policy objectives b, c and d apply conditions on tenements that are not considered within the power of the Shire to impose.

Policy c in particular gives the erroneous impression that the Shire of Ravensthorpe has power equal to that of DMIRS in relation to mining and exploration licences.

Furthermore, at the bottom of the document it refers to the Shire of Ravensthorpe's Mining Industry Procedures attachment #2; and attachment #3 – example of a letter template. Neither of these documents are included in the public notice to provide comment from industry.

Outcomes rather than process

If the document is focussed on ensuring the Shire of Ravensthorpe voice is heard in the consultative process, then a focus on what outcomes are sought would be more useful. Ascribing the technique to be used (for example, brushing of drill pads) can be limiting. It does not acknowledge that not all drill holes need a drill pad (truck mounted air core for example).

Formatting

The readability of the document would be enhanced if each section was numbered and then the subsequent subsections also numbered. At the moment, it is potentially confusing have multiple number ones etc.

Comments regarding the Policy Statements

As addressed below, many of the policy statements do not align with the licencing conditions set by DMIRS or by DCBA.

Statement 5.

The point outlines that environmental and cultural matters need to have been considered by the relevant authorities and related approvals granted for the activities to be conducted. What matters should be considered by exploration and mining activities is already regulated by the State Government. It unclear what the Shire exactly means, and that should be included in greater detail.

Statement 6.

The State Government requires that operations in affected areas provide a Dieback Management plan as approved by the Regulators prior to commencement of any activities. The Shire applying strict on ground timing may be contrary to the approved Dieback Management Plan. Later stage exploration such as resource drill out will be significantly impacted if additional conditions are imposed above those approved by DMIRS/DCBA.

Industry has highlighted the potential inconsistency of this policy with other industries, such as farming, which continue to operate despite potential impacts. AMEC hopes that, for the integrity of the position that the Shire seeks that *all* activity, including farming activity is halted during that suggested window to manage dieback.



Statement 7.

The lack of definition of what is meant by soil disturbance renders this policy statement difficult to implement. No soil disturbance is practically impossible in areas of undulating terrain if a safe working environment is to be maintained. Current regulatory practices allow for cut and fill to maintain a level working surface.

The proposed ban “on all soil disturbance” is inconsistent with other industries in operation in the Shire of Ravensthorpe, such as farming, which disturb the soil in some form. AMEC recommends the document consider a risk based approach that identifies the outcomes that are of greatest concern.

Statement 8.

Practically, drill holes are generally not able to be backfilled as disturbed material has a greater volume than undisturbed matter. DMIRS already has scientifically derived guidelines for rehabilitating drillholes which are contrary to the proposed Shire conditions. Neither are all holes physically able to be cased either. Drilling such as reverse air blade (RAB) and aircore (AC), for example, are small diameter holes that are not able to be cased, nor do they need to be.

Statement 9.

This document is not legally binding. It is an overreach for the Shire to seek a company to indemnify them for all liabilities arising from all their activities. It is pointless including this statement.

Final Remarks

The policy statements give the impression that the Shire has a greater level of influence on the process than it does. Mining policy positions from other Western Australia Shire's outline similar positions to Ravensthorpe however they are less uniform in their requirements for clearing and rehabilitation and understand each project raises its own unique challenges and requirements.

For further information contact:

Neil van Drunen
Director WA, NT, SA and Industry Policy
neil.vandrunen@amec.org.au

Nicolas Parry
Policy Advisor WA, NT, SA
nicolas.parry@amec.org.au