

**To: Northern Territory Water**

**Re: Notification for mineral exploration for surface water**

**10 August 2022**

## Introduction

AMEC appreciates the opportunity to provide an example to the Department of Environment, Parks and Water Security (DEPWS) on a proposed notification legislative framework for mineral exploration and options for regulatory reform. AMEC is committed to being able to contribute to streamlining the approvals process and increase mineral exploration in the Northern Territory.

## About AMEC

The Association of Mining and Exploration Companies (AMEC) is a national industry body representing over 520 companies across Australia. Our members are explorers, emerging miners, producers, and a wide range of businesses working in and for the industry, with 30 member companies actively exploring, mining, and developing projects in the Northern Territory.

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.

## The Proposed Legislative Framework

### General Remarks

AMEC has longstanding objectives to reduce the cost of mineral exploration for businesses in Australia, and to promote economic growth through increased mineral exploration and mining activity. This coincides with the findings of the Territory Economic Reconstruction Commission (TERC) published in November 2020, stating "*regulatory practice that is responsive and fast, providing certainty to investors*". AMEC recommends that the 5ML exemption for sub-surface water used in mineral exploration remains.

### Low-Impact Activity Framework

The Low-Impact Activity Framework was a part of the Reforming Environmental Regulation (RER) program, which looked to revise the *Mining Act 1978* and the *Mining Regulations 1981*, to implement principles of best-practice.

The amendments to the Act would allow for some activities (e.g., mineral exploration) to be exempt from requiring assessment and approval by staff at the Department of Mines and Petroleum (DMP). Rather activities deemed exempt would be processed and authorised through a fully automated system where the proponent would give notification on Low-Impact Activities.

To ensure the automated system works as intended:

- Criteria for low-impact prospecting and exploration activities are clearly defined; and
- Tools are in place to support the online system; and

- Prospecting and exploration activities that are authorised under the Low-Impact Activity framework are managed to avoid ongoing impacts to the environment.

Due to the fact the system is fully automated and bypasses any formal involvement from a DMP official, DMP placed strong emphasis on compliance activities. To ensure companies are meeting these compliance activities, the DMP conducts audits and inspections of mining activities, which include prospecting and exploration. It is therefore crucial that companies operating under Low-Impact authorisation keep records to show that activities do in fact comply with low-impact obligations.

Failure to carry out Low-Impact Activities in accordance with the obligations, may lead to tenement forfeiture or penalties in lieu of forfeiture.

### **Low-Impact Criteria**

There are three areas of criteria in determining if an activity is regarded as Low-Impact: localities, types of activities and obligations.

#### **Localities**

Any granted tenements under the *Mining Act 1978* are accepted localities, with the exclusion of: environmentally sensitive areas, schedule 1 non-permitted areas and other areas of environment significance.

#### **Types of Activities**

The DMP outlined specifically a range of activities they deemed to be of Low-Impact to the environment and proposed they be prescribed in the regulations. The DMP was also clear that tenement holders operating under Low-Impact authorisation were not precluded from requirements in other relevant legislation.

#### **Obligations**

The obligations specified for the Low-Impact Activity framework focused specifically on maintaining the environmental area in which the activity would take place. For example: soil erosion, impacts to flora and fauna species, preventing the spread of plant pathogens. These obligations would be included in the *Mining Regulations 1981 Act*.

### **Legislative Framework Changes**

AMEC understands that changes to the specific criteria in the Low-Impact Activity framework would have to take place, but the implementation of a similar legislative framework would aid in reducing wait times for water extraction licences, especially for mineral exploration companies.

Changing localities from “*environmentally sensitive areas*” to “*water control districts*” is an example of such changes.

#### **For further information contact:**

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