

To: Department of Resources

Re: Improved Regulatory Efficiency Consultation Paper

Date submitted: 15 December 2023

Introduction

The Association of Mining and Exploration Companies (AMEC) appreciates the opportunity to make a submission on the Consultation Paper, *Improved Regulatory Efficiency (2023)* (the Paper). AMEC is actively engaged in these matters and is in an excellent position to articulate the real and potential impacts of these proposals on the exploration and mining industry, particularly junior operators.

About AMEC

AMEC is a national peak industry body representing over 560 mineral exploration and mining companies across Australia, with almost 80 having operations based primarily in Queensland. 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 the 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. Australian Bureau of Statistics (ABS) figures from the June 2023 quarter were record breaking, with Queensland exploration rising by 20% quarter on quarter to \$147.8 million.

AMEC's Queensland members explore for, develop, and produce minerals including antimony, bauxite, coal, cobalt, copper, gold, graphite, lead, lithium, manganese, mineral sands (such as silica), molybdenum, nickel, phosphate, rare earths, silver, tungsten, vanadium, and zinc.

General comments

AMEC notes that the intent of this Paper, along with two other consultation papers that have been circulated, is to help deliver on Action 36 in the Queensland Resources Industry Development Plan (QRIDP), namely:

ACTION	LEAD AGENCY / TIMELINE	DESCRIPTION
36. Improve resource project assessment processes	Lead: Government (Department of Resources, Department of Environment and Science, and the Office of the Coordinator-General) When: 2022–24	A credible, transparent, and efficient assessment system, which is easily understood and respected by industry and the community, is an essential element of effective government. The Queensland Government will collaborate with stakeholders to implement business process reform and efficiency improvements to achieve: <ul style="list-style-type: none">» a transparent and engaged customer experience» improved clarity of material to drive application quality» technology and data platforms and requirements that achieve fit-for-purpose integrated automated systems to support and operationalise reforms.

As stated in our submissions in relation to the other consultation papers, AMEC does believe that the changes outlined in this Paper, even in combination with proposals outlined in the other two consultation papers, constitute delivery of Action 36 in the QRIDP. In many instances these are minor amendments that would be included as “*other legislative amendments*” in a major reform bill.

AMEC had envisioned that more extensive engagement with industry stakeholders would have occurred prior to the development of these proposals, and we are disappointed and concerned that this engagement has yet to occur. The Government needs to facilitate deeper thinking and analysis if it is to realise the QRIDP ambition of a “*credible, transparent, and efficient assessment system, which is easily understood and respected by industry and the community.*”

Responses to consultation questions

Do you have any feedback on the proposed amendment to introduce a framework for rental flexibility in exceptional circumstances?

AMEC supports in principle the proposal to provide the Government with powers to exercise rental flexibility. However, we would like to more fully understand how this measure will operate in practice, for example: who will be authorised to make this decision, the companies it will apply to, the process to be used to make a decision, the criteria that would be used to assess eligibility and whether the measure will be applied to either a class of tenures and/or on a company-by-company basis.

Do you have any feedback on the proposed amendment to land release processes?

AMEC does not support this proposal. We believe that inadequate information in the Paper is inadequate and does not demonstrate the need for this measure, with no proper analysis undertaken of the potential risks and benefits of its introduction, particularly in relation to its impact on junior explorers.

The Department of Resources (DoR) gave an industry briefing on 18 October 2023 where it became evident that the proposed legislative amendment aims to support a land release policy that is currently under development, but which DOR has yet to consult stakeholders on. As stated by AMEC at the time, this is a flawed and unsound approach to legislative change, as DoR needs to complete consultation on its proposed policy before it proposes legislative amendments or, at the very least, both should be circulated to stakeholders as a package of work. AMEC reiterates this view in writing.

We are concerned that the DoR briefing seemed to indicate that the proposal in the Paper to amend the land release process for minerals is leading this sector toward a land release framework that will operate in a similar fashion to the Queensland Exploration Program (QEP). Of additional concern is that the Minister might exercise discretion such that ‘areas of mineralisation’ are grouped together and released as a single parcel. AMEC wants to make it clear that such an approach will undermine junior exploration in Queensland by increasing operational costs and government fees due to the need to undertake exploration across a larger land mass.

In [AMEC's submission](#) on the consultation paper, *Improving Queensland's Land Release Process*, we highlighted that a QEP-type approach to land releases in the minerals sector had the potential to seriously undermine junior explorers, and these comments are reiterated below:

Highly prospective minerals exploration areas in the Queensland Exploration Program

AMEC is highly concerned of the impacts applying a QEP-competitive tendering model might have on junior operators. It is noted that the QEP was designed for the resources sector at a point in time, predominantly made up of large gas and coal companies vying for similar pieces of country. Traditionally the structure of these companies was such that exploration is a part of their inhouse operations.

In the last five years Queensland's exploration sector has changed at pace. Global market forces and the race to reduce emissions and transition to clean energy technologies and proliferation of other technologies, such as handheld devices and their capability, has seen the resources sector diversify, with significant growth in junior explorers seeking to define critical minerals and base metal prospects across Queensland. Adding to this is the increasing feasibility of extracting smaller deposits as larger deposits become exhausted, and the acceptance and success of hub-and-spoke business and operational models. Junior explorers are lean operations, many have not been operating for long periods of time and they are willing to entertain risk if the geology indicates the prospect is potentially positive.

If the Department of Resources was to consider including critical minerals in the QEP, AMEC is concerned that this action will service the needs of the big end of town only. Systemising the current over the counter process to be consistent with the QEP presents a real risk that it could lead to a process that favors organisations that are well resourced (i.e. the big end of town), and make navigating the system for junior operators, as well as their ability to be competitive, unviable. A further perverse outcome that AMEC is concerned could arise is that it could potentially lock up large parts of country making it inaccessible to junior explorers.

AMEC is concerned that such a proposal could reduce Queensland's attractiveness as an investment destination and drive economic investment and development into jurisdictions where it is easier for juniors to explore and develop minerals. Fundamentally, any actions that discourage junior operators is inconsistent with the Queensland's Governments ambition for a diverse and transformative resource sector, as described in the Queensland Resources Industry Development Plan. It is also at odds with the State's emission reduction targets and renewable energy transition as articulated in the Queensland Energy and Jobs Plan.

Key to the success of these targets and commitments will be ready access to the critical minerals, REE, metals and coal-making steel essential for implementing renewable energy technologies, batteries and infrastructure. AMEC's members are leading the exploration and development of these critical minerals and REE and will be increasingly moving into development and production in the coming years. Any actions to change the current frameworks in operation need to be well analysed and the fundamental principles of scalable, adaptive, fair and fit-for-operations need to be embedded.

One of the reasons Western Australia remains a top rate resources jurisdiction is its open land release process, which can be done over the counter and online for all minerals. AMEC suggests the department consider the Western Australia model for mineral land release and the environment of investment attraction this generates, as a good working model of a comparable jurisdiction. AMEC would be happy to connect departmental officers with those in the Department of Mines, Industry Regulation and Safety to better understand how their process works.

Do you have any feedback on the proposed amendment to introduce the payment of local government rates and charges as mandatory conditions of tenure?

AMEC does not support the Department's action to expedite this proposal into Parliament without proper consultation with the petroleum and gas proponents that will be impacted by the measure.

Do you have any feedback on the proposed amendment to introduce the requirement for mining lease holders to keep the surface of their lease tidy as a mandatory condition of their tenure?

AMEC understands that this proposal is designed to achieve a safe working environment.

Do you have any feedback on the proposed amendment to coordinate fossicking permissions?

AMEC will not comment on this proposal as our membership is not broadly impacted.

Do you have any feedback on the proposed amendment to clarify confidentiality periods under the Resource Acts?

This is a proposal that AMEC has supported in previous years, and we maintain our support.

Do you have any feedback on the proposed amendment to streamline aerial surveying requirements?

AMEC has consulted with members on common practices regarding aerial surveys and received the following feedback from technical experts:

- An ecologist, who is a qualified drone captain and performs vegetation and ecological surveys for exploration and mining companies, responded that "... [I] only ever operate just above the tree line, so between 20-120m above ground."
- An explorer who has several projects in different jurisdictions observed that it is optimal to get footage that is close to the ground to understand landscape values, although it can also be necessary to work higher; nevertheless, "1000ft is very high".
- A tenement manager that undertakes surveys as part of land access negotiations shared that 1000ft will not deliver material improvements to the current process. Most surveys are completed between 30-60m and then 60-120m.

Another tenement manager noted that the proposed 1000ft limit would not materially change access arrangements and suggested a two-step process:

My experience is that any air geophysical survey conducted is at 500m line spacing or closer. The Line spacing is the effective height of the aircraft above the ground. The closer the line spacing, the more detailed the results of the survey. It is relatively common to initially do a wide spaced regional survey (say 500m) and then do a more detailed survey (say 100m) over specific areas. The more involved (detailed) surveys are generally 250m and down to 100m...I would say that the majority of the surveys done would initially be at the 250m (820ft) height and quite a lot are done at 100m (328 ft). Ideally reducing the height to 300ft would be ideal but I suspect that may be difficult.

The back-up would then be 600ft as it would cover a 200m line spacing survey. Entry notices can then be issued for any areas that may require more detailed surveys. The amount of disruption to stock and people is obviously based on the type of aircraft used. The use of drones is now a much more common occurrence these days and generally less ground impact. Perhaps it could be a 2-stage option of say down to 600ft for human piloted aircraft and down to 300ft for automated aircraft (drones). Not sure how that proposal would go but would in theory be a practical solution."

Based on feedback from members, setting the height at 1000ft will not materially improve land access and AMEC recommends that DoR undertakes further consultation with industry stakeholders to understand their needs prior to committing to a height limit, noting that this limit may differ between human piloted aircraft and automated aircraft.

Organic farming and aerial surveys

AMEC would also like the department to consider the increasing conflict that occurs between explorers and landholders that are farming according to biodynamic/organic protocols. Landholders insist that aerial surveys contravene organic requirements, however it is not clear how an aerial survey impacts on these protocols and no reasoning has been provided. A member recently chose to carve out large sections of their original proposed survey area because an aerial survey was deemed an advanced activity when flown over an area that is registered as biodynamic/organic.

On the face of it, the argument of landholders that they are organic and, as such, will not allow aerial surveys is not based on science. DoR needs to develop guidance on this issue, and we suggested that this work is undertaken in collaboration with the Department of Agriculture and Fisheries to establish reasonable access requirements for an aerial survey over an organic farm/tourism business.

Do you have any feedback on the proposed development plans amendment?

We understand that the proposal is to enable changes to the thresholds of prescribed minerals without requiring bespoke transitional arrangements for already granted mining leases each time these changes are made. On the basis that this understanding is correct, we support the amendment.

Do you have any feedback on the proposed amendments to improve the operation of the petroleum and gas (P&G) framework?

AMEC will not comment on this proposal as our membership is not broadly impacted.

Do you have any feedback on the proposed amendments to correct minor and technical errors throughout the Resource Acts?

AMEC has no comment on these amendments.

For further information contact:

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