

To: Department of Energy, Mining, Industry Regulation and Safety

Re: Mine Closure Plan Guidance

24 June 2024

Introduction

AMEC appreciates the opportunity to provide feedback to the Department of Energy, Mining, Industry Regulation and Safety regarding the proposed Mine Closure Plan Guidance. Guidance documents are critical to reduce the administrative burden for both the Industry and government.

About AMEC

The Association of Mining and Exploration Companies (AMEC) is a national industry association representing over 580 member companies across Australia. Our members are mineral explorers, emerging miners, producers, and a wide range of businesses working in and for the industry. Collectively, AMEC's member companies account for over \$100 billion of the mineral exploration and mining sector's capital value.

Mineral exploration and mining make a critical contribution to Australia's economy, directly employing over 274,000 people. In 2022-23 Industry generated a record high \$466 billion in resources exports, invested \$4.27 billion (CY2023) in exploration expenditure to discover the mines of the future, and collectively paid over \$63 billion in royalties and taxes.

Mine Closure Plan Guidance

General remarks

The Mine Closure Plan (MCP) has closely followed the consultation on the Mine Development Closure Plan Guidance (MDCP).

This document would benefit from a much clearer statement explaining the difference between these documents, and the need for two documents. Such an explanation is needed in the Purpose section to reduce unnecessary confusion. It would be welcomed by Industry if one of the documents could defer to the other and that a duplication of input was not required. The submission below identifies opportunities where this could occur.

However, it has also been appreciated by Industry that positively this document reads far more like a 'guidance' document than the earlier "Mine Closure Plan Guidance - How to prepare a Mine Closure Plan" document. It provides direct guidance with respect to the format of 'Tables' that DEMIRS reviewers expect to find in MCP submissions. It also, in the Appendix files, provides very clear set of instructions as to the level of technical design and study detail required. This draft reflects a substantial improvement on previous guidance, the following commentary is all proposed to improve the guidance.

Purpose

This section needs to explain how these guidelines relate purely to the "three-yearly" review of existing MCPs and not to the conceptual level mine closure plan prepared under the "Mine Development and Closure Proposal Guidelines". Some confusion has arisen with respect to the MCP format when an existing mine is to submit a further Mining Proposal (and Closure Proposal).

Section 1 Description of Mining Operation

Detailed mining infrastructure descriptors in this section could potentially duplicate with Section 8 Closure Designs. It should be made clear this section should cover the status of operational infrastructure and not describe closure designs. Industry has assumed it should not describe concept designs for mine landforms (WRD, pits, TSF) and infrastructure during operations but could include any updated as-built "operational" designs at the time of preparing the MCP for WRD / pit shells, diversions etc. This understanding should be confirmed.

Section 3, Table 3.

This section should consider and reference the MDCP and approval statement. The baseline environmental data is presented in the MDCP phase of the approvals. A baseline could be transferred from that document rather than duplicating.

The dot points above Table 3, specify the content of what needs to be included in the Table. Much of this data does not need updating and could be simply cross referenced to the MDCP

- Local climatic conditions and projected future climate profile for the area.
- Local physical conditions – topography, geology, hydrogeology, hydrology, seismicity and geotechnical data.

In the hierarchy of risk assessment, the mobility and bioavailability of a substance is a Tier 3 risk assessment. The requirement for information on: *Soil and waste materials characterisation – soil structure and stability (e.g. erodibility), growth medium type and block modelling of waste materials, solubility, mobility and bioavailability of hazardous materials (e.g. radioactive materials, heavy metals and materials with potential to produce contaminated drainage)*. Industry feedback was that broadly worded requirement as part of all closure plans is excessive and does not reflect a tiered risk assessment process. It is suggested that rather than specifically requiring this information the requirement could be "to analyse the risk of leachable materials or otherwise mobile materials to the receiving environment". This narrower requirement is more focussed on the risk being addressed.

The requirement for information on "*Local and regional environmental information on flora, fauna, ecology and habitats*" is regulated. For many mining operations, the biological settings are regulated under Part IV and/or Part V of the EP Act (Ministerial Statements and Licences). As with the MDCP there should be explicit consideration of this to avoid duplication. Similarly, the requirement for information on "*Local water resource details – type, location, extent, water quality, quantity and environmental values (ecological and beneficial uses)*" is regulated through the water legislative framework.

The "*Social setting, affected communities and heritage (including natural, cultural or historic)*" was identified as a new requirement of the MCP guidelines. The guidelines would benefit from a more detailed explanation of what is expected in this subsection. Industry has noted that these

requirements are regulated by multiple other agencies and it unclear why DEMIRS needs this information as well.

Section 3.2 Contaminated Sites

This section duplicates the environmental outcomes presented in the MDCP guidelines. Industry has suggested it is redundant to require controls to manage contamination in both the MCP and the MDCP. This represents an opportunity to cut duplication. The management of post closure contaminated sites should fall under the requirements of the *Contaminated Sites Act 2003* and therefore not need duplication in the MCP. This section should be simplified to reflect that mine closure and contaminated sites are linked but regulated separately.

Section 3.3 Other Closure Related Data

Several of the information needs mentioned here appear to be an overlap with Section 8.2. It should be made clear which section of a MCP this is to be presented in. This relates particularly to closure designs and progressive rehabilitation.

Section 3.4 Data Analysis and Implications for Mine Closure

Industry provided specific feedback on this paragraph in this section:

The knowledge gap register should identify actions needed to close the gap, ownership, and a schedule for actions. DEMIRS advises that "Prior to closure" is not a valid date for actions.

The exclusion of the use of blanket terms such as "Prior to closure" seems to be counter intuitive to previous advice that mine closure planning is expected to progress as mining progresses. It should not be expected that all knowledge gaps will be known or mapped out for the entirety of the mine life, especially where mine life is long, and risks presented from the knowledge gap is low.

The final dot point reads: *How will impacts to sensitive receptors be minimised?*

Industry has suggested that this should be part of the risk assessment in the MCP, not the knowledge gap section.

Section 6 Closure Risk Assessment

This section requires more detail and differentiation from what is done under the *Mine Development and Closure Proposal Guidelines*. We suggested that the Likelihood and Consequence Descriptives and Risk Matrix as provided in the MDCP Guidelines be included in these guidelines, but that the Key Environmental Factor, Environmental Closure Outcome and Risk Pathways categories be spelt out in greater detail to provide better insight as to how these apply to closure planning only (the focus of the detailed MCP).

Section 7 Closure Outcomes and Completion Criteria

Industry feedback has reflected some confusion regarding the setting of Closure Outcomes. The document states these are to be taken from the DEMIRS Approvals Statement otherwise from the existing MCP, however the only way to modify/refine these is by means of a request submitted to DEMIRS using a Mine Development & Closure Proposal. Industry has likened this to a "chicken and egg scenario" - existing operational mines do not necessarily need to submit a MDCP unless they plan any significant change to what was agreed during initial project approvals.

It seems counterintuitive that closure outcomes be intrinsically linked to the MDCP approvals statement and therefore needing a revised MDCP to change them. Industry noted that closure outcomes should

progress over time like the rest of the closure planning is expected to, therefore, there should be a mechanism to allow these to be updated with the approval of an MCP rather than needing a new MDCP to give effect to changes to closure-related outcomes.

The section dealing with Table 6 needs to be expanded considerably to better assist mining proponents. This is considered as the key table in the entire MCP. Anecdotally, Industry considers that currently this table results in the greatest number of Requests for Information (RFI)'s from DEMIRS when reviewing MCP submissions. It is believed this could be reduced if greater detail and references were provided.

A further edit and tightening of the language in the Section is also suggested. For example, there are references to the WABSI framework, then paraphrases and summarises the framework, before again recommending it. This duplication makes it harder to read and understand. It would benefit from referencing the WABSI guidelines but not attempting to recreate the content.

Finally, as DEMIRS has been reviewing MCPs since 2011 it is able to identify a set of generic (example) *Closure Outcomes* and *Completion Criteria* to aid mining proponents. The final acceptance of Completion Criteria is based on agreement with DEMIRS, so a series of example of what is considered as a benchmark would be appreciated. Furthermore, if there could be commentary with some of the provided criteria explaining why it is considered acceptable (i.e. it is SMART) that would be welcomed.

Section 8.2 Closure Work Schedules

This section possibly needs some further thought and guidance provided. It is assumed that this section is what was previously call the Closure Works Register or Closure Domain Work Plans and represented the detailed description of the existing physical status; the proposed closure designs; required schedule of works; how the completion criteria apply; and proposed monitoring for each closure domain or mine landform. This is easily done in the main text of the MCP for simple mine sites, but far more complicated when mining operations include many mine pits and mine waste landforms extending over vast distances. Many sites have satellite operations that extend out distance of as much as 80 km with vastly different geology and hence mine waste material characteristics so have differing site specific closure designs/strategies. The result is very lengthy detailed *closure work plans* that can only be placed in attached appendix files. This will be particularly valid when having to provide all the technical details as listed in Appendix 5 of this document.

Section 10 Closure Cost Estimation

The closure cost estimate is generally a highly confidential document as it outlines information that may inadvertently impact a company's share price.

AMEC recommends that when a company is publicly listed this section can simply refer to the annual report rather than replicating the closure cost estimate. The liabilities of an ASX-listed company are audited annually before being publicly reported in the Annual Report. Rather than recreate the closure estimate for the MCP a similar stance could be taken to that of the EMS with ISO14001 accreditation.

Industry has also suggested that reference be made to the *ICMM Financial Concepts for Mine Closure* document and the *International Accounting Standards Board IAS 37 Provisions, Contingent Liabilities and Contingent Assets* document.

Section 12.1

As the summary table for the purpose of aiding the assessment, not for the purpose of closure planning, AMEC proposes that it should be excluded from the body of the MCP and added to the Appendices.

The summary table, and a highlighted changes version of the document, if necessary, can be provided (preferably using a DEMIRS template for consistency) with the MCP when submitted for approval. This information could be provided as part of the submission process (i.e. built into the submission portal) or a cover letter.

Appendices

All six appendix files should be included in this document when finalised. They all contain very useful information and detail expectations neatly.

Industry has identified that a specific table outlining DEMIRS expectations for mine closure based on mine life would be a useful addition. This would increase quality of submissions that are appropriate for the stage of mine that are submitted to DEMIRS.

Finally, further information on the interaction and touch points between the MCP and MDCP would be beneficial. A tabulated appendix to the document detailing this relationship would be welcome.

Transitional Arrangements?

What are the transitional arrangements? Industry's interpretation of the documentation is that it is a blanket requirement that all MCPs post-commencement will need to meet the requirements outlined. Clarity as to the status of the documents that are already submitted to the department or under preparation would be welcome.

Final comment

AMEC welcomes ongoing consultation and engagement with the Government on the further drafting of the Mine Closure Plan. As was noted above, this document is a substantial enhancement on the "*Mine Closure Plan Guidance - How to prepare a Mine Closure Plan*" document, which has been welcomed by Industry.

For further information contact:

Neil van Drunen
Director – WA
Association of Mining and Exploration Companies
0407057 443