27 July 2026

## To: Limestone Coast Landscape Board

## Re: Lower Limestone Coast Water Allocation Plan amendments

### Introduction

AMEC appreciates the opportunity to provide feedback to the Lower Limestone Coast Landscape Board (the Board) on the Lower Limestone Coast Water Allocation Plan (the Plan) amendments. We welcome the ongoing consultation and this early engagement on four proposed policy changes for feedback ahead of the Draft release of the Plan in 2027.

### General comments

Water is a critical resource for mineral exploration, mine development, mineral processing and other operational requirements. The Limestone Coast hosts significant mineral resources, including critical minerals opportunities that may progress to future mining operations and require access to licensed groundwater supplies. Industry seeks to ensure that future water allocation settings continue to provide reasonable certainty, transfer flexibility and equitable access to water for new developments and existing users.

AMEC supports the Board's objective of modernising and simplifying the Plan through the introduction of water access entitlement classes, consumptive pools and revised licence instruments. Greater transparency and reduced complexity should improve understanding of water rights and support a more efficient water market.

AMEC supports the sustainable management of groundwater resources and recognises the need to balance environmental, social and economic outcomes with existing and emerging users including the mining industry.

### About AMEC

The Association of Mining and Exploration Companies (AMEC) is a national industry association representing over 550 member companies across Australia. AMEC’s member companies account for over $100 billion of the mineral exploration and mining sector’s capital value. Our members are mineral explorers, emerging miners, producers, and a wide range of businesses working in and for the industry.

AMEC’s membership base in South Australia comprises 45 exploration and mining companies, including companies undertaking pilot trials, mine development and mining operations. A further 45 AMEC member companies are supporting industry as local suppliers and service providers to deliver projects.

## Key recommendations

AMEC and its members recommend that the revised Water Allocation Plan incorporate the following measures and provide greater detail on how they will be implemented in practice:

1. Ongoing transferability and market access to Class 4 General Security Water Access Entitlements for mining and mineral processing developments.

2. Support efficient, transparent and accessible water markets that allow new industries, including mining, to acquire water from willing sellers through both permanent and temporary transfer of licences and trading of water allocations.

3. Maintain effective transfer pathways between forest water licences and the Lower Limestone Coast Unconfined Aguifer Consumptive Pool, recognising the importance of these mechanisms for future economic development and water market flexibility.

4. Implement adaptive management arrangements through clearly defined, science-based and publicly available resource condition triggers, with transparent decision-making processes for allocation introductions and restrictions.

5. Provides investment certainty through adequate transition arrangements where allocation restrictions or entitlement reductions may be contemplated.

6. Avoid unintended policy outcomes that place future mining projects at a competitive disadvantage relative to other industrial, manufacturing and commercial water users.

## Response to proposed policy changes

### Classes of Water Access Entitlements

AMEC supports the objective of simplifying the current licensing framework and replacing the large number of purposes of use and licence components with a smaller number of classes of water access entitlements. A simplified and more transparent licensing framework should improve understanding of the water market, reduce complexity for licence holders and assist future water users to participate in the system.

AMEC notes that under the current proposal mining activities would be assigned to Class 4 General Security, which is a class that may be subject to both entitlement reductions and allocation restrictions under future adaptive management arrangements.

Mining developments are long-term, capital-intensive projects that require substantial upfront investment and rely on secure access to water over the life of the operation. In many cases mining projects involve processing, manufacturing and industrial activities that are comparable in scale and economic significance to other industrial water users.

AMEC appreciates that while Class 4 may be subject to reductions and restrictions of entitlement and allocation that this class offers the best option for transfer of volumes. The inclusion of mining in this class, appropriately recognises the long-term investment profile and economic contribution of future mining developments.

AMEC recommends that:

- Future mining projects continue to have unrestricted ability to acquire and use Class 4 water access entitlements through the water market.
- Any future entitlement reduction framework be transparent, evidence-based and supported by clear transition arrangements for existing licence holders and approved developments.

## Consumptive Pools

AMEC supports the proposal to simplify the consumptive pool framework through the creation of the:

- Lower Limestone Coast Unconfined Aquifer Consumptive Pool
- Lower Limestone Coast Managed Aquifer Recharge Consumptive Pool
- Lower Limestone Coast Confined Aquifer Consumptive Pool

The simplified structure should improve transparency and provide greater clarity for current and future water users.

Importantly, AMEC supports the proposed ability to transfer water between forest water licences and the Lower Limestone Coast Unconfined Aquifer Consumptive Pool. This transfer mechanism may provide an important pathway for future industries, including mining projects, to obtain water through market-based transactions without requiring additional allocations from the resource.

Future mining projects in the Limestone Coast are likely to obtain water through the acquisition or transfer of existing entitlements rather than through access to new allocation volumes. Water market flexibility will therefore become increasingly important to support regional economic development.

Recommendations:

- Transfers between forest water licences and the Unconfined Aquifer Consumptive Pool be retained.
- The revised Plan continue to support both permanent and temporary transfers of water allocations. Reduce barriers to achieving this:
    - Transfer processes and requirements be simplified and clearly communicated to improve market participation and transparency.
    - Administrative, technical and assessment costs associated with water transfers be minimised where possible.
    - Increase access to shared hydrogeological data to reduce the cost and complexity of transfer assessments.

- No additional administrative barriers be introduced that restrict market access for new industries and developments.

- The Managed Aquifer Recharge Consumptive Pool be developed in a manner that allows future industrial and mining proponents to participate in groundwater recharge and water recovery initiatives where these contribute to improved resource outcomes.

## Water Licence Instruments

AMEC supports the proposed transition from a bundled water licence to a system of 'partial unbundling' that comprises separate water access entitlement and water allocation instruments. This change appears consistent with the *Landscape South Australia Act 2019* and should improve transparency in the administration of water rights.

AMEC recognises that one of the key drivers for this reform is the ability to support adaptive management through temporary allocation restrictions while retaining the underlying water access entitlement.

While AMEC supports adaptive management based on science, it is critical that future allocation restriction mechanisms are implemented in a manner that provides certainty for investment.

Mining projects commonly require extensive exploration expenditure, lengthy environmental and development approvals, substantial capital investment and long operational timeframes. Investment decisions are frequently made many years before groundwater extraction commences. Sudden or unpredictable allocation restrictions could adversely impact project feasibility, financing and investment confidence.

Recommendations:

- An adaptive management framework be supported by transparent and publicly available resource condition triggers.

- Clear decision-making criteria be established for the introduction, continuation and removal of allocation restrictions.

- Adequate notice periods and transition arrangements be provided before significant allocation restrictions are implemented.

- Consideration be given to approved developments and existing investment commitments when adaptive management responses are applied.

## Water for Future Mining Development

The Limestone Coast hosts a number of existing mineral resources and exploration projects, including significant critical minerals opportunities that may progress to development over coming decades. Access to groundwater is an important enabling factor for these projects.

AMEC acknowledges the need for sustainable groundwater management and the importance of balancing environmental, agricultural, community and economic outcomes. However, the revised Water Allocation Plan should also recognise that future mining developments represent legitimate and potentially significant regional economic opportunities.

### Water for Mining – a note on regulation

The Department for Environment and Water (DEW) is responsible for water licencing in the Prescribed Wells Areas covered by this Plan. Given concerns relating to the potential impacts of future mining developments on groundwater resources, it is important to recognise the extensive regulatory and licensing framework that governs water use by the mining industry.  Access to groundwater is not automatic and must occur through established water allocation, licensing and transfer mechanisms within sustainable resource limits.

In addition, before mining operations can commence, proponents are required to undertake extensive environmental, hydrogeological and technical studies to support a Program for Environment Protection and Rehabilitation (PEPR). The PEPR must be assessed and approved by the Department for Energy and Mining and is referred to relevant agencies, including DEW and the Environment Protection Authority (EPA), for review. This process includes detailed assessment of groundwater use, potential groundwater impacts, monitoring programs, mitigation measures and ongoing compliance requirements.

DEW provides the following summary of South Australia's approach to regulating water use and managing environmental impacts associated with mining activities.

*“South Australia has a robust regulatory framework to guide sustainable water management. For the mining industry this provides certainty for future investment, attracts jobs, and demonstrates that energy and mining can be part of a sustainable future.*

*Water is provided under water resource management arrangements and within sustainable limits where water is ‘prescribed’, or via SA Water. Other sources like on-site reuse, saline groundwater and recycled water open up access to supplementary water sources for industry to help drive growth.*

*While demand for water continues to rise, South Australia remains committed to proactively managing needs, diversifying sources and planning for the future to head off potential demand pressures that growth in mining can bring.*

*In South Australia, the environmental impacts must be managed and meet the expectations of relevant regulators and the community. This way, sustainable water resources can support energy and mineral development as well as households, stock, irrigation, manufacturing, Aboriginal culture and heritage, recreation, and the environment."* [1]

## Final comments

### Supporting a diversified regional economy

The Limestone Coast has long benefited from industries that rely on secure access to water, including for irrigation, forestry, manufacturing and public water supply. The region is also prospective for future mineral exploration and new mining development, including commodities that will support Australia's transition to a lower-emissions economy and growing demand for critical minerals.

AMEC and Industry acknowledge that the revised Water Allocation Plan must balance environmental, social and economic objectives while ensuring the long-term sustainability of groundwater resources. Future mining projects do not seek preferential access to groundwater resources. Rather, the mining industry seeks a framework that allows new entrants to participate fairly in the water market and acquire water through existing transfer and licensing mechanisms where sustainable to do so.

The proposed reforms outlined in these policies have the potential to improve transparency, simplify administration and strengthen adaptive management arrangements. However, they also have the potential to materially influence future investment decisions. AMEC considers it essential that the revised Plan continues to provide confidence that water acquired through lawful market processes can be accessed and used with an appropriate degree of certainty over the life of major projects including mining.

### Continued Engagement

AMEC and industry members welcome the collaborative approach taken by the Limestone Coast Landscape Board throughout the Water Allocation Plan amendment process and appreciate the opportunity to provide feedback on these proposed policy changes.

We look forward to ongoing consultation as the revised Plan continues to be developed to ensure that future water management arrangements achieve sustainable environmental and multi-user outcomes while continuing to support investment, employment and economic development form new mining projects in the Limestone Coast region.

**For further information contact:**
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[1] DEW. Accessed 11/2/2025. www.environment.sa.gov.au/topics/water/water-security/water-for-the-economy#:~:text=Water%20for%20energy%20and%20mining&text=South%20Australia%20has%20a%20robust,part%20of%20a%20sustainable%20future.