

14 DEC 2010



Ref CTS 20818/10

Department of  
Environment and Resource  
Management

Mr Kevin Phillips  
Secretary  
Queensland Small Miners Council  
PO Box 210  
QUILPIE QLD 4480

Dear Mr Phillips

I refer to the Department of Environment and Resource Management's meeting with representatives of the Queensland Small Miners Council (QSMC) on 13 October 2010, and our subsequent meeting on the 1 December 2010 at which the department outlined its proposed response to the matters raised by QSMC during the course of the meeting in October. The department trusts that the following responses will be helpful in developing a better understanding between QSMC and the department about the regulatory arrangements applying to Level 2 mining projects, and I ask that you communicate this information to members of the Council as soon as practical.

As I informed representatives of QSMC on 1 December 2010, the department intends seeking approval to amend the *Environmental Protection Regulation 2008* to provide that the annual fee for an environmental authority for a Level 2 mining project not be payable at the time that an application is made, but once tenure has been granted. We will want to discuss the precise arrangements for implementing this commitment with QSMC in the coming weeks.

The department also intends to provide a transitional period of 12 months commencing on the 1 March 2011 in which the holder of multiple environmental authorities that are operated as a single Level 2 mining project, may apply to amalgamate them. As an incentive to encourage the use of this process during the transitional period, the department will, for the environmental authorities that are extinguished, refund the annual fees paid since the 1 January 2009. Once the transitional period expires the arrangements will revert to those already provided for in the current legislation.

In order to have the benefit of these transitional arrangements:

- the holder of multiple environmental authorities will have to apply for amalgamation;
- the environmental authorities to be amalgamated will need to comply with the requirements for a Level 2 mining project; and
- the holder will have had to have paid invoiced annual fees to be entitled to a refund
- Notwithstanding the twelve month transitional period, the department will be looking to transact as many of these amalgamations as possible in the period March to June 2011. To that end DERM will be making resources available to assist applicants and expedite the processing of applications during this transitional period

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On the matter of the definition of a mining project, there is no legislative description of the criteria that define a **single integrated operation**. For practical purposes the department considers that a mining project would be a single integrated operation where multiple environmental authorities can be amalgamated, if it fits the following criteria:

- There is more than one tenement; and
- A common holder is listed on all the environmental authorities proposed to be integrated; and
- The applicant can demonstrate that the activities carried out on each tenement are carried out under the daily supervision of the same person; and
- The same plant and equipment is used to conduct the mining activities across the mining tenements to be amalgamated.
- The components of the project are within ½ a days travel of each other.

As discussed at our meeting, DERM would welcome the comments of the Council on these criteria so that an agreed version can be integrated into guidance materials produced by the department.

The department recognises that there is always room to improve access to information and advice on the requirements of the law, and opportunities to improve the understanding of all participants in the process. The department is currently working on materials that will form the basis of a guidance package for applicants and holders of environmental authorities for level 2 mining projects, and will be consulting with QSMC on this package of materials in the near future. The materials will then be finalised to coincide with the regulatory changes that are necessary to give effect to the commitments made in this correspondence. These materials will form the basis of training for departmental staff and the workshops for operators of level 2 mining projects, to be arranged in conjunction with QSMC for the first half of 2011.

I trust that you find these responses to the matters raised by QSMC in our meeting on 13 October 2010 helpful and I invite QSMC to comment on the proposed changes.

Mr Jon Womersley, Director, Regulatory Support and Practice, is the department's representative on the Small Scale Mining Working Group currently working through issues relating to smaller mines, raised in the "Supporting Resource Sector Growth" report, prepared by the Queensland Resources Council. If you have any further enquiries, please do not hesitate to contact Mr Womersley on telephone 3330 5749.

Yours sincerely



**Terry Wall**  
Associate Director General