



# Mining Rehabilitation Fund

## Yearly Report 2016



### Highlights of 2015-16

The 2015-16 financial year marks the third full year of operation for the Mining Rehabilitation Fund (MRF), following an initial voluntary year where payments into the fund were accepted from 1 July 2013.

Compliance with reporting requirements was nearly universal and the total contributions received over the financial year brought the total principal in the fund to approximately \$60 million with \$1.95 million in interest having been generated. The reported disturbance data provides useful information regarding mining activity in Western Australia. The Department of Mines and Petroleum (DMP) publishes the data annually on its website.

2015-16 saw the first rehabilitation works delivered through the MRF, with the DMP ensuring safety and environmental risks were addressed at the Ellendale Diamond Mine. Works have also commenced on the rehabilitation of two pilot projects which are historically abandoned sites – Black Diamond in Collie and Pro-Force in Coolgardie. Also for the first time, DMP has coordinated the auctioning of abandoned mine infrastructure – first at Pro-Force in November 2015 and then at Ellendale in June 2016.

Overall, 2015-16 was an important year for the commencement of the Abandoned Mines Program, identifying ways to best partner with local communities to deliver rehabilitation outcomes.

### Background

The MRF was developed and implemented in response to a potential increase in 'unfunded' rehabilitation liability for mines that became abandoned, while also providing a funding source to address historical or 'legacy' mines in Western Australia.

Under the MRF, holders of mining tenements granted under the *Mining Act 1978* (Mining Act) contribute to a pooled fund by payment of an annual levy. This is calculated according to the environmental disturbance on tenements. The money in this fund can be used to rehabilitate abandoned mines after all efforts to recover funds from the tenement holder/operator have been exhausted.

The introduction of the MRF in 2013 has ensured that the community of Western Australia will not be forced to pay for the rehabilitation of mining operations that may become abandoned in the future. In addition, interest earned on the fund can be used to rehabilitate historical abandoned mine sites in Western Australia. The State has never before had a dedicated and perpetual fund for the rehabilitation and management of historical abandoned mine sites.

The previous system of applying Unconditional Performance Bonds (UPBs) against tenements as security for compliance with environmental obligations has largely been replaced by the MRF. Bonds may still be imposed or retained in cases where DMP considers that there is a high risk that a tenement holder's rehabilitation liability could revert to the State.

Since the introduction of the Fund, more than \$1 billion in UPBs has been returned to the mining sector, allowing companies to invest in progressive rehabilitation and other project developments.

The MRF's innovative approach to managing rehabilitation liability has attracted interest from the Organisation for Economic Co-operation and Development, as well as other Australian and international jurisdictions. It is also seen as a means of injecting much-needed employment opportunities into local communities and fostering valuable partnerships with small business.

There has also been overwhelming interest in the MRF and the Abandoned Mines Program from industry groups. DMP has provided presentations about these programs at the 2016 Goldfields Environment Management Group conference Kalgoorlie, 2016 Australian Institute of Geoscientists Annual Conference Perth and the Life-of-Mine Conference Brisbane.

In 2015, the MRF was a joint winner of the 'Developing the Economy' category of the Premier's Awards for Excellence in Public Sector Management.



The *Mining Rehabilitation Fund Act 2012* (MRF Act), which provides the framework for the MRF, was enacted in 2012 and the fund commenced on 1 July 2013.

As the MRF is a special purpose account under the *Financial Management Act 2006* (FM Act), funds must be spent in accordance with the purposes stated in the MRF Act. Under the provisions of the FM Act, the Director General of the DMP is accountable for the management of the MRF.

DMP reports on the management of the Fund annually through the department's Annual Report. In addition, the projected revenue and expenditure for the MRF is considered by the State Government and approved through the State Budget each year.

This report presents the activities and achievements of the MRF in 2015-16, as well as providing an indication of plans for future years.

## Activities of the Mining Rehabilitation Advisory Panel

The Mining Rehabilitation Advisory Panel (MRAP) was established in 2013. The primary purpose of the Panel is to provide advice to the Director General of DMP on MRF matters. The inaugural panel was appointed in December 2013 and served until December 2015.

The new membership of MRAP, appointed for a three-year term from March 2016, are Michael Slight (Chairperson), Phil Scott (Deputy Chairperson), Sally Audeyev, Michelle Rhodes and Donald Burnside.

**Michael Slight** is a mining engineer with more than 35 years of operational experience in all phases of mining from feasibility, construction and development, production and expansion through to mine closure.

**Phil Scott** is an environmental professional with 27 years of experience in corporate, resource and environmental management across a broad range of industries.

**Sally Audeyev** is a leading environmental lawyer specialising in environmental, indigenous, planning and mining related legislation.

**Michelle Rhodes** is a director of a leading environmental consultancy company and has 21 years of experience in the environmental sector and stakeholder engagement.

**Donald Burnside** is a professional consultant with 40 years of experience in agriculture and natural resource management.

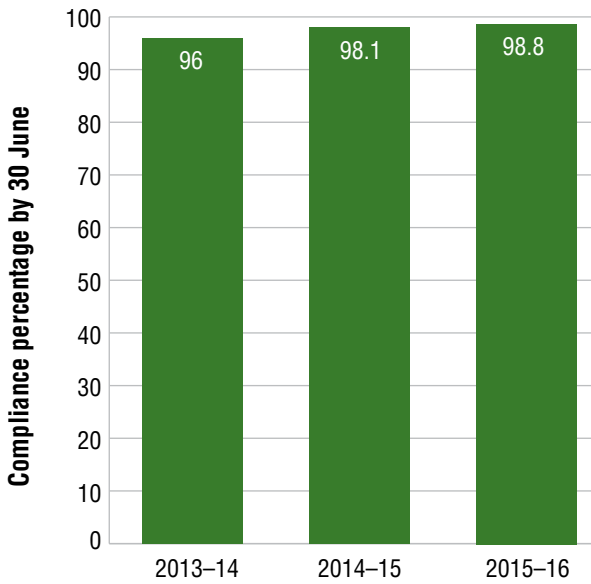
The MRAP meets quarterly to discuss a range of matters related to implementing and managing the MRF and the development of the Abandoned Mines Program, for which they provide independent expert advice. During 2015-16, MRAP provided the following key areas of advice.

- Following two months of external consultation, MRAP endorsed the Abandoned Mines Policy in late 2015, which was then published in January 2016.
- The formal gazettal of the land within the former Ellendale Diamond Mine as an 'abandoned mine site', and proposed expenditure for making the site safe, stable and non-polluting.
- Endorsement of the gazettal of the identified pilot sites (Black Diamond and Pro-Force) as 'abandoned mine sites' and guidance on each project's proposed scope of works and costings.
- Valuable advice to the policy development and work program aspects of the MRF and Abandoned Mines Program for the coming years, including providing feedback on a draft Partnership Guideline.

## MRF Lodgement and Reporting

All eligible tenement holders are required to submit disturbance and rehabilitation data each levy period. Levy periods are aligned with the normal July-June financial reporting period.

The level of compliance with reporting obligations under the MRF Act continued to improve in 2015-16, with 98.8 per cent (2014-15 comparative: 98.1 per cent) of eligible tenement holders submitted disturbance reports by the due date, 30 June 2016 (Figure 1).

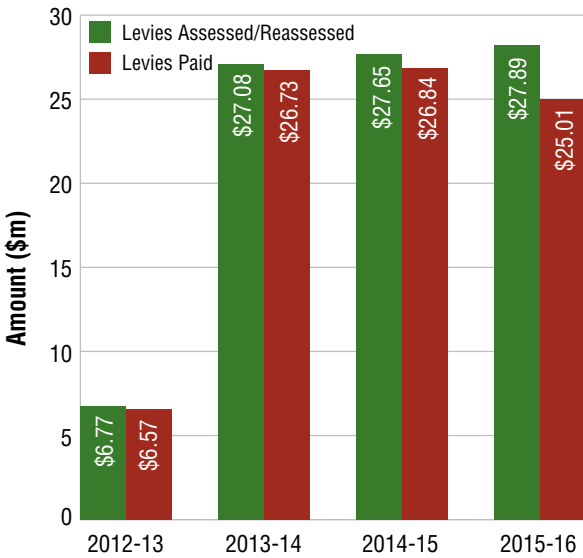


**Figure 1: Percentage of tenements compliant with reporting obligations by 30 June for each levy period.**

**Projected Levy for the 2015-16 Period**

Levy payments totalling \$27,893,734.20 were assessed for the 2015-16 period (2014-15 comparative: \$27,234,510.18) based on information provided before the reporting period closed.

Disturbance data can be formally reassessed up to two years from the date of the original assessment. As a result, the final total of levy payments due for a period may vary if the disturbance data is subsequently reassessed (Figure 2).

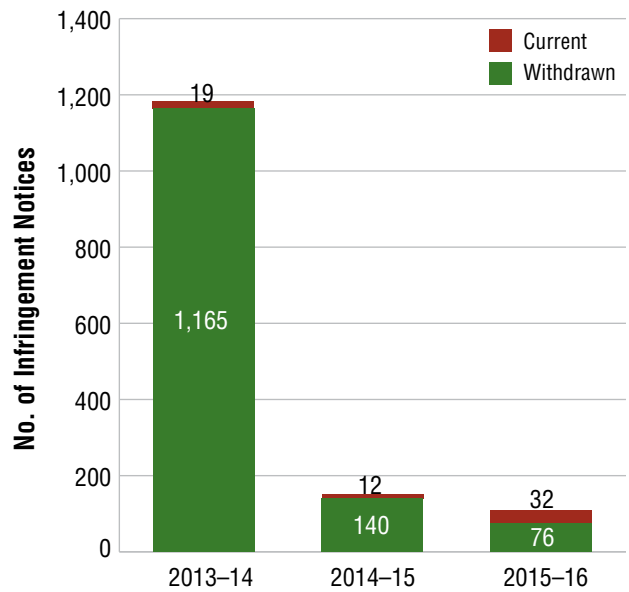


**Figure 2. Levies assessed and paid 2013-2016. Results include the impact of reassessed levies for the 2013-2015 period, voluntary levy payments received for '2012-13' period and payments received up to and including 20 September 2016**

**Enforcement**

As a result of tenement holders failing to comply with reporting obligations under the MRF for the preceding period DMP issued 108 infringement notices in July 2016 . As in previous years, the majority of the affected tenement holders completed their reporting obligations after these infringements notices were issued. By September 2016, DMP had withdrawn 76 infringement notices issued in relation to 2015-16 obligations. Infringement notices are enforced through the State's Fines Enforcement Registry. Revenue from infringement notices is transferred to the State Government's Consolidated Revenue Fund and not retained by the MRF.

Figure 3 demonstrates that the number of infringement notices has decreased significantly since 2013-14.



**Figure 3. Infringement Notices issued for failure to provide Mining Rehabilitation Fund assessment information 2013-2016.**

**Annual MRF Auditing**

Desktop auditing of MRF reports is conducted annually to help ensure that the self-assessed data provided by tenement holders is accurate and reliable. This also helps to identify any issues with the reporting categories.

The most frequently misreported disturbance types included tracks/roads, waste rock dumps and mining voids as well as cleared areas (such as sand, river-bed and gravel mining), for which no specific description currently exists in the *Mining Rehabilitation Fund Regulations 2013*.

This information will assist in the upcoming review of the MRF regulations, including the existing 'disturbance types', and tenement holders are encouraged to contact DMP should there be any queries regarding disturbance categories.



MRF reports are selected for auditing from the pool of reports lodged in the preceding period, with selection based on risk models as well as random selection from the pool. During the 2015–2016 period, 46 per cent of audited reports were identified by risk-based selection and 54 per cent by random selection.

Audits during the 2015–2016 period commenced in September 2015 and were completed by June 2016. During the period, a total of 123 MRF reports, representing 2197 tenements (10 per cent of tenements reported during the prior period) were audited. Of these, 41 were issued with an MRF Direction requesting records and/or further information. Almost all tenement holders were able to either clarify the potential discrepancies or amend the disturbance data that had been reported.

In total, 72 per cent of audited reports were found to contain either no discrepancy or a potential discrepancy that could be satisfactorily explained by the tenement holder (see Figure 4).

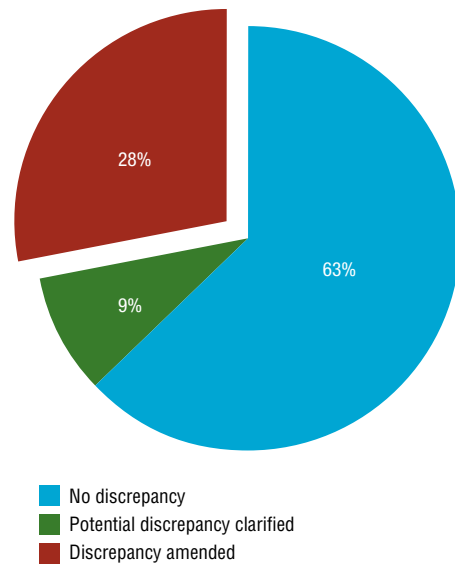


Figure 4. Summary of the audit findings for 123 reports audited in 2015/2016

### Annual MRF data

The MRF data is the most comprehensive, publicly-available dataset of mine-site activities in Australia and is published annually on DMP’s website.

Each year disturbance and rehabilitation data across 32 types of disturbance are submitted for each Mining Act tenement. A summary of the disturbance and rehabilitation data reported for each tenement type is provided in Table 1. Importantly, the data shows that the percentage of

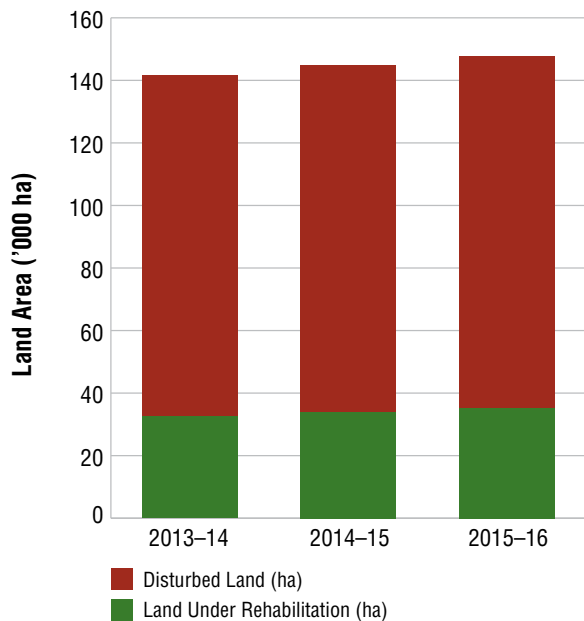
Land Under Rehabilitation (on which rehabilitation of mining disturbances is under way) has continued to increase annually at an average of 4 per cent (1300 ha). It also shows that since 2014 this area has increased, as a proportion of the total area of disturbance, from 23 per cent to 24 per cent (Figure 5). This trend is likely to be the result of tenement holders increasing the rate of progressive rehabilitation - the MRF unit rates for rehabilitated areas are significantly less than for disturbed areas, resulting in reduced levy obligations.

Table 1: MRF summary of data reported for the period of 2013–16

	Disturbed Land (ha)					Land Under Rehabilitation (ha)				
	2013–14	2014–15	2015–16	Change 2014–15 %	Change 2015–16 %	2013–14	2014–15	2015–16	Change 2014–15 %	Change 2015–16 %
Exploration Licences	9,114	8,415	7,734	-7.7%	-8.1%	100	87	36	-13.2%	-58.1%
General Purpose Leases	2,899	3,096	3,144	6.8%	1.6%	679	709	811	4.4%	14.4%
Miscellaneous Licences	10,570	11,426	11,087	8.1%	-3.0%	589	708	915	20.2%	29.3%
Mining Leases	85,815	87,457	89,732	1.9%	2.6%	31,141	32,334	33,404	3.8%	3.3%
Prospecting Licences	782	754	643	-3.6%	-14.7%	88	84	69	-4.6%	-18.6%
Retention Licences	2	4	355	136.5%	7,713.7%	0	0	0		
<b>Total</b>	<b>109,181</b>	<b>111,152</b>	<b>112,698</b>	<b>1.8%</b>	<b>1.4%</b>	<b>32,598</b>	<b>33,922</b>	<b>35,235</b>	<b>4.1%</b>	<b>3.9%</b>

Source: Data extracted from the Environmental Assessment and Regulatory System 2, valid as at 21 September 2016. Data rounded to the nearest hectare.

Note: ‘Land Under Rehabilitation’ does not include all rehabilitation work being undertaken, as it excludes rehabilitation of exploration or prospecting activities conducted under Programmes of Work. For those activities, rehabilitation data is not separately reported and any rehabilitated areas remain a part of ‘Disturbed Land’ until all approved work (and required rehabilitation) has been completed. Those areas of ‘Land Under Rehabilitation’ that have been reported on Exploration Licences and Prospecting Licences are likely to relate to other (peripheral) disturbances reported on those tenements. ‘Land Under Rehabilitation’ also does not include ‘Rehabilitated Land’ that is considered to have been completed in accordance with closure obligations.  
 Note: ‘Change’ identifies the percentage difference from the preceding year.



**Figure 5. Total ‘Disturbed Land’ (i.e. areas subject to on-going mining activity) and ‘Land Under Rehabilitation’ (i.e. rehabilitation earthworks are complete but the area is yet to meet final closure obligations), based on industry-reported data (to 21 September 2016).**

### Unconditional Performance Bonds

Unconditional Performance Bonds (UPBs) were introduced into WA in the 1980s for the purpose of ensuring the State was not exposed to unacceptable costs in the event that operators failed to meet the environmental obligations attached to their tenements.

These UPBs could be called up by DMP in circumstances where a tenement holder failed to comply with its tenement conditions and the money was required by the State to fund rehabilitation works on that tenement.

The UPB arrangements had limitations, as they had the effect of tying up significant amounts of capital following the approval of an exploration or mining program. Availability of capital at this stage was often required to ensure the success of the project.

With the introduction of the MRF, tenement holders entering the fund were able to request the retirement of their UPBs, once the disturbance data was reported and the relevant MRF levy paid. As expected, this resulted in the majority of UPBs being retired, freeing up significant capital for tenement holders, while generating funds to manage abandoned mine sites.

UPBs were reviewed against the criteria contained in DMP’s published guidance on the administration of mining securities. UPBs totalling \$1,049,146,275 have passed the MRF eligibility criteria for retirement and been returned to the mining sector (Table 2).

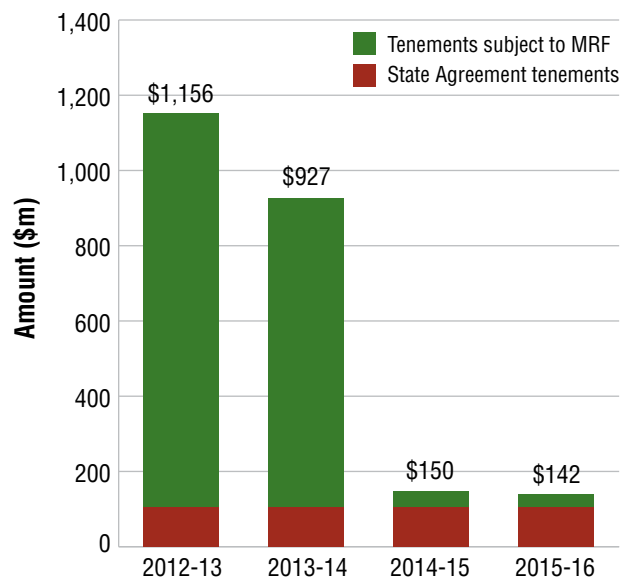
**Table 2. UPBs retired as at 30 June 2016**

	Value of bonds	Numbers of bonds
Exploration Licences	\$33,182,200	863
General Purpose Leases	\$43,212,750	306
Miscellaneous Licences	\$48,113,325	590
Mining Leases	\$924,333,000	2,803
Prospecting Licences	\$250,000	22
Retention Licences	\$55,000	2
<b>Total</b>	<b>\$1,049,146,275</b>	<b>4,586</b>

Source: DMP Mineral Titles –Online as at 16 September 2016

The number and value of UPBs still held by DMP had reduced to \$142,036,392 by the end of the 2015-16 period, of which \$106,772,632 related to entities not subject to the MRF (e.g. operating under State Agreements) (Figure 6).

The obligation to meet tenement conditions, including completion of rehabilitation work, does not cease when a tenement expires, is surrendered or forfeited. For this reason, the value of UPBs held by DMP includes 84 UPBs (totalling \$2,331,500) that are still held for tenements that are no longer current and have yet to meet their rehabilitation obligations to DMP’s satisfaction.



**Figure 6: Value of Unconditional Performance Bonds held by the Department of Mines and Petroleum at the end of each levy period, including the 2012-13 voluntary period**

### Application of Unconditional Performance Bonds

The MRF has largely replaced the practice of requiring the direct lodgement of mining securities under the Mining Act and provides a dedicated source of funding to address abandoned mine sites in Western Australia.

Some UPBs, applied under the former system, have been retained in circumstances where DMP has assessed there is a high risk of the rehabilitation liability reverting to the State. Likewise, for new applications or existing tenements, DMP may still apply UPBs where high risks are identified.

The requirement to provide a UPB does not affect a tenement holder's obligation to pay any applicable MRF levy.

Now that the MRF has commenced, more information on the use of UPBs is contained in the guidance document 'The Administration of Mining Securities', which is available on the DMP's website.

### Financial Summary

Each year, DMP reports the performance of the MRF in its Annual Report, which is available on DMP's website. A summary of this information is provided in Table 3. DMP's Annual Report also provides details of the net funds from called-up UPBs that are available for rehabilitating mine sites. As at 30 June 2016, this amount stood at \$4,748,000.

**Table 3: MRF Financial Summary 2013-16**

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Estimated
	\$'000	\$'000	\$'000	\$'000
Balance at start of period	0	9,855	35,141	63,377
Add receipts				
Contribution from Industry	6,719	26,667	27,098	27,000
Treasurer's Advance Drawdown <sup>(1)</sup>	1,623	1,944	800	2,080
Interest Received	0	777	1,175	2,310
Transfer of Called-up Performance Bonds <sup>(2)</sup>	3,077	(3,031)	0	
	11,419	26,358	29,073	31,390
Less payments				
Salaries	13	0		188
Operational Expenditure	1,551	1,072	837	1,026
	1,564	1,072	837	1,214
<b>Balance at end of period</b>	<b>9,855</b>	<b>35,141</b>	<b>63,377</b>	<b>93,553</b>

Source: DMP Annual Report 2015-16, the 2016 State Budget and DMP, Financial Accounting Branch

Note:

(1) Total Treasurer's Advance drawn down as at 30 June 2016, to be repaid to Treasury, is \$5.33 million

(2) Balance of Transfer of Called-Up Performance Bonds (reversed in 2014-15).

Estimated results for the 2016-17 financial year are drawn from Part 18 of the 2016 State Budget (available at [ourstatebudget.wa.gov.au](http://ourstatebudget.wa.gov.au)) with additional detail provided by DMP's Financial Accounting Branch. As at September 2016, money in the fund totalled about \$60 million with \$1.95 million in interest generated.

In accordance with the MRF Act, the interest generated on the fund can be accessed for salaries and operational expenditure to manage the fund. This includes the project costs of the Abandoned Mines pilot projects (see Table 5).

DMP administers the MRF as a special purpose account under Section 18 of the Financial Management Act 2006 in accordance with Section 10 of the *Mining Rehabilitation Fund Act 2012*.

### Abandoned Mines Program

The Abandoned Mines Program was established following the enactment of the MRF Act and is the first legislated program in the world to address the issue of abandoned mine sites.

Funds from the MRF will be used to rehabilitate future abandoned mine sites, when all other avenues to ensure rehabilitation have been exhausted. Interest generated from the MRF can be used to rehabilitate legacy abandoned mine sites across Western Australia.

Currently there are five projects in the Abandoned Mines Program. The Ellendale Diamond Mine was effectively abandoned in 2015 and is the first site for works to be undertaken using the principal of the MRF.

There are four historical abandoned mine sites identified as pilot sites for rehabilitation out of the interest generated on the MRF: Black Diamond Pit Lake, Pro-Force Plant Site, Bulong Nickel Tailings Storage Facility and the Elverdton Dumps.

Consultation and site works have commenced on three of the projects – the Ellendale Diamond Mine, Black Diamond Pit Lake and the Pro-Force Plant Site. A break-down of costs for each project is provided in Table 5.

This innovative program is guided by the Abandoned Mines Policy, which sets out the framework for the risk-based prioritisation, management and/or rehabilitation of abandoned sites and has a strong focus on stakeholder engagement and end land-use.

The program provides the policy, governance, tools and processes necessary to ensure that each rehabilitation project is managed efficiently and transparently. As each project site will have a unique set of safety and environmental objectives, the program is designed to ensure that site-specific, long-term benefits can be realised for the local communities, mining industry and the State.

As part of the program DMP is developing a Partnership Guideline that outlines its approach to partnered collaboration with other government bodies, community groups and businesses in the management and/or rehabilitation of abandoned mine sites. The draft guideline is to be released for external consultation late this year and a final version is expected to be released early in 2017.

To date DMP has partnered with the University of Western Australia to undertake monitoring at the Black Diamond Pit Lake and to develop long-term management goals for the site. DMP has also undertaken consultation with local stakeholders for the Ellendale site, including the North Regional TAFE in Derby.

As part of the Abandoned Mines projects, DMP follows all regulatory requirements that apply to rehabilitation of mine sites, such as obtaining Native Vegetation Clearing Permits. DMP will also work closely with the Department of Environment and Regulation for future pilot sites under the *Contaminated Sites Act 2003*.

Best practice technology, such as Light Detection and Ranging (LIDAR) surveys, underwater sonar surveys, surveillance cameras and remotely piloted drone surveys, are also being adopted for the rehabilitation projects. This provides DMP with the unique opportunity to share mine closure best practice methodologies and findings with industry and local communities.

**Table 4: Breakdown of sources and applications of funds for Abandoned Mine projects 2015–16**

Project	Levies Collected \$'000	Expenditure from MRF Principal \$'000		Expenditure from MRF Interest \$'000		Total Expenditure to 30 June 2016 \$'000
		Project Costs	On-Site Costs	Project Costs	On-Site Costs	
Ellendale Diamond Mine	819	97	51	0	0	148
Black Diamond Pit Lake	0	0	0	24	0	24
Proforce Plant Site	0	0	0	0	0	0
<b>Total</b>	<b>819</b>	<b>97</b>	<b>51</b>	<b>24</b>	<b>0</b>	<b>172</b>

Source: DMP, Financial Accounting Branch. Data as at 30 June 2016



### Ellendale Diamond Mine

The Ellendale Diamond Mine (Ellendale) is located approximately 100 kilometres north-west of Fitzroy Crossing and 120 kilometres east of Derby in the West Kimberley region of Western Australia. The operating company, Kimberley Diamond Company (KDC) went into administration and then liquidation in July 2015, with mining activities ceasing at Ellendale.

KDC effectively abandoned Ellendale in October 2015 by lodging a 'Notice of Disclaimer of Onerous Property' under the *Corporations Act 2001* (Cth).

DMP has accessed MRF funds to immediately address significant safety and environmental concerns.

The tenements associated with Ellendale contain a substantial diamond potential. Based on an estimate of the remaining resource, it is highly likely that future mining will be conducted in this area.

Accordingly, the works undertaken to date do not directly relate to the closure or full rehabilitation of the existing Ellendale mining operations. The works undertaken within the Ellendale area to appropriately manage all significant safety and environmental risks have included:

- Removing several tonnes of hydrocarbon-contaminated soil from plant and workshop areas.
- Cleaning up the industrial tip area.
- Placing several tonnes of windblown rubbish into the domestic tip (Figure 7).
- Re-establishing internal walls within the tailing storage facility (TSF) to reduce internal catchment areas.
- Surveying the TSF and investigating freeboard levels.
- Installing signage and barriers to restrict access across the site.

This work was undertaken to ensure the site is safe, stable and non-polluting during the care and maintenance period. To do this DMP employed standard Government procurement processes to engage contractors that were mostly locally-based.

Liquidators engaged an auctioneer to sell as much of the mine's plant and equipment as possible in September 2015. Although many items were sold, unsold items remained at the site.

It was recognised that removing deteriorating plant from the site would reduce site-remediation costs for subsequent tenement holders. Accordingly, using the established and transparent process in the Mining Act dealing with abandoned mining plant, an auction of processing equipment was held in June 2016. Two conveyors and a processing screen were sold during the auction.



Figure 7: Ellendale industrial tip before (top) and after (below) removal

Further remediation works are anticipated on the TSF in 2016.

An approach from the Australian Defence Force (ADF) in 2016 highlighted the potential opportunities for beneficial uses of abandoned mines. The ADF conducted training exercises at the Ellendale mine site (Figure 8), as well as at several other sites operated by mining companies across the Kimberley Region of Western Australia.

The training formed part of Exercise Northern Shield 2016 which was undertaken to ensure that State and Federal authorities, industry and the ADF can co-ordinate effectively in response to any contingency that may arise in the region. Activities involved the rapid deployment of high-readiness task forces into remote locations in Australia in response to simulated security threats. The forces included more than 1000 members of the Navy, Army and Air Force.



Figure 8: Australian Army soldiers from 5th Battalion, Royal Australian Regiment, move positions during a platoon attack at Ellendale as part of Exercise Northern Shield 2016. Image Courtesy ADF



## Black Diamond Pit Lake

Black Diamond was mined for coal by Amalgamated Collieries Pty Ltd from the late 1940s to the early 1950s.

After mining ceased, the pit gradually filled with water, creating a pit lake that became a popular, but unmanaged, recreation site, resulting in the local community raising a number of significant safety and environmental concerns (Figure 9).



Figure 9: Steep unstable pit wall along southern side of Black Diamond pit lake.

Once the site was identified as a potential 'pilot site' for the Abandoned Mines Program, staff from DMP met with landowners, the Shire of Collie and the Department of Lands early in the process. The aim was to obtain support to batter down the steep pit wall within the Shire road reserve and to manage erosion that was occurring on vacant Crown land at the western end and northern side of the pit.

With community support for the proposal established, DMP formed a working group for the project. This comprises a cross-section of the local community, as well as State Government agencies. The role of the Black Diamond Working Group is to provide advice to DMP on local matters, impart their local knowledge and generally represent the views of the community.

The site works proposed included removing a steep eight metre high pit wall located on the southern side of the pit, eliminating one of the sites most significant risks and the cause of a number of injuries at the site.

In addition to the formation of the Working Group, a Community Forum was held at Allanson Primary School in May 2016 to discuss issues and concerns arising from the proposed rehabilitation work. It was well attended by the project's key stakeholders, including representatives from the Black Diamond Working Group, the Collie Mail newspaper, local residents of Allanson and Collie and Shire of Collie representatives. The Community Forum provided a beneficial opportunity to interact with relevant stakeholders and generated significant interest and feedback.

Concerns raised during these events included anti-social behaviour, lack of management at the site, public safety issues and ongoing environmental issues, such as water quality and rubbish.

A key outcome from the Forum was that participants indicated a clear preference for the site becoming a managed day-use recreation area.

With the Working Group's endorsement, DMP commissioned an engineering plan for the proposed site works. The landowners' approval and the Working Group's endorsement to commence work on the proposal was received in August 2016.

Site works commenced at Black Diamond in mid-September 2016 and concluded in October. This work involved:

- Mulching and stockpiling of existing vegetation on the southern pit wall to allow for re-spreading post earthworks.
- Earthworks using heavy machinery to batter approximately 400 metres of the southern pit wall, from its current 90 degree angle to a gentler slope of between 22 and 26 degrees.
- Placement of boulders and logs between Ferguson Road and the pit lake, to improve road user safety.
- Re-spreading of mulched vegetation across the face of the newly formed slope.
- Reshaping approximately one hectare of heavily eroded areas that are currently devoid of vegetation on the western end and northern sides of the pit. This work will promote the eventual establishment of vegetation in these erosion affected areas.

This project will provide significant safety benefits to the local community that would not have been achieved without the MRF.

At the conclusion of the site works, DMP will continue to support the Working Group to identify other non-MRF funding opportunities to achieve the community's other goals for the site.

## Pro-Force Plant Site

The Pro-Force Plant Site is a former gold processing site located approximately two kilometres south-east of the Coolgardie town site. The site is adjacent to the Gorge, a public use area and water reserve. Access to the Gorge is unrestricted, with the community and tourists accessing the site from the Coolgardie-Esperance Highway.

The old processing plant had been *in situ* for more than a decade and became a public safety concern for the Shire of Coolgardie and the local community. In response to the community's safety concerns about the abandoned site, Pro-Force was selected as a pilot site for priority inclusion in the Abandoned Mines Program.

To address these public safety concerns, DMP held an auction of the Pro-Force infrastructure in November 2015. Items included hoppers, a processing tank, walkways, stairs and earthmoving equipment. The infrastructure was successfully sold and the plant and equipment had been removed from the site by early 2016 (Figure 10).



Figure 10: Pro-Force processing plant before (top) and after (below) removal.

This event marked the first time that DMP had been involved in auctioning off equipment from an abandoned mine site.

After the successful completion of the auction, DMP began planning for the next stages of the project. An information brochure, entitled “Improving Community Safety at the Pro-Force Plant Site”, was released in May 2016, outlining the specific stages proposed.

Since then, DMP has undertaken consultation with a range of stakeholders, including the Shire of Coolgardie and underlying tenement holders, to identify the key concerns for the site. A key consultation event, a Community Workshop held by DMP in August 2016 at the Coolgardie Recreation Centre, gave members of the local community an opportunity to provide input into the rehabilitation plans.

Safety, availability of land for future mining and land use/culture were all important aspects for the project that were identified through the workshop. Hazardous features, such as the shaft, and miscellaneous rubbish, were identified as requiring remediation.

The next stage of the Pro-Force project is to undertake works to address the remaining concerns, using information collected from stakeholder consultation and site assessments. Works are expected to commence in late 2016.

DMP will continue to work with tenement holders, and other key stakeholders, to ensure that rehabilitation work undertaken at the site does not affect mining and exploration plans for the area.

### Bulong Nickel Tailing Storage Facility

The Bulong Nickel mining operation is located approximately 40 kilometres east of Kalgoorlie on former mining lease 25/97. Mining operations commenced on the former tenement in the 1990s with the construction of a TSF and evaporation ponds.

The operating company went into receivership and effectively abandoned the site in 2005. Concerns have been raised regarding a range of issues associated with pollution of the surrounding environment by seepage and dust from the TSF.

Accordingly, the site was selected as a pilot for the Abandoned Mines Program. In 2014-2015, UPBs totalling \$1,708,000 were called-up to enable rehabilitation activities to be undertaken, before accessing funds from the MRF.

Consultation and planning for rehabilitation at the Bulong site is expected to commence in 2017.

### Elverdton Dumps

The Elverdton Dumps are located approximately 11 kilometres east-south-east of Ravensthorpe. Mining operations commenced in the area in 1901 and continued periodically until 1992 when the operating company forfeited the mining lease, leaving behind a quantity of uncontained tailings on site.

The uncontained tailings have been eroding downstream, into the Steere River, since the 1990s and have long concerned the local community.

Accordingly, the site was selected as a pilot for the Abandoned Mines Program. To assist with work prior to accessing funds from the MRF, funds of \$48,000 remain available from the calling-up (in 1992) of a UPB provided by the former tenement-holder.

Consultation and planning for rehabilitation at the Elverdton site is expected to commence in 2017.



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