

July 2021

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### Process

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## What is the strategic release framework and why was it developed?

The Strategic Release Framework allows for the controlled, strategic release and competitive allocation of coal and petroleum prospecting titles in New South Wales. The Framework is designed to:

- Provide greater **clarity** and **transparency** in decision making relating to where exploration activities may take place
- Introduce a **competitive process** for determining who may undertake these activities.

The Strategic Release Framework was developed in response to the Independent Commission Against Corruption's recommendations in 2013 relating to the allocation of coal resources in New South Wales.

Further information about the Framework can be found here:

<https://www.planning.nsw.gov.au/Assess-and-Regulate/Development-Assessment/Preliminary-Regional-Issues-Assessment>.

## Who decides what land will be released for exploration?

The NSW Minister for Regional NSW is responsible for releasing an area for exploration under the *Mining Act 1992*. The Minister will receive advice from the Advisory Body for Strategic Release.

## Who is on the Advisory Body for Strategic Release?

It is made up of an independent chair, Mark Darras, who is joined by executive representatives from the NSW Department of Regional NSW, NSW Department of Planning, Industry and Environment, NSW Treasury and NSW Department of Premier and Cabinet.

## Could there be a partial release of these areas?

The Minister for Regional NSW may release the areas wholly, in part or not at all.

## What happens next?

The Department will finalise its assessment having regard to the outcomes of the consultation process. This assessment will be provided to the Advisory Body for Strategic Release.

The Advisory Body will then make recommendations to the Minister for Regional NSW on whether the areas should be released (either wholly, or in part) based on initial assessment by Geological Survey of NSW and the Department's assessment.

The recommendations are considered by Cabinet and, if approved, the Minister for Regional NSW releases an area for exploration and invites companies to apply for a prospecting title.

## When will the PRIA Report be published?

The Framework currently provides for the PRIA report to be made publicly available once Cabinet makes a decision on whether to release the areas.

### When will we know the outcomes of the PRIA process?

The Department plans to provide its recommendations to the Advisory Body in the coming months. The timing for a decision on whether to release the areas is then dependent on the Advisory Body, the Department of Regional NSW, and the NSW Government.

### Why hasn't the community been consulted earlier?

The NSW Government first signalled its intention to consider exploration in the Hawkins Rumker areas as part of its Strategic Statement on Coal Exploration and Mining which was released in June 2020.

The Government has now formally commenced the process for deciding whether to release the areas under the Strategic Release Framework, including a full community consultation process.

### Can the community be given extra time to comment?

After listening to community feedback, the Department requested the Advisory Body for Strategic Release extend the community consultation period.

The Advisory Body has endorsed this request and the Department is now welcoming feedback from the community and other stakeholders until 18 August 2021.

This extension ensures people have enough time to have their say during a vital part of the process.

### Why didn't I receive a letter notifying me about the process?

The Department sent letters to all landowners within the potential release areas, based on the information readily available. We apologise if you did not receive a letter and encourage you to get involved to have your say.

### Are there guidelines that set out how these assessments are undertaken?

Information on how the PRIA is conducted is available at <https://www.planning.nsw.gov.au/Assess-and-Regulate/Development-Assessment/Preliminary-Regional-Issues-Assessment/FAQs>

### What will be considered as part of the PRIA?

The PRIA will focus on identifying potential social, environmental, and economic constraints and opportunities of exploration and mining. Relevant issues could include significant environmental concerns, potential land use conflicts and potential social impacts on local and regional communities.

The PRIA will:

- utilise data contained in existing data-sets or other relevant information sources to provide information about the key social, environmental, and economic considerations in the proposed area;
- examine potential risks and constraints at the time the assessment is conducted; and
- examine issues that would be useful in informing and potentially affecting a decision whether or not to release an area (either wholly or in part) for potential coal exploration.

### Does the department consider community feedback as well technical data in its assessment?

The Department is required to consider all the information and submissions provided during consultation and provide this information as part of its recommendation to the ABSR.

### How were stakeholders for the PRIA process identified and notified?

The PRIA process included advertisements in local and State papers and notification of landowners and stakeholders through a combination of letters, emails, and phone calls. These stakeholders included Aboriginal groups such as Local Aboriginal Land Councils and Native Title Groups, community organisations, and other special interest groups.

The Department has also consulted with State and Federal government agencies in preparing the PRIA, including interagency meetings and data sharing. Agencies include the Biodiversity and Conservation Group, the Water Group and Crown Lands within the Department; Department of Primary Industries – Agriculture; Geological Survey of NSW; Department of Premier and Cabinet (including Heritage NSW); Transport for NSW; and Regional Development Australia.

The Department has also engaged directly with Mid Western Regional Council.

### Does the PRIA only assess the potential impacts of exploration or does it consider potential impacts of mining?

Although it is difficult to predict with any certainty what future coal exploration and/or production activities could occur, the PRIA will consider the likely development scenarios that could flow from the release of the two areas for mining, and identify the key issues associated with these scenarios at a regional scale. These scenarios include both exploration and coal production.

### Will an Environmental Impact Statement be prepared?

An Environment Impact Statement (EIS) would be required as part of any future development application. This process does not occur until the conclusion of the Strategic Release Framework after an area is released, explored and an applicant is granted a prospecting title.

### Is the Minister free to disregard your recommendation?

The Minister is required to consider the recommendations of the ABSR and is free to make a decision on whether the areas should be released (either wholly or in part).

### Is there an appeal process available after the Minister makes a decision?

There are no appeal processes under the Strategic Release Framework.

### Is independent advice on environment and cultural heritage incorporated in this assessment?

The PRIA is not a merit assessment process but a high-level preliminary issues identification process. Formal quality assurance processes are now in place for the environmental assessment

of State significant projects in NSW: <https://www.planning.nsw.gov.au/Policy-and-Legislation/Planning-reforms/Rapid-Assessment-Framework>

With that said, the Department considers that water resources are likely to be a key issue and has engaged an expert to provide independent expert advice as part of the PRIA.

## Is this the first PRIA process in NSW?

At the request of the Advisory Body for Strategic Release, the Department completed a PRIA for potential gas exploration in four areas in Western NSW. The PRIA was completed in early 2021.

## What information is the Department looking for from the community?

Community consultation is a vital part of the process. The Department is seeking feedback on opportunities and constraints associated with release of these areas and is welcoming feedback from the community and other stakeholders until 18 August 2021.

To provide your feedback on the opportunities and/or constraints associated with releasing the areas you can:

- Complete the online form at [www.planningportal.nsw.gov.au/hawkins-rumker](http://www.planningportal.nsw.gov.au/hawkins-rumker)
- Call us on (02) 9995 6674
- Posting written feedback to:  
*Director Energy and Resources Policy  
NSW Department of Planning, Industry and Environment  
Locked Bag 5022  
Parramatta NSW 2124*

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## Climate Change

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## Why are you releasing more site's for coal exploration if you are moving towards net zero emissions by 2050?

The Government's 2020 Strategic Statement on Coal Exploration and Mining in NSW, which sets out its approach for transitioning to a low carbon future, recognises the ongoing importance of the coal industry to NSW over the next few decades.

Coal mining is a significant source of direct and indirect jobs in our regions and underpins prosperity in many local and regional economies. It is the state's largest export commodity, and is a major source of revenue, which the Government uses to help fund essential services and infrastructure such as schools, hospitals, roads, and transport.

During the transition to more renewable forms of energy generation, the NSW Government has outlined that it will continue to support the responsible development of coal resources for the benefit of the state.

The strategic significance of the coal resource in these areas however will be considered with advice from Regional NSW which will inform the recommendations about whether these areas

should be released. The strategic context with regard to the *NSW Climate Change Policy Framework* will also be considered.

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### *Potential Release Areas*

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#### Where is my property in relation to the areas?

If you provide your address, we would be happy to help you identify your property in relation to the potential release areas. If you received a letter from us, your property is located either wholly, or partly within the potential release areas.

#### The areas are next to the Ganguddy-Kelgoola potential release area. Why isn't that area included as part of the assessment, will it be added later and is the government considering release of this area?

The Ganguddy-Kelgoola area was identified by the NSW Government for potential release under the Strategic Statement on Coal. However, the Department has not been asked to conduct a PRIA for this area at this time.

If the Government decides to consider releasing the area in the future, it would have to do so under the Strategic Release Framework which would include the preparation of a PRIA and community consultation.

#### Why is government considering exploration in these areas when the nearby Bylong Coal Project was refused?

The Department is conducting the PRIA at the request of the Advisory for Body for Strategic Release and the purpose is to identify opportunities and constraints around potential release. Identification of key issues such as potential impacts to groundwater resources and biophysical strategic agricultural land that were significant constraints to the Bylong Coal Project will be considered as part of this PRIA.

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### *Coal Exploration and Production*

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#### What is involved in coal exploration?

Exploration is the process of searching for deposits of coal to assess the location, size, and quality of the deposit to determine if it can be recovered in an economically feasible way. Exploration is first done over wide areas and becomes more focused where potential resources are identified. Exploration does not guarantee mining will occur in an area.

Exploration generally starts with low impact activities, including desktop research and field inspections, to determine whether signs of minerals or petroleum are present. This is done before

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progressing to more intense and costly techniques like geochemical sampling, drilling and geophysical surveys.

### What are the likely constraints and negatives of exploration and coal production in the areas?

The Department is still working to identify all the likely constraints in consultation with the community, council, and government agencies.

With that said, preliminary analysis suggests that key considerations will focus on water resources (including potential impacts on the Cudgegong and Growee Rivers), biodiversity and conservation areas, aboriginal cultural heritage, compatibility with existing agricultural and residential land uses (particularly from subsidence impacts) and social impacts.

### What are the likely benefits and opportunities of exploration and coal production in the areas?

The Department is still working to identify all the likely benefits in consultation with the community, council, and government agencies.

With that said, benefits may include employment and indirect benefits to business and the community in the broader region. Mining would also generate royalties for the NSW Government which are used to fund essential infrastructure and services across NSW as schools, hospitals, roads, and transport.

### What exploration has been carried out to date and what is the size of the coal resource?

Exploration drilling first commenced in the areas in the 1970s. More recent exploration has been carried out by the NSW Government between 2011 and 2016. This exploration estimates that the areas have a combined coal resource of approximately 910 million tonnes (286 Mt in the Hawkins Area and 624 Mt in the Rumker area).

### How and where would the coal be used?

Exploration suggests that the resource is likely to be thermal coal. This means that it could be used for electricity generation interstate or overseas. Exact details on how and where the coal would be used are unknown at this stage and would be subject to a detailed assessment as part of any future development application, should the areas be released.

### Why haven't we been provided with more information about the proposal?

It is too early in the process to know the details of any potential future mining project. Any future development application will need to specify the precise details of any future project including the layout, infrastructure required, number of expected jobs and more. The Department would comprehensively assess the impacts of any future project if it eventuates in the future.

There would be numerous opportunities for community consultation as part of this process, including a formal public exhibition period coordinated by the Department.

### What rights do I have as a landowner if exploration licenses are granted?

Landholders in NSW own the surface land of their properties while resources that exist below the earth's surface, such as coal, belong to the State. If these resources are extracted, the royalties which are paid to the State are used to benefit the local community and State, in addition to the economic benefits of jobs and economic growth.

The NSW Government wants farmers and landholders to be partners in the resource development process. Government legislation mandates that landholders are entitled to receive compensation for resource exploration and production.

A company that holds an exploration licence must have a written access arrangement with a landholder before any activities may commence on that land. The licence holder must talk to the landholder about the location of exploration drilling, must provide a map and description of the land it wishes to access and describe the exploration methods it intends to use.

In NSW, thousands of access arrangements have been successfully negotiated between titleholders and landholders for their mutual benefit.

When parties can't reach agreement through private negotiations, the NSW legislative framework sets out the pathway to help landholders and titleholders agree on the terms and conditions for access to land.

### What measures are in place to protect landowners and the environment from any impacts of exploration?

All exploration drilling will require approval under the *Environmental Planning and Assessment Act 1979* before it can take place and will only be granted approval after considering the likely impacts of drilling in particular areas.

If approved, exploration licenses will be granted subject to standard and/or special conditions, including strict environmental management conditions to protect native vegetation, fauna, land, water resources, heritage, and community values.

Tenement holders are also required to rehabilitate areas disturbed by exploration activities and must provide financial security to cover the likely rehabilitation costs in the event that they default on this obligation.

### Who undertook the Hawkins Rumker Review of Environmental Factors (REF)? Will this process be redone?

The REF process was overseen by the Department of Regional NSW. Any future exploration would be subject to a new REF and approval process under the *Environmental Planning and Assessment Act 1979*.

### When would exploration and coal production start?

Exploration is a long and iterative process. It may be several years before any coal production commences providing that the areas are released and all the relevant planning approvals are obtained.

### How much subsidence is likely to occur as a result of mining and will this impact my property?

It is too early to predict the amount of subsidence that might occur as a result of mining. This will depend on a range of factors including the layout of any mine, the mining method, depth of the coal being targeted and the overlying geology.

It is possible for the ground directly above any underground mining to subside without causing any damage to overlying buildings. Buildings that are damaged by mine subsidence can remain safe and be used until they are repaired.

Any future development application would need to predict the likely subsidence impacts on all natural and built features. If approved, a mining company would be required to monitor the impacts of any subsidence and remediate any impacts or consequences.

Landowners would also be given the right to be acquired by the mining company in the event that substantial repairs would be required as a result of subsidence damage.

### How much drilling is done to understand groundwater resources and connectivity with surface water?

The PRIA does not involve a technical assessment of potential impacts but identifies potential issues based on the information available including advice from the DPIE Water about the types of aquifers and groundwater and surface water systems in the area and potentially significant impacts.

Any future proposed coal mining would be subject to a comprehensive merit assessment, including detailed technical groundwater and surface water assessments and advice from DPIE Water.

### What's the expected greenhouse gas emissions from the coal resource?

The PRIA is a preliminary issues assessment and is not a precursor to development of the coal resource. It is too early to determine whether any mining operations will proceed or how much coal would be produced, as no decision has been made on whether these areas are to be released, either wholly or in part.

Any future proposed coal mining would also be subject to a comprehensive triple-bottom-line merit assessment under the *Environmental Planning and Assessment Act 1979*, including detailed technical environmental assessment of potential greenhouse gas emissions.

### How is mining compliance monitored?

Should development consent for a mining application be granted, there are strict conditions imposed that include comprehensive compliance auditing, monitoring and reporting obligations. These conditions will be monitored and enforced by the Department of Planning, Industry and Environment.

### What happens if a mine defaults on their rehabilitation obligations?

The NSW Resources Regulator is responsible for regulating rehabilitation under the *Mining Act 1992* and the conditions of the relevant mining lease. A rehabilitation security bond must also be provided before exploration and mining activities begin. The security bond covers the full cost of all

rehabilitation and mine closure activities required if a mining company defaults on their rehabilitation obligations. Further information can be found at:

<https://www.resourcesregulator.nsw.gov.au/environment/rehabilitation>

## Where can I find out more about exploration and mining activity in NSW?

More information is available at <https://commonground.nsw.gov.au>

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