



RESOURCE INDUSTRY RECOVERY AGENDA

JUNE

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Resource recovery recommendations

1. Infrastructure investment	Resource sectors encompassed					Government Investment
Resource recovery recommendation	Exploration	Petroleum	Minerals	Coal	METS	
1. Fibre networks for regional Queensland						~
2. Queensland's export infrastructure						\$0
3. CopperString 2.0						\$14.8 m
4. Partnerships for low emissions						\$0
5. Affordable energy security						\$0
6. Review of drill core						\$0
7. Centralised open access 'data lake'						\$ ~ 30 m
8. New pipeline infrastructure						\$ ~ 500 m
9. Access rail networks						\$0
10. Seed funding for minerals processing						\$ ~ 5 m
11. Seed funding for electrolyte facility						\$ ~ 2 m
12. Pilot processing						\$0
13. Business case for the Townsville Eastern Access Rail Corridor						\$ ~ 150 m
14. Address key regional road bottlenecks						\$50 m
2. Fiscal policy stability	Exploration	Petroleum	Minerals	Coal	METS	Government Investment
15. Royalty stability						\$0
16. Reform tenure rentals						\$0
17. No new fees, charges or taxes						\$0
18. Resource Health and Safety Queensland						\$0
19. Local Government rate reform						\$0

3. Regulatory Reform	Resource sectors encompassed					
Resource recovery recommendation	Exploration	Petroleum	Minerals	Coal	METS	Government Investment
20. Implement the recommendations of the Streamlining Report						\$0
21. Structured best-practice consultation						\$0
22. Certainty on Lake Eyre Basin reforms						\$0
23. Review of the Queensland environment legislation						\$0
4. Support Industry Initiatives	Exploration	Petroleum	Minerals	Coal	METS	Government Investment
24. Premier's Resources Roundtable						\$0
25. Introduce a formal resource impact assessment						\$0
26. Prospectivity investment audit with industry, TIQ & GSQ						\$0.1 m
27. Sectoral development plans to deliver jobs						\$0
28. Adoption of technology						\$0
29. North Queensland Mineral Province package						\$ ~ 4 m
30. Extend collaborative exploration initiative						\$100 m over 4 yrs
31. Leveraging the Geoscience Data Modernisation Project						\$0
32. Remove impediments to explorers through statutory position holders						\$0
33. Allow more value adding						\$0
34. Undertake review of supply chains						\$0
35. Fresh holistic approach to historic sites						\$0
36. COVID-19 skills gaps						\$0
37. Recognition of prior learning						\$0
38. Capacity of Industrial Design teachers						\$3.2 m over 4 years
39. Extend free TAFE with a focus on indigenous pathways to employment						\$1 m
40. Match industry's investment into schools' education initiatives						\$5 m

Infrastructure investment

01

Fibre networks are the arteries of the new information age, but as Australia's most decentralised State, we face the greatest challenges in providing reliable high-speed internet services in Queensland

The resource industry welcomes the Government's move to establish the Queensland Capacity Network making 6,000 km of optical fibre open access for Queensland communities. As the industry moves towards implementing the internet of things and automated technologies on site, access to data services will become increasingly important for the industry's efficient operation. These industry investments created spill over benefits for local communities and businesses.

02

Queensland's export infrastructure

Key links in Queensland's export infrastructure chain will have their status as a monopoly lapse by the end of the year. The resource industry urges the Queensland Government to renew the regulatory protections afforded by the scrutiny of the Queensland Competition Authority (QCA).

03

CopperString 2.0 – connecting the North West to the National Electricity Market

The resource industry welcomes the \$14.8 million contribution to the CopperString 2.0 high voltage transmission line to the North West Minerals Province. This would be the largest ever extension of the National Electricity Market in Queensland, running a transmission spine West from the Coast for almost 1000 km.

Energy costs for the existing mineral producers in the region are amongst the highest in Queensland. The project also promises to unlock some of Queensland's most prospective renewable energy generation sites. The \$1.5 billion project offers a compelling mix of adding both existing and new energy loads as well as enabling new investments in generation capacity.

04

Harness the technical expertise within the resource industry to work in partnership towards a low emissions future

The resource industry is committed to working with the Government on a transition to a low emission future. As major energy exporters and energy users, the industry understands the challenges of achieving affordable reliable energy while lowering emissions. As Queensland's renewable energy capacity grows, we have an opportunity to use that green energy to add value to our commodities and produce new export streams from green aluminium, steel and hydrogen.

05 Work with industry to achieve affordable energy security while taking proactive steps towards a low emissions economy.

The formation of Cleanco and final decision on Renewables 400 has seen a positive shift in the renewable sector in Queensland. Domestic demand for renewables and renewable 'precursor' technologies will assist with the Government Goals (see recommendation 33).

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I just don't want to see the minerals, cobalt, copper, scandium and vanadium mined in Queensland.”

“I want to see batteries manufactured in Queensland because that means more jobs in the regions.”

- Annastacia Palaszczuk – [CopperString to power jobs and wealth creation for North Queensland](#) 9/05/2020

06 Review of core provided and stored by the Geological Survey of Queensland (GSQ)

The GSQ has two drill core libraries, one in Mount Isa and another in Brisbane. Both libraries store and preserve valuable drill core that can be re-analysed in years to come as technological advances change the economic viability of resource projects.

There is a need for re-evaluation of the core required to be held and/or provided to the GSQ. Core across Queensland is not equal in value, and therefore a review into what is most valuable and should be preserved and stored is needed. This may include increasing core library storage. Currently if there isn't sufficient space in the core libraries, the storage responsibility falls to the company adding additional costs to exploration. Some possible solutions would be to review the types of core that is valuable months and years after drilling, disposing of core from areas that have been mined or provide more library storage to ensure the knowledge and understanding of the holes drilled today are available for explorers in the future (without needing to re-drill).

07 Centralised data lake for all Queensland Government data

Modelled on the GSQ data lake model, Queensland Government to commit to a holistic and 21st century approach to house data/information in one centralised location that can be used across all government departments (e.g. mine plans required by DNRME and DES have different names and slightly different content). This would create huge efficiencies in industry reporting and individual government agency systems.

In this recommendation, industry suggests a centralised data lake must have enhanced Artificial Intelligence (AI) application. This would provide capability for companies to submit data responses (as opposed to a document response) to meet government requirements with capacity to obtain more knowledge by linking different datasets together.

- 08 **New gas pipeline infrastructure in central Queensland**

Gas pipelines can help to redress the tyranny of distance – connecting gas fields to domestic customers. A new trunk line to aggregate gas collection could help increase the supply of gas across a whole province and lower the cost of delivering gas to customers. This supply increase would help maintain downward pressure on the delivered price of domestic gas. The resource industry urges the Government to support Queensland gas pipeline proposals made to the Northern Australia Infrastructure Fund (NAIF).
- 09 **With the joint industry-Aurizon Network appointment of an Independent Expert, tasked with modelling system capacity in the Central Queensland coal network, there is an opportunity to review access conditions for export infrastructure to ensure that aspiring new projects are being offered access on reasonable terms.**
- 10 **Fund/Co-fund mineral processing and transport facilities (common user infrastructure) in mineral rich areas (Cloncurry, Mount Isa, Wide Bay Burnett region, Julia Creek, Hodgkinson Province (west of Cairns)). This would help companies who have capital intensive projects up and running quicker.**
- 11 **Co-fund downstream battery industries such as an electrolyte facility. This would act as a catalyst for critical minerals pipeline projects such as vanadium mines and the downstream business.**
- 12 **Mine it once and mine it well**

It is little discussed that for JORC resources, the resource must have “reasonable prospects for eventual economic extraction”. Fund testing required to develop projects and assessment of an effective processing approach to extract the ore also known as flow sheet analysis. This helps ensure projects extract the most potential with the technology available at the time.
- 13 **Revisit the business case for the Townsville Eastern Access Rail Corridor and update the costs estimates.**
- 14 **Upgrade bridges (e.g. Biggenden and John Petterson Bridges) within the North Burnett Shire. These bridges are weight restricted and it would be beneficial for resources and agriculture project in the Wide Bay Burnett region.**

Fiscal Policy Stability

15 Royalty stability

Long-life capital-intensive resource projects are highly vulnerable to policy changes, so stable policies in areas like royalties are essential. The resource industry requests that the Government:

- I. Extend the current three-year royalty freeze on royalty rates and thresholds for minerals to 10 years (until 2029-30)
- II. Continue industry consultation on the design of the new gas royalty scheme and extend the current petroleum royalty arrangements until a workable position is agreed. The industry requests the same royalty freeze until 2029-30 as minerals.
- III. Government to introduce a "royalties reinvestment report" in State Budget papers – that describes how royalties are reinvested in infrastructure and services, including for regional Queensland.

16 A rental regime that is commensurate with tenure progression

Incentivise explorers through discounts on rents and fees to ensure that Queensland has a fair and competitive regime that supports the development of the minerals sector.

Industry acknowledges there are various rental rates across tenure, however industry seeks rent reform for exploration projects. A typical exploration company is usually a small listed company. They fund their exploration projects through capital raised on the stock market. Explorers are the pioneers of the resources sector who traditionally run on the sniff of an oily rag. Our explorers are essential to the resource sector underpinning the supply of new discoveries of gas, copper, coal, and tin just to name a few. Industry suggests a new approach to rents and fees for explorers that enables them to free up cash flow at the exploration stage and introduce rents once the resource more defined.

17 No new or increased fees, taxes or charges

The tenure fee waivers for exploration permits announced as part of the COVID-19 explorer relief measures have been well received. Industry is keen to see this approach taken more holistically across government i.e. Environmental Authority (EA) and Environmental Impact Statement fees.

18 Resource Health and Safety Queensland fully costed

Ensure Resource Health and Safety Queensland, with all its components are fully costed, and demonstrate through a cost-benefit analysis that the additional cost is justified by expected improvements to safety and health.

19 Urgently commit to local government rate reform

Industry has long advocated for an equitable and predictable rating regime that recognises the increasingly complex uses for land. A recent court case has highlighted the outdated local government rating laws that penalise private landholders for third party commercial activity on their properties.

Local government rating practices lack transparency and accountability which is having a detrimental impact on regional industries and development. The industry requests that the Government:

- mandate compliance with its "Guideline on equity and fairness in rating for Queensland local governments" and ensure that a parcel of land cannot be rated twice under the same category – that is, remove double dipping.
- Task an Independent Queensland body with the oversight of how local governments are implementing the Guideline on equity and fairness in rating.

Regulatory reform

20 Implement the reforms outlined in the Streamlining Report (See Attached. The public version will be made available in mid- June).

The first Streamlining Report was released by industry in 2010. At this time the industry was seeking reforms to enhance growth opportunities after the Global Financial Crisis. During that time, the resources industry was pegged to shoulder the responsibility to get Queensland's economy ticking again. Many businesses fell under the pressures of falling revenues and were unable to reign in high operating costs.

The 2010 industry report delivered many growth reforms for the resources industry and this in turn translated to stable employment levels and in conjunction with a period of strong commodity prices delivered a sequence of new project opportunities in the Galilee Basin, some of which are progressing towards being operating mines. The 2009-11 reforms supported record industry investment which peaked for Queensland in 2012-13 at around \$38 billion in direct expenditure.

The industry has been working on a decade in review report, the second tranche of the streamlining reform agenda. The timing of this review and the needs of industry for the next decade have never been more important as the industry faces a different and yet familiar challenges.

The 2020 QRC Streamlining Report's 20 recommendations are focused on reforms that deliver efficiency and productivity gains. The report has four key reform areas:

- I. Land access support & process
- II. Streamlining duplicative and inconsistent processes
- III. Improving people, processes and systems
- IV. Predictability for decision timeframes

21 Ensure that any proposed policy/regulatory changes with a material impact on the resources sector come with a default 12-week minimum structured consultation period in accordance with the Office of Best Practice Regulation. In particular regulatory change proponents and proposals should:

- I. Ensure regulatory activity is proportionate to risk and minimise unnecessary burden;
- II. Consult and engage meaningfully with stakeholders;
- III. Provide appropriate information and support to assist compliance;
- IV. Commit to continuous improvement; and
- V. Be transparent and accountable in actions.

22 Provide industry certainty on Lake Eyre Basin reforms (LEB)

Provide certainty for existing and future operations in the LEB through acknowledging the sufficiency of Queensland's current environmental protection framework, not increasing the size of the LEB Strategic Environmental Area (although retaining the totality of the current area as a Designated Precinct (DP)), and as a maximum only returning to the previous Wild Rivers requirements.

These requirements include matters raised in the government's December 2019 consultation program which would see:

- The inclusion of 'High impact petroleum and gas activities' as unacceptable uses in the DPs, although with some specific discussions still needed on the detail.
- The inclusion of additional attributes, other than the one pertaining to cultural heritage which has its own extensive regulatory framework

Industry is still very interested in discussing with government opportunities for streamlining the Regional Interest Development Approval (RIDA) and Environmental Authority (EA) processes – views of which were sought by government as part of the LEB proposal submission process. Currently all RIDA known applications 100% duplicate EA conditions. Discussion on a ground-truthing mechanism for DP environmental values would also be valuable.

23 Develop a three to five year program for the systematic review of the Environmental Protection Act 1994 (EP Act) with a focus on reducing prescriptive requirements and instead finding more efficient ways to achieve best environmental outcomes

At the time the EP Act passed, it was both a significant step forward for environmental regulation in Queensland, and only 157 pages long. Regulation of the resources sector passed into the Act in 2000, and since then, the Act has reached 755 pages, with sections repealed and many new components shoehorned in.

The Act is just as important as ever, but is seriously in need of modernisation and simplification, with a range of important matters, which have resulted from previously rushed or ineffective consultation processes, needing to be resolved.

Industry would be happy to provide an initial set of issues and improvement suggestions to help shape the structure and focus of the review. The review should extend to the Environmental Protection Regulation 2019 and other supporting instruments.

Support initiatives for industry

- 24 Establish a Premier's Resources Roundtable to bring together key Ministers and Directors-General to protect existing jobs as well as promote new jobs, investment and exports in the development of coal, metals and petroleum and value – adding/advanced manufacturing to meet at least quarterly.
- 25 A resources sector impact assessment on all Cabinet decisions (similar to the impact assessment of Cabinet decisions employed under the Office of Rural Communities under the Goss-Borbridge-Beattie governments). Note – this is assuming timelines for decisions would not be delayed in doing so.
- 26 A joint industry-Trade and Investment Queensland study into Queensland's resources prospectivity to target new investment and new exports, with a focus on critical minerals.
- 27 Commit to work with AMEC, APPEA and QRC and its members on a whole of government approach to an Industry Development Plan for the exploration coal, metals and petroleum sectors to encourage increased investment, employment, trade and royalties
- 28 Continue to work with industry in the adoption of new technology as a means of improving safety, supply, global competitiveness, productivity and the environment through consistent policy, appropriate regulation and availability of educational pathways and co-development opportunities

Driving exploration

29

Develop a Stage II North West Minerals Province package

The industry's exploration stage is much more intermeshed with Government processes in releasing and granting tenure, in providing access to geological data and providing direct support through programs like land access support or the Collaborative Exploration Initiative (CEI). Explorers also treasure policy certainty, but this is a stage where industry activity can be accelerated by Government support. The Government's focus on new economy minerals is a case in point of how the Government can help promote Queensland's prospectivity as an investment destination.

- I. Appoint an Assistant Minister for Resources/North Queensland/Critical Minerals with dedicated responsibilities
- II. Appoint a Deputy Coordinator-General to focus on a coordinated response to major constraints identified in reviews into future development of North West Minerals Province.

Successive Queensland Governments have undertaken reviews and assigned industry taskforces to help unlock a self-sustaining cycle of prosperity for the North West Minerals Province. To date, copious analysis has not translated into significant outcomes for the exploration industry or potential investors. There is a need for improved coordination and leadership for the region.

- III. Apply different policy levers to foster growth opportunities

Recognise a one size fits approach is not fostering growth opportunities in the region. As a first step, the region is experiencing significant barriers to access land. A streamlined expedited land access process (as outlined in the streamlining report) is needed.

- IV. Build upon the Government's commitment to exploration in the North West Minerals Province by adopting the Queensland Exploration Council's \$4 million six-part Advancing Queensland Mineral Exploration Initiative (attached) over the next four years, including
 - Support for a Queensland open data challenge; and
 - Publicly release the CORE report on low-grade minerals re-processing to improve transparency on information on development opportunities in the North West.

A few examples:

- [2007-2012 Northern Economic Triangle](#)
- [2009 North West Queensland Mineral and Energy Province Study](#)
- [2015 MITEZ NWQ Strategic Development Study](#)
- [2015 North West Minerals Province Taskforce report](#)
- [2017 A Strategic Blueprint for Queensland's North West Minerals Province Queensland Department of State Development, Manufacturing, Infrastructure and Planning.](#)
- [2017-2021 \(Geoscience Australia\): Exploring for the Future Four-year study focusing on Tenant Creek to Mount Isa making it the best mapped section of the Earth's crust.](#)
- [2019 North West Economic Diversification Strategy Queensland Department of State Development, Manufacturing, Infrastructure and Planning.](#)
- 2019 Queensland Minerals Research Barriers and Priorities Neuchatel Report (unpublished)
- [2019 Australia's Critical Minerals Strategy Australian Department of Industry, Innovation and Science.](#)
- 2019 Queensland Critical Minerals Strategy Association of Mining and Exploration Companies (AMEC) (unpublished)
- 2019 Research and Development Roadmap for Queensland Minerals Queensland Department of Natural Resources, Mines and Energy (ongoing).

30 Extension of the Collaborative Exploration Initiative

The CEI is one of Queensland's most successful exploration initiatives. Recently, the CEI was adjusted to focus on funding mineral projects in the North West Minerals Province and thankfully under Round 4, expanded to most of Queensland.

One example where exploration activity would provide regional development benefits, is the Wide Bay Burnett region. Despite being primarily identified with agriculture, the region boasts a proud history of over 100 years of mining activity. The geology of the region remains very prospective, particularly for new economy minerals like gold, titanium, cobalt and bauxite.

The Regional Organisation of Councils have identified that even a small minerals project provides large regional opportunities in terms of jobs, growth, infrastructure and skills development – particularly through the industry's supply chain. As an example, Evolution's Mount Rawdon mine contributes an annual sale value equivalent to the whole of the Bundaberg region's sugar industry.

In 2019, the Queensland Exploration Council and the Wide Bay Burnett Regional Organisation of Councils made a joint budget submission seeking \$2 million CEI funding for the region.

Overall, industry is seeking government grant funding industry of \$100 million over four years for an expanded CEI program.

31 Leverage initiatives off the introduction of the Geological Survey of Queensland's Geoscience Data Modernisation Project

With confidentiality periods for mineral data almost implemented, never before released mineral data will be made publicly available from 1 July 2021. Industry seeks consideration of tendering highly prospecting mineral exploration land, including tender processes straight to a Mining Lease (i.e. Mary Kathleen).

32 Work with the resources industry, including explorers to resolve the operational impediments created by the requirements for statutory position holders in the coal industry to be directly employed by the operator, as introduced by the Minerals and Energy Resources and Other Legislation Amendment Bill 2020.

Diversifying Queensland's added value

33 Support more value adding of materials in Queensland

The incentive to value add minerals in Queensland is limited by costs such as electricity and lengthy approval times. These cost Queensland jobs, self sufficiency, profit and carbon. Moving bulk materials for processing just increases the energy used in the process and displaces where it is used.

The benefits to Queensland to value add locally include:

- Increased export revenue
- Higher fiscal revenue
- Increased employment in regional areas
- Industrial diversification
- reduced the carbon footprint, as less material would be unnecessarily transported to offshore processing facilities

Value-adding locally is a key step to attracting a sustainable battery production industry in Australia to assist the transition to new transport and energy types.

34 Undertake a review of emerging industries (including supply chain of critical minerals and hydrogen)

Review supply chain requirements and look at how emerging industries can support and enhance existing and future developments (e.g. Phosphate Hill, acid production for mineral processing).

35 Support companies who propose to re-treat tailings, extract ore on abandoned mine sites etc, by not burdening them with the complete site liability, usually through the Financial Provisioning (FP) requirement.

Some historic mine sites hold significant value in their tailings or old pits and could continue to operate in a different form. A fresh approach is required collectively by the Queensland Government in seeing these sites as opportunities to further develop our resources as well as an opportunity to reduce the government's environmental liability. Proposals to re-process mine tailings and re-visit abandoned mine sites offer potential to improve environmental outcomes as an alternative to handing long-term problems back to the state.

It should be considered that the commercial venture has appropriate FP for any new disturbance and impacts and be given a significant chance with a formal program to become successful, and slowly and systematically reduce the overall state liability for that location, asset or liability. In the case that they fail, any additional impacts would be covered, but likely, a portion of the larger overall liability would still have been reduced. This would remove a significant impediment to private industry taking on such sites and reducing the risk of environmental harm to the State.

Skills and training

- 36 Work with industry to build on the positive contribution the sector made in keeping Queensland afloat during the COVID-19 health crisis by promoting resources-related skills gaps and associated training to ensure an adequate supply of skilled workers , including statutory ticket holders.
- 37 Enable more streamlined recognition of prior learning/training in the upskilling of workers to enable them to take up resources-sector roles, including micro-credentialing.
- 38 Continue to work with industry to build the capacity of Industrial Design Teachers – by upskilling trades people who might have lost jobs during the COVID-19 health crisis by offering 20 scholarships at \$40,000 per annum for four years to assist with upskilling (\$3.2m).
- 39 Extend the eligibility of the free TAFE, apprenticeship and traineeship initiatives in areas of skills demand to include additional sector qualifications with a focus on Indigenous pathways to employment (\$1m).
- 40 Support for education bodies and industry programs to encourage student uptake of science, technology, engineering and mathematics (STEM) subjects in all levels of education, with a particular focus on girls and Indigenous students through the establishment of a \$5million schools education fund that matches investment by industry in a range of skills and educational initiatives. To include career-related support for primary schools as part of a vocational/STEM early learner job-focused program. This ensures continuous skills supply into the resources skills pipeline post COVID.