

Date : 22/04/2021 9:59:10 AM

From : "CR Mining"

To : "BENNINK Kate" , "MCCOSKER Juliana"

Cc : "CR Mining"

Subject : FW: (5) - PR21-236 - Blair Athol ERC

Attachment : ERC 20200601 NoD EPML00876713 Orion Mining Pty Ltd Blair Athol

Mine.pdf;image001.png;image004.png;image009.png;image002.png;image007.png;image008.png;image011.png;image012.png;

Hi Kate and Juliana,

Are you happy for the attached document to be released to public register?

Thanks,



Linda Nicholas
Environmental Support Officer
Business Centre (Coal) | Coal and Central Qld Compliance
Department of Environment and Science

P 07 49879 320
99 Hospital Road, Emerald QLD 4720
PO Box 3028, Emerald QLD 4720

From: MEYER Anita <Anita.Meyer@des.qld.gov.au> **On Behalf Of** CW ES_Rockhampton

Sent: Wednesday, 21 April 2021 4:39 PM

To: BURGESS Emma; CW ES_Emerald

Cc: CR Mining; NIELSEN Tenille

Subject: RE: (5) - PR21-236 - Blair Athol ERC

Hi Emma

Thank you for your assistance in sourcing the documents requested in the Public Register Search.

Please see below the message from the bottom of the initial Public register request.

Hi,

I am seeking a copy of the most recent Estimated Rehabilitation Cost for the Blair Athol coal mine, currently operated by Terracom.

If you are happy for the attached document to be released I can submit it to PR.

Thank you for your advice.

Kind Regards
Anita



Anita Meyer
Administration Officer
Coal and Central Compliance
Department of Environment and Science

P 07 - 4837 3499
209 Bolsover Street Rockhampton 4700
PO Box 413 Rockhampton 4700

From: BURGESS Emma <Emma.Burgess@des.qld.gov.au>

Sent: Wednesday, 21 April 2021 3:56 PM

To: CW ES_Emerald

Cc: CR Mining; NIELSEN Tenille

Subject: RE: (5) - PR21-236 - Blair Athol ERC

Hi Anita,

Have we confirmed that it is the current ERC decision that the requester is after?

If so, I have attached the notice to this email. Let me know if you would like assessment to respond to PR.

Thanks,

Emma

From: CR Mining <CRMining@des.qld.gov.au>

Sent: Wednesday, 21 April 2021 2:48 PM

To: BURGESS Emma

Cc: CR Mining
Subject: FW: (5) - PR21-236 - Blair Athol ERC

Hi Emma,

Are you able to confirm the below for Anita?

Thanks,



Linda Nicholas
Environmental Support Officer
Business Centre (Coal) | Coal and Central Qld Compliance
Department of Environment and Science

P 07 49879 320
99 Hospital Road, Emerald QLD 4720
PO Box 3028, Emerald QLD 4720

From: CW ES_Emerald <CWES_Emerald@des.qld.gov.au>
Sent: Wednesday, 21 April 2021 2:45 PM
To: CR Mining
Cc: BRANT Julie; NICHOLAS Linda
Subject: FW: (5) - PR21-236 - Blair Athol ERC

Good Afternoon

PR21-236 - Blair Athol ERC

Please see the email below from Public Register for a copy of the ERC Decision for Blair Athol Coal Mine.

I have had a look in Edocs and found document number 14813302 requesting information by 17 June 2021 for the ERC Decision?

So just wanted to confirm whether a Nil response could be send to Public Register.

Thank you for your advice.

Kind Regards
Anita



Anita Meyer
Administration Officer
Coal and Central Compliance
Department of Environment and Science

P 07 - 4837 3499
209 Bolsover Street Rockhampton 4700
PO Box 413 Rockhampton 4700

From: Public Register <Public.Register@des.qld.gov.au>
Sent: Monday, 19 April 2021 2:59 PM
To: CW ES_Emerald
Subject: (5) - PR21-236 - Blair Athol ERC

Good afternoon,

Please see below PR request. Was advised to send this to your team.

Regards,



Public Register
Department of Environment and Science

1300 130 372 (Option 4)
Public.Register@des.qld.gov.au
GPO Box 2454, Brisbane QLD 4001



...make the move

From: OBRIEN Laura <Laura.Obrien@des.qld.gov.au> **On Behalf Of** CW ES_Mackay
Sent: Monday, 19 April 2021 2:53 PM
To: Public Register
Cc: CW ES_Mackay
Subject: (4) - PR21-236 - Blair Athol ERC

Good Afternoon Public Register

This search request sits within the Business Coal Centre in the Emerald Office.

Kind Regards



Laura O'Brien
 Compliance Support Officer
 Mackay Compliance Centre | Coal and Central Queensland Compliance
 Department of Environment and Science

P 07 4999 6861
 Level 1 30 Tennyson Street Mackay
 PO Box 2001 Mackay 4740

Please note I work Part Time – Monday, Tuesday & Wednesday

From: Public Register <Public.Register@des.qld.gov.au>
Sent: Monday, 19 April 2021 8:25 AM
To: CW ES_Mackay
Subject: (3) - PR21-236 - Blair Athol ERC

A Public Register request has been received for action by the following business unit/s (see table below). If you identify that any additional Business Units need to undertake the search please advise PaL through the [public register inbox](#)

If your Business Unit is unable to meet the nominated timeframe you must notify PAL via the public register inbox, as soon as this becomes apparent.

The reference number for this request is **PR21-236**

Details of request:

- Location – Blair Athol Coal Mine

Name of Business Unit	Details of request – Copy of ERC Complexity: Simple (5BD) Due Date: 26/04/2021 If the Business Unit identifies that a different category should apply, please advise the public register inbox as soon as this is determined.	Search result (Business Unit to complete) Choose from: • Nil found • Not PR • Record attached

inal column of the table and submitting the search result, ensure that you review the below checklist:

Checklist

1. Has your search included (where necessary):
 - hard copy files (potentially including archives)?
 - electronic files (e.g. eDocs/local drives)?
 - Ecotrack?
 - Connect?
2. Has the approver ensured that **only** documents that your business unit has deemed releasable under the public register provisions of the Environmental Protection Act 1994 are returned to the public register inbox?

Important Information

- Public register searches are available back until 1994 for all activities and documents with one exception.
- Searches of the EMR/CLR are searches for a fee and all return search emails let customers know that these searches have not been undertaken in this process.
- The client should not be contacted directly. If you have questions for the customer about the records they are seeking, send these to the [Public Register inbox](#) and PaL will follow up on your behalf.
- If you have questions about the appropriateness of releasing documents please contact [Compliance Support](#). You do not need to advise PaL you are doing this. Before contacting Compliance Support you should consult the [Public Register procedure](#).
- Please check to see if any of the documents are required to be on the online public register, if so, follow public register procedure.

1300 130 372 (Option 4)

Public.Register@des.qld.gov.au

GPO Box 2454, Brisbane QLD 4001

...make the move

-----Original Message-----

Hi,

I am seeking a copy of the most recent Estimated Rehabilitation Cost for the Blair Athol coal mine, currently operated by Terracom.

Thanks,

Published on DES Disclosure Log
RTI Act 2009

Estimated rehabilitation cost decision

This notice is issued by the administering authority¹, pursuant to section 301 of the Environmental Protection Act 1994, to advise the holder of an environmental authority of the estimated rehabilitation cost (ERC) decision.

Orion Mining Pty Ltd
Blair Athol Mine Access Road
CLERMONT QLD 4721

Cc: Financial provisioning scheme manager
fps@treasury.qld.gov.au

award@terraresources.com

Attention: Toni Ward, Environmental
Superintendent

Our reference: EPML00876713 – Blair Athol Mine

ERC decision

1 Application details

An application for an ERC decision under section 298 of the *Environmental Protection Act 1994* was received by the administering authority on 2 October 2019.

The application relates to environmental authority number EPML00876713 effective 9 August 2019.

Land description: ML1804

2 Decision

The administering authority has decided that:

- the ERC for the environmental authority is \$72,092,548.12 (excl. GST); and
- the ERC period for which the ERC is in force is between 1 June 2020 and 30 June 2021.

3 Grounds for the decision

Pursuant to section 300 of the *Environmental Protection Act 1994*, the administering authority must decide, for the ERC period, the amount of the estimated cost of rehabilitating the land on which the resource activity is carried out, and preventing or minimising environmental harm. In making this decision, consideration is given to whether the estimate of the total cost has been worked out by the applicant, Orion Mining Pty Ltd (Orion), for the ERC period, and in accordance with the prescribed 'Guideline: Estimated

¹ The Department of Environment and Science is the administering authority under the *Environmental Protection Act 1994*.

rehabilitation cost under the *Environmental Protection Act 1994* (ESR/2018/4425, Version 1.01, 1 April 2019) (ERC guideline).

The information considered in making this ERC decision includes:

- The ERC application made in the approved form (ESR/2018/4426, Version 1.00, 1 April 2019) on 2 October 2019 with attachments (i.e. Rehabilitation plan and disturbance areas as at June 2021).
- The compliance statement signed by s.78B (CEO – TerraCom Limited) dated 2 October 2019 in the approved form declaring that the proposed ERC had been worked out in accordance with the ERC guideline.
- The submitted ERC calculations and subsequent revisions ('Blair Athol ERC – October 2019 v1', 'Blair Athol ERC – December 2019 v1', 'Blair Athol ERC – December 2019 v2' and '20200521 Blair Athol ERC – Recalculation of June 2021').
- The spatial information submission dated 2 October 2019, including re-submissions dated 16 October 2019 and 23 January 2020.
- Responses provided by the applicant to the information request dated 16 October 2020 and follow-up correspondence between the applicant and the administering authority about the spatial data, ERC calculations and supporting documentation relevant to the ERC application.

Orion Mining Pty Ltd (Orion) proposed an ERC amount of \$64,679,611.61 in the most recent version of its ERC calculator that was submitted to the administering authority on 21 May 2020.

The administering authority has decided an ERC amount for Blair Athol Mine based on the information provided, which is higher than the amount proposed by Orion. The administering authority has made the following changes to Orion's proposed ERC calculations to reflect the likely cost of rehabilitating Blair Athol Mine:

- Additional costs have been included to account for the removal of infrastructure and the rehabilitation of all disturbed areas that could be confirmed using spatial data.
- Additional costs have been included for bunding, fencing and signage for pit areas derived from the administering authority's spatial data and the Deswik modelling.
- Additional costs have been included for the long-term maintenance of the Eastern and Western diversions based on the lengths identified using the administering authority's spatial data.

The spatial information (maps and shapefiles) provided by Orion passed the first step of the validation process, however, the digital data was not in a format that could be analysed by the systems used by the administering authority in accordance with the 'Guideline: Spatial Information Submission' (ESR/2018/4337) to support the ERC calculations. There were also discrepancies between disturbance areas on the PDF maps provided by Orion for the domains (excluding pits, ramps and overburden) when compared with the QLD Globe imagery.

4 Review and appeal rights

You may apply to the administering authority for a review of this decision within 10 business days after receiving this notice. You may also appeal against this internal review decision to the Land Court. Information about your review and appeal rights is attached to this notice. This information is guidance only and you may have other legal rights and obligations.

5 Payment

From 1 April 2019, financial assurance requirements for resource activities under the *Environmental Protection Act 1994* were replaced with the Financial Provisioning Scheme (FPS) under the *Mineral and Energy Resource (Financial Provisioning) Act 2018*. The scheme manages the financial risk to the State if environmental authority holders for resource activities do not comply with their environmental management and rehabilitation obligations. The FPS is administered by the Scheme Manager; a statutory officer supported by Queensland Treasury.

As the holder of an environmental authority for a resource activity, you will be required to provide a contribution payment to the Scheme's financial provisioning fund and/or surety to the Scheme Manager. The Scheme Manager will receive a copy of this Notice, and use the ERC amount to help determine the amount of surety and/or contribution required.

On receipt of this decision notice you should contact the FPS representatives to discuss payment matters. Please email fps@treasury.qld.gov.au or phone (07) 3035 3551.

For more information about the Financial Provisioning Scheme, please see the Queensland Treasury webpage at www.treasury.qld.gov.au/resource/financial-provisioning-scheme/.

6 Important note

The holder of an environmental authority for a resource activity must not carry out, or allow the carrying out of, a resource activity under the environmental authority unless:

- an ERC decision is in effect for the resource activity when the activity is carried out; and
- the holder has paid a contribution or surety for the environmental authority under the *Mineral and Energy Resources (Financial Provisioning) Act 2018*; and
- the holder has complied with the requirements under the *Mineral and Energy Resources (Financial Provisioning) Act 2018* for paying a contribution or surety for the environmental authority, as required from time to time.

No additional disturbance can be undertaken, beyond the maximum liability associated with the current ERC decision, until the new ERC application is decided and any outstanding additional scheme assurance is given.

Should you have any questions about the notice, please contact Business Centre Coal using the details provided below.

sch4p4(6) Personal information

1/06/2020

Signature

Date

Gillian Naylor
Manager, Environmental Services
Department of Environment and Science
Delegate of the administering authority
Environmental Protection Act 1994

Enquiries:
Business Centre Coal
Department of Environment and Science
99 Hospital Road EMERALD QLD 4720
PO Box 3028, EMERALD QLD 4720
Phone: (07) 4987 9320
Email: CRMining@des.qld.gov.au

Attachments

Information sheet: Internal review and appeals (ESR/2015/1742)

Published on DES Disclosure Log
RTI Act 2009

Date : 20/04/2021 9:54:55 AM

From : "DLO DES"

To : "BENNINK Kate" , "WELLS Melissa" , "ANDERSEN Claire"

Cc : "ESR"

Subject : FW: Terracom and Blair Athol

Attachment : 010520 - TerraCom.docx;image003.png;image005.png;image006.png;image007.png;image001.png;image002.png;

Good morning

In a recent article a journalist quoted a DES spokesperson. It appears the lines were taken from a media response provided in May 2020 (see attached).

Can you please urgently fact check the highlighted lines below and let us know if this is still current.

Regards

Regula Uhlmann

3330 6263

From: Francis Delacruz <Francis.DelaCruz@ministerial.qld.gov.au>

Sent: Tuesday, 20 April 2021 9:43 AM

To: TRACEY Ben; DLO DES; Sue Lappeman

Cc: Media DES; WATSON Matthew; DAVIDSON Brent; Clare Manton

Subject: RE: Terracom and Blair Athol

Thanks, Ben. Given the age. Can you please check urgently that this response is still current?

Clare, FYI.

From: TRACEY Ben <Ben.Tracey@des.qld.gov.au>

Sent: Tuesday, 20 April 2021 9:21 AM

To: DLO DES <DLO.DES@des.qld.gov.au>; Francis Delacruz <Francis.DelaCruz@ministerial.qld.gov.au>; Sue Lappeman <Sue.Lappeman@ministerial.qld.gov.au>

Cc: Media DES <Media@des.qld.gov.au>; WATSON Matthew <Matthew.Watson@des.qld.gov.au>; DAVIDSON Brent <Brent.Davidson@des.qld.gov.au>

Subject: RE: Terracom and Blair Athol

Hi Francis,

We did do a response for **s.78B** about Terracom- but it was 12 months ago (attached).

Nothing about terracom recently from us (that we can see).

Ben



Ben Tracey
Principal Media Officer
Media Unit | Communications & Public Engagement
Department of Environment and Science

M sch4p4(6) |
media@des.qld.gov.au
400 George St, Brisbane QLD 4000
GPO Box 2454, Brisbane QLD 4001
[Chat with me on Teams!](#)
[Visit the Environment Media Centre](#)
[Visit us on Twitter](#)

From: DLO DES <DLO.DES@des.qld.gov.au>

Sent: Tuesday, 20 April 2021 8:52 AM

To: Media DES

Subject: FW: Terracom and Blair Athol

Hi team, please see below. I can't see that we responded but can you please let me know.

Regards

Regula Uhlmann

3330 6263

From: Sue Lappeman <Sue.Lappeman@ministerial.qld.gov.au>

Sent: Tuesday, 20 April 2021 8:50 AM

To: DLO DES

Cc: Francis Delacruz

Subject: RE: Terracom and Blair Athol

20-421

File C

Page 9 of 30

Was there an actual media response given to the journo?

From: DLO DES <DLO.DES@des.qld.gov.au>
Sent: Tuesday, 20 April 2021 8:48 AM
To: Sue Lappeman <Sue.Lappeman@ministerial.qld.gov.au>
Cc: Francis DelaCruz <Francis.DelaCruz@ministerial.qld.gov.au>
Subject: FW: Terracom and Blair Athol

Hi Sue
Please find attached a HIB that was done and sent to Francis. Please let me know if you need anything else.

Regards
Regula Uhlmann
3330 6263

From: Sue Lappeman <Sue.Lappeman@ministerial.qld.gov.au>
Sent: Tuesday, 20 April 2021 8:41 AM
To: DLO DES
Subject: Terracom and Blair Athol

Morning all,
Do you have a copy of response to a question from [s.78B](#)

/News Corp recently about TerraCom and the Blair Athol mine.

A Department of Environment and Science spokeswoman said it had reduced the financial assurance required from TerraCom by about \$5 million in December 2017.

"The reduction was based on changes to the site's management and rehabilitation proposed by TerraCom," the spokeswoman said.

"TerraCom is trialling alternative ways of reinstating topsoil to achieve the same level of rehabilitation, which are different to the mine's previous owners.

"The topsoil trials will not be included in the site's 'rehabilitated area' until they are shown to be successful."

It might have been around April 14/15



Sue Lappeman
Senior Media Advisor
Office of the Hon. Meaghan Scanlon MP
Minister for Environment and the Great Barrier Reef
Minister for Science and Youth Affairs
M [sch4p4\(6\)](tel:+61734444444) E sue.lappeman@ministerial.qld.gov.au
1WS, Brisbane QLD 4000

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Published on DES Disclosure Log
RTI Act 2009

Draft media statement

Blair Athol

May 01 2020

Enquiry from [s.78B](#)

Daily Mercury:

- 1) Does the State Government have a response to the above? If so, please provide
- 2) Why did the government allow the company to draw down \$32M from this \$80m bond account?
- 3) Lock the Gate Alliance says the \$27M granted to TerraCom this year appears to have been the result of the company 'gaming' the new mine rehabilitation laws – What is the government's response to this?

The following can be attributed to a Department of Environment and Science spokesperson:

Financial assurance (FA) now referred to as Estimated Rehabilitation Cost (ERC), is calculated on a sites maximum disturbance during a set period, which reflects the estimated cost of rehabilitating the site should the Environmental Authority (EA) holder fail to do so.

The amount of FA for the new owners of Blair Athol coal mine was in December 2017 reduced by the Department of Environment and Science (DES) by around \$5 million.

The reduction in FA is attributed to changes to the mining sequence, methodology and the final landform design proposed by TerraCom, which differs from the previous operator.

This resulted in a reduction in the volume of material required to be moved on site for rehabilitation and hence the total rehabilitation costs reduced.

The return of surplus FA is not directly related to topsoil trials. The costs of topsoil use in rehabilitation are included in the FA and ERC calculations.

Rehabilitation trials are standard practice for the mining industry and are used to determine optimal methods based on the site-specific conditions at the mine (e.g., topsoil placement, seed mix, watering requirements, etc.).

Topsoil trials won't be part of the site's 'rehabilitated area' until topsoil trials are proven to be successful.

The department's decisions about the amount of FA required and the amount of ERC for Blair Athol coal mine have been made in accordance with the *Environmental Protection Act 1994* (EP Act) and the department's FA and ERC guidelines.

The current DES ERC decision for Blair Athol coal mine is almost \$72 million.

TerraCom has submitted a new ERC application in October 2019. This application is being assessed by DES.

The amount and form of scheme assurance required for ERC is determined by Queensland Treasury under the Financial Provisioning Scheme. Questions about lodgement and release of ERC should be directed to Queensland Treasury.

Proposed responses to Q 2 and 3:

2) Why did the government allow the company to draw down \$32M from this \$80m bond account?

DES is responsible for the decision of a sites financial assurance (FA) or estimated rehabilitation cost (ERC) that is calculated on a sites maximum disturbance during a set period, which reflects the estimated cost of rehabilitating the site should the Environmental Authority (EA) holder fail to do so.

Questions relating to form, lodgement and release of scheme assurance for ERC should be directed to Queensland Treasury.

3) Lock the Gate Alliance says the \$27M granted to Terracom this year appears to have been the result of the company 'gaming' the new mine rehabilitation laws – What is the government's response to this?

TerraCom are required to transition to the new Progressive Rehabilitation and Closure Plan framework that was set up through the new legislation. The PRCP will ensure sites progressively undertake rehabilitation throughout the mine life to prepare for successful closure.

The transition of coal mines sites to having a PRCP is a separate process to ERC decisions and Queensland Treasury's decisions on scheme assurance.

Date : 15/04/2021 2:52:33 PM

From : dlo.des@des.qld.gov.au

To : "BENNINK Kate"

Subject : Item Finalised : CTS 07982/21: Concerning **PRIORITY due 4pm 15/4 (ESR) Dot points // fears Central Queensland mine will be abandoned - Clermont Blair Athol mine

Click on the [Item Link](#) to view this item.

CTS 07982/21 has been finalised. The following comments were added (if any): **submitted to MO. Finalised**

As you were involved in this item you may wish to review the comment history and view any final attachments.

If you have any queries please contact DES - DLO Minister or officers from DES - DLO Minister by emailing to dlo.des@des.qld.gov.au or via the link [Management Team Link](#).

As this correspondence is a public record, and where there is a business need, please go to the workflow form, print or save electronically the attachments to the appropriate departmental file.

As this email is automatically generated, please do not select reply.

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Date : 21/04/2021 3:13:53 PM

From : "WATSON Matthew"

To : "BENNINK Kate" , "WELLS Melissa" , "ANDERSEN Claire"

Cc : "Media DES"

Subject : Kate - Claire- Blair Athol story

Attachment : 010520 - TerraCom.docx;image001.png;image002.jpg;image003.jpg;image004.png;image006.png;image010.png;image005.png;

Hi Kate and Claire,

Please see story below about Blair Athol.

I talked to [s.78B](#) the journalist, about this story yesterday.

She said she wrote about the financial woes of the mine, and thought our statement from last year would suffice.

The MO were unhappy with the story.

[s.78B](#) said she is happy to write another story, if the DES situation has changed.

I have highlighted our lines below.

Has the situation changed since our last response?

I have attached it.

Could you have a look?

Cheers

Fears CQ mine will be abandoned over company's money woes



[s.78B](#)

[@news.com.au](#)

15th Apr 2021 5:00 AM | Updated: 1:54 PM

Subscriber only

There are fears a Central Queensland mine will be abandoned if the owner is unable to dig itself out of "severe financial trouble".

A Debtwire credit report for TerraCom - the owner of [Clermont's Blair Athol mine](#) - was produced and dated March 24, 2021.

The report was based on the ASX-listed miner's first half-year financial results for the period ending December 31, 2020.

It stated the company "continued to burn through cash" and was only left with \$4.1m in cash at the end of December.

Debtwire reported TerraCom had a total debt of \$249.4m and an EBITDA of -\$39.9m in the past 12 months.

Mackay Conservation Group co-ordinator Peter McCallum said it appeared the company was in "severe financial trouble".

"Unless they can find a financier before the end of June, that company could go into liquidation," Mr McCallum said.

"That raises serious concerns about the rehabilitation of the (Blair Athol) mine site if that company abandons the mine."

The Daily Mercury contacted TerraCom for comment, but did not receive a response by deadline.



An aerial view of Blair Athol mine. Picture: Lock the Gate Alliance

Lock the Gate Alliance rehabilitation spokeswoman Ellie Smith said the group was also concerned there would be insufficient funds to complete the necessary rehabilitation of the mine if TerraCom folded.

"The Queensland taxpayer and Clermont community will suffer as a result," Ms Smith said.

"It's particularly worrying because the Queensland Government has handed more than \$30m back to Terracom from an \$80m rehabilitation cash bond put up by former owner Rio Tinto, despite also allowing TerraCom to mine through areas that Rio had already rehabilitated."

TerraCom purchased Blair Athol coal mine from Rio Tinto for just a \$1 in 2016, which required an \$80 million rehabilitation bond.

The bond is an estimated cost of rehabilitating a mine site in case a miner fails to do so.

[In May last year, Lock the Gate Alliance claimed freedom of information documents and corporate statements revealed the government allowed the company to draw down \\$32 million from this bond, despite TerraCom mining through areas that had previously been rehabilitated.](#)

But a Queensland Treasury spokesman said the estimated rehabilitation cost for the site was determined to be \$71.7 million, which was currently being held by the Treasury.

A Department of Environment and Science spokeswoman said it had reduced the financial assurance required from TerraCom by about \$5 million in December 2017.

"The reduction was based on changes to the site's management and rehabilitation proposed by TerraCom," the spokeswoman said.

"TerraCom is trialling alternative ways of reinstating topsoil to achieve the same level of rehabilitation, which are different to the mine's previous owners.

"The topsoil trials will not be included in the site's 'rehabilitated area' until they are shown to be successful."



Mackay Conservation Group coordinator Peter McCallum.

More stories:

[First look at Australia's most controversial mine](#)

[74% believe killing coal jobs risks other jobs: survey](#)

[FULL LIST: Every winner at the 2020 Queensland Mining Awards](#)

Mr McCallum said if the company went into liquidation and the mine was abandoned, then the state government would use whatever funds available in the rehabilitation bond to rehabilitate the site.


"Once that money runs out it goes onto a list of abandoned mines," he said.

Mr McCallum said if this was to occur, nothing would be done to the site except for signage and fencing.

The Australian Securities and Investments Commission and police [raided Blair Athol mine last month](#).



Matt Watson
Principal Media Officer
Media Unit | Communications and Public Engagement
Department of Environment and Science

M sch4p4  [Chat with me on Teams!](#)
If it's a media matter, please include the group email media@des.qld.gov.au
[Visit the Environment Media Centre](#)

[Visit us on Twitter](#) 

Draft media statement

Blair Athol

May 01 2020

Enquiry from [s.78B](#)

Daily Mercury:

- 1) Does the State Government have a response to the above? If so, please provide
- 2) Why did the government allow the company to draw down \$32M from this \$80m bond account?
- 3) Lock the Gate Alliance says the \$27M granted to Terracom this year appears to have been the result of the company 'gaming' the new mine rehabilitation laws – What is the government's response to this?

The following can be attributed to a Department of Environment and Science spokesperson:

Financial assurance (FA) now referred to as Estimated Rehabilitation Cost (ERC), is calculated on a sites maximum disturbance during a set period, which reflects the estimated cost of rehabilitating the site should the Environmental Authority (EA) holder fail to do so.

The amount of FA for the new owners of Blair Athol coal mine was in December 2017 reduced by the Department of Environment and Science (DES) by around \$5 million.

The reduction in FA is attributed to changes to the mining sequence, methodology and the final landform design proposed by TerraCom, which differs from the previous operator.

This resulted in a reduction in the volume of material required to be moved on site for rehabilitation and hence the total rehabilitation costs reduced.

The return of surplus FA is not directly related to topsoil trials. The costs of topsoil use in rehabilitation are included in the FA and ERC calculations.

Rehabilitation trials are standard practice for the mining industry and are used to determine optimal methods based on the site-specific conditions at the mine (e.g., topsoil placement, seed mix, watering requirements, etc.).

Topsoil trials won't be part of the site's 'rehabilitated area' until topsoil trials are proven to be successful.

The department's decisions about the amount of FA required and the amount of ERC for Blair Athol coal mine have been made in accordance with the *Environmental Protection Act 1994* (EP Act) and the department's FA and ERC guidelines.

The current DES ERC decision for Blair Athol coal mine is almost \$72 million.

TerraCom has submitted a new ERC application in October 2019. This application is being assessed by DES.

The amount and form of scheme assurance required for ERC is determined by Queensland Treasury under the Financial Provisioning Scheme. Questions about lodgement and release of ERC should be directed to Queensland Treasury.

Proposed responses to Q 2 and 3:

2) Why did the government allow the company to draw down \$32M from this \$80m bond account?

DES is responsible for the decision of a sites financial assurance (FA) or estimated rehabilitation cost (ERC) that is calculated on a sites maximum disturbance during a set period, which reflects the estimated cost of rehabilitating the site should the Environmental Authority (EA) holder fail to do so.

Questions relating to form, lodgement and release of scheme assurance for ERC should be directed to Queensland Treasury.

3) Lock the Gate Alliance says the \$27M granted to Terracom this year appears to have been the result of the company 'gaming' the new mine rehabilitation laws – What is the government's response to this?

TerraCom are required to transition to the new Progressive Rehabilitation and Closure Plan framework that was set up through the new legislation. The PRCP will ensure sites progressively undertake rehabilitation throughout the mine life to prepare for successful closure.

The transition of coal mines sites to having a PRCP is a separate process to ERC decisions and Queensland Treasury's decisions on scheme assurance.

Date : 27/04/2021 11:09:16 AM

From : "BENNINK Kate"

To : "CR Mining" , "MCCOSKER Juliana"

Subject : RE: (5) - PR21-236 - Blair Athol ERC

Attachment :

image001.png;image003.png;image004.png;image005.png;image006.png;image010.png;image013.png;image014.png;image015.png;

Hi Julie,

Please release document to public register.

Cheers

Kate



Queensland
Government

Kate Bennink

Director (Coal)

Business Centre Coal | Coal and Central Compliance

Environmental Services and Regulation

Department of Environment and Science

M sch4p4(6) P

E kate.bennink@des.qld.gov.au

99 Hospital Road, Emerald QLD 4720

PO Box 3028, Emerald QLD 4720

From: CR Mining <CRMining@des.qld.gov.au>

Sent: Thursday, 22 April 2021 9:59 AM

To: BENNINK Kate; MCCOSKER Juliana

Cc: CR Mining

Subject: FW: (5) - PR21-236 - Blair Athol ERC

Hi Kate and Juliana,

Are you happy for the attached document to be released to public register?

Thanks,



Queensland
Government

Linda Nicholas

Environmental Support Officer

Business Centre (Coal) | Coal and Central Qld Compliance

Department of Environment and Science

P 07 49879 320

99 Hospital Road, Emerald QLD 4720

PO Box 3028, Emerald QLD 4720

From: MEYER Anita <Anita.Meyer@des.qld.gov.au> **On Behalf Of** CW ES_Rockhampton

Sent: Wednesday, 21 April 2021 4:39 PM

To: BURGESS Emma; CW ES_Emerald

Cc: CR Mining; NIELSEN Tenille

Subject: RE: (5) - PR21-236 - Blair Athol ERC

Hi Emma

Thank you for your assistance in sourcing the documents requested in the Public Register Search.

Please see below the message from the bottom of the initial Public register request.

Hi,

I am seeking a copy of the most recent Estimated Rehabilitation Cost for the Blair Athol coal mine, currently operated by Terracom.

If you are happy for the attached document to be released I can submit it to PR.

Thank you for your advice.

Kind Regards

Anita



Anita Meyer
Administration Officer
Coal and Central Compliance
Department of Environment and Science

P 07 – 4837 3499
209 Bolsover Street Rockhampton 4700
PO Box 413 Rockhampton 4700

From: BURGESS Emma <Emma.Burgess@des.qld.gov.au>
Sent: Wednesday, 21 April 2021 3:56 PM
To: CW ES_Emerald
Cc: CR Mining; NIELSEN Tenille
Subject: RE: (5) - PR21-236 - Blair Athol ERC

Hi Anita,

Have we confirmed that it is the current ERC decision that the requester is after?

If so, I have attached the notice to this email. Let me know if you would like assessment to respond to PR.

Thanks,

Emma

From: CR Mining <CRMining@des.qld.gov.au>
Sent: Wednesday, 21 April 2021 2:48 PM
To: BURGESS Emma
Cc: CR Mining
Subject: FW: (5) - PR21-236 - Blair Athol ERC

Hi Emma,

Are you able to confirm the below for Anita?

Thanks,



Linda Nicholas
Environmental Support Officer
Business Centre (Coal) | Coal and Central Qld Compliance
Department of Environment and Science

P 07 49879 320
99 Hospital Road, Emerald QLD 4720
PO Box 3028, Emerald QLD 4720

From: CW ES_Emerald <CWES_Emerald@des.qld.gov.au>
Sent: Wednesday, 21 April 2021 2:45 PM
To: CR Mining
Cc: BRANT Julie; NICHOLAS Linda
Subject: FW: (5) - PR21-236 - Blair Athol ERC

Good Afternoon

PR21-236 - Blair Athol ERC

Please see the email below from Public Register for a copy of the ERC Decision for Blair Athol Coal Mine.

I have had a look in Edocs and found document number 14813302 requesting information by 17 June 2021 for the ERC Decision?

So just wanted to confirm whether a Nil response could be send to Public Register.

Thank you for your advice.

Kind Regards
Anita



Anita Meyer
Administration Officer
Coal and Central Compliance
Department of Environment and Science

P 07 – 4837 3499
209 Bolsover Street Rockhampton 4700
PO Box 413 Rockhampton 4700

From: Public Register <Public.Register@des.qld.gov.au>
Sent: Monday, 19 April 2021 2:59 PM
To: CW ES_Emerald
Subject: (5) - PR21-236 - Blair Athol ERC

Good afternoon,

Please see below PR request. Was advised to send this to your team.

Regards,



Public Register
Department of Environment and Science

1300 130 372 (Option 4)
Public.Register@des.qld.gov.au
GPO Box 2454, Brisbane QLD 4001



...make the move

From: OBRIEN Laura <Laura.Obrien@des.qld.gov.au> **On Behalf Of** CW ES_Mackay
Sent: Monday, 19 April 2021 2:53 PM
To: Public Register
Cc: CW ES_Mackay
Subject: (4) - PR21-236 - Blair Athol ERC

Good Afternoon Public Register

This search request sits within the Business Coal Centre in the Emerald Office.

Kind Regards



Laura O'Brien
Compliance Support Officer
Mackay Compliance Centre | Coal and Central Queensland Compliance
Department of Environment and Science

P 07 4999 6861
Level 1 30 Tennyson Street Mackay
PO Box 2001 Mackay 4740

Please note I work Part Time – Monday, Tuesday & Wednesday

From: Public Register <Public.Register@des.qld.gov.au>
Sent: Monday, 19 April 2021 8:25 AM
To: CW ES_Mackay
Subject: (3) - PR21-236 - Blair Athol ERC

A Public Register request has been received for action by the following business unit/s (see table below). If you identify that any additional Business Units need to undertake the search please advise Pal through the [public register inbox](#)

If your Business Unit is unable to meet the nominated timeframe you must notify PAL via the public register inbox, as soon as this becomes apparent.

The reference number for this request is **PR21-236**

Details of request:

- Location – Blair Athol Coal Mine

Name of Business Unit	Details of request – Copy of ERC Complexity: Simple (5BD) Due Date: 26/04/2021 If the Business Unit identifies that a different category should apply, please advise the public register inbox as soon as this is determined.	Search result (Business Unit to complete) Choose from: <ul style="list-style-type: none"> • Nil found • Not PR • Record attached

inal column of the table and submitting the search result, ensure that you review the below checklist:

Checklist

1. Has your search included (where necessary):
 - hard copy files (potentially including archives)?
 - electronic files (e.g. eDocs/local drives)?
 - Ecotrack?
 - Connect?
2. Has the approver ensured that **only** documents that your business unit has deemed releasable under the public register provisions of the Environmental Protection Act 1994 are returned to the public register inbox?

Important Information

- Public register searches are available back until 1994 for all activities and documents with one exception.
- Searches of the EMR/CLR are searches for a fee and all return search emails let customers know that these searches have not been undertaken in this process.
- The client should not be contacted directly. If you have questions for the customer about the records they are seeking, send these to the [Public Register inbox](#) and PaL will follow up on your behalf.
- If you have questions about the appropriateness of releasing documents please contact [Compliance Support](#). You do not need to advise PaL you are doing this. Before contacting Compliance Support you should consult the [Public Register procedure](#).
- Please check to see if any of the documents are required to be on the online public register, if so, follow public register procedure.

Public Register
Department of Environment and Science

1300 130 372 (Option 4)
Public.Register@des.qld.gov.au
GPO Box 2454, Brisbane QLD 4001

...make the move

-----Original Message-----

Hi,

I am seeking a copy of the most recent Estimated Rehabilitation Cost for the Blair Athol coal mine, currently operated by Terracom.

Thanks,

Date : 20/04/2021 10:59:36 AM

From : "BENNINK Kate"

To : "ANDERSEN Claire"

Subject : RE: Terracom and Blair Athol

Attachment : HIB request: Fears CQ mine will be abandoned over company's money woes - due 4pm

today;image001.png;image003.png;image006.png;image007.png;image008.png;image009.png;image015.png;image018.png;image019.png;image020.png;image021.png;image022.png;

I just CC'd you into the mecs item. Also attached for your info.

Regula and Lindsay already have it. Regula resent it to MO this morning is response to the initial email.



Kate Bennink
Director (Coal)
Business Centre Coal | Coal and Central Compliance
Environmental Services and Regulation
Department of Environment and Science

M sch4p4(6) Pe
E kate.bennink@des.qld.gov.au
99 Hospital Road, Emerald QLD 4720
PO Box 3028, Emerald QLD 4720

From: ANDERSEN Claire <Claire.Andersen@des.qld.gov.au>

Sent: Tuesday, 20 April 2021 10:24 AM

To: BENNINK Kate

Subject: RE: Terracom and Blair Athol

Maybe just attach that again



Claire Andersen
Executive Director, Operational Support
Environmental Services and Regulation
Department of Environment and Science

M: sch4p4(6) F
E claire.andersen@des.qld.gov.au W www.des.qld.gov.au
Level 9, 400 George Street, Brisbane QLD 4000

You can also chat with me on Teams

From: BENNINK Kate <Kate.Bennink@des.qld.gov.au>

Sent: Tuesday, 20 April 2021 10:18 AM

To: ANDERSEN Claire

Subject: RE: Terracom and Blair Athol

No, we prepared a HIB last Thursday.



Kate Bennink
Director (Coal)
Business Centre Coal | Coal and Central Compliance
Environmental Services and Regulation
Department of Environment and Science

M sch4p4(6) Pe
E kate.bennink@des.qld.gov.au
99 Hospital Road, Emerald QLD 4720
PO Box 3028, Emerald QLD 4720

From: ANDERSEN Claire <Claire.Andersen@des.qld.gov.au>

Sent: Tuesday, 20 April 2021 10:17 AM

To: BENNINK Kate

Subject: RE: Terracom and Blair Athol

You mean the PPQ? You might want to attach the final version
Claire



Claire Andersen
Executive Director, Operational Support
Environmental Services and Regulation
Department of Environment and Science

M: [sch4p4\(6\)!](tel:0800007621)
E claire.andersen@des.qld.gov.au W www.des.qld.gov.au
Level 9, 400 George Street, Brisbane QLD 4000
 You can also chat with me on Teams

From: BENNINK Kate <Kate.Bennink@des.qld.gov.au>
Sent: Tuesday, 20 April 2021 10:12 AM
To: DLO DES; WELLS Melissa; ANDERSEN Claire
Cc: ESR
Subject: RE: Terracom and Blair Athol

Morning Regula,

The highlighted sentences are not current. The most current information is in the HIB provided last Thursday.

The media release from last year is dated 1 May and refers to an ERC application being assessed by DES. That ERC decision was not made until later that month on 29 May.

Cheers
Kate



Kate Bennink
Director (Coal)
Business Centre Coal | Coal and Central Compliance
Environmental Services and Regulation
Department of Environment and Science

M [sch4p4\(6\) Pe](tel:0800007621)
E kate.bennink@des.qld.gov.au
99 Hospital Road, Emerald QLD 4720
PO Box 3028, Emerald QLD 4720

From: DLO DES <DLO.DES@des.qld.gov.au>
Sent: Tuesday, 20 April 2021 9:55 AM
To: BENNINK Kate; WELLS Melissa; ANDERSEN Claire
Cc: ESR
Subject: FW: Terracom and Blair Athol

Good morning

In a recent article a journalist quoted a DES spokesperson. It appears the lines were taken from a media response provided in May 2020 (see attached).

Can you please urgently fact check the highlighted lines below and let us know if this is still current.

Regards
Regula Uhlmann
3330 6263

From: Francis DelaCruz <Francis.DelaCruz@ministerial.qld.gov.au>
Sent: Tuesday, 20 April 2021 9:43 AM
To: TRACEY Ben; DLO DES; Sue Lappeman
Cc: Media DES; WATSON Matthew; DAVIDSON Brent; Clare Manton
Subject: RE: Terracom and Blair Athol

Thanks, Ben. Given the age. Can you please check urgently that this response is still current?

Clare, FYI.

From: TRACEY Ben <Ben.Tracey@des.qld.gov.au>
Sent: Tuesday, 20 April 2021 9:21 AM
To: DLO DES <DLO.DES@des.qld.gov.au>; Francis DelaCruz <Francis.DelaCruz@ministerial.qld.gov.au>; Sue Lappeman <Sue.Lappeman@ministerial.qld.gov.au>
Cc: Media DES <Media@des.qld.gov.au>; WATSON Matthew <Matthew.Watson@des.qld.gov.au>; DAVIDSON Brent <Brent.Davidson@des.qld.gov.au>
Subject: RE: Terracom and Blair Athol

Hi Francis,

We did do a response for [s.78B](#) about Terracom- but it was 12 months ago (attached).

Nothing about terracom recently from us (that we can see).

Ben



Ben Tracey
Principal Media Officer
Media Unit | Communications & Public Engagement
Department of Environment and Science

M [sch4p4\(6\) f](tel:075524466)
media@des.qld.gov.au
400 George St, Brisbane QLD 4000
GPO Box 2454, Brisbane QLD 4001
[Chat with me on Teams!](#)
[Visit the Environment Media Centre](#)
[Visit us on Twitter](#)

From: DLO DES <DLO.DES@des.qld.gov.au>
Sent: Tuesday, 20 April 2021 8:52 AM
To: Media DES
Subject: FW: Terracom and Blair Athol

Hi team, please see below. I can't see that we responded but can you please let me know.

Regards
Regula Uhlmann
3330 6263

From: Sue Lappeman <Sue.Lappeman@ministerial.qld.gov.au>
Sent: Tuesday, 20 April 2021 8:50 AM
To: DLO DES
Cc: Francis DelaCruz
Subject: RE: Terracom and Blair Athol

Was there an actual media response given to the journo?

From: DLO DES <DLO.DES@des.qld.gov.au>
Sent: Tuesday, 20 April 2021 8:48 AM
To: Sue Lappeman <Sue.Lappeman@ministerial.qld.gov.au>
Cc: Francis DelaCruz <Francis.DelaCruz@ministerial.qld.gov.au>
Subject: FW: Terracom and Blair Athol

Hi Sue
Please find attached a HIB that was done and sent to Francis. Please let me know if you need anything else.

Regards
Regula Uhlmann
3330 6263

From: Sue Lappeman <Sue.Lappeman@ministerial.qld.gov.au>
Sent: Tuesday, 20 April 2021 8:41 AM
To: DLO DES
Subject: Terracom and Blair Athol

Morning all,

Do you have a copy of response to a question from [s.78B](#)

/News Corp recently about TerraCom and the Blair Athol mine.

A Department of Environment and Science spokeswoman said it had reduced the financial assurance required from TerraCom by about \$5 million in December 2017.

"The reduction was based on changes to the site's management and rehabilitation proposed by TerraCom," the spokeswoman said.

"TerraCom is trialling alternative ways of reinstating topsoil to achieve the same level of rehabilitation, which are different to the mine's previous owners.

"The topsoil trials will not be included in the site's 'rehabilitated area' until they are shown to be successful."

It might have been around April 14/15



Sue Lappeman
Senior Media Advisor
Office of the Hon. Meaghan Scanlon MP
Minister for Environment and the Great Barrier Reef
Minister for Science and Youth Affairs
M [sch4p4\(6\)](tel:17534466) E sue.lappeman@ministerial.qld.gov.au
1WS, Brisbane QLD 4000

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Date : 15/04/2021 1:27:47 PM

From : "MCCOSKER Juliana"

To : "BENNINK Kate"

Subject : Re: URGENT REQUEST: HIB request: Fears CQ mine will be abandoned over company's money woes - due 4pm today

Thank you, Kate.

Ciao for now

Juliana

Sent from my iPhone

On 15 Apr 2021, at 1:16 pm, BENNINK Kate <Kate.Bennink@des.qld.gov.au> wrote:

Don't action, I've asked ODDg to put the dot points from this morning into Mecs for us

Kate Bennink
Director, Business Centre Coal
Department of Environment and Science
M [sch4p4\(6\) Per](tel:0733305535)
E: kate.bennink@des.qld.gov.au

From: WELLS Melissa <Melissa.Wells@des.qld.gov.au>

Sent: Thursday, April 15, 2021 1:10:15 PM

To: ESR <ESR@des.qld.gov.au>

Cc: MCCOSKER Juliana <Juliana.Mccosker@des.qld.gov.au>; BENNINK Kate <Kate.Bennink@des.qld.gov.au>; Corro DES ESR DDG <DESESRDDG.Corro@des.qld.gov.au>

Subject: Re: URGENT REQUEST: HIB request: Fears CQ mine will be abandoned over company's money woes - due 4pm today

Thanks - JM just use points from this morning in full :)

Sent from my iPhone

On 15 Apr 2021, at 1:04 pm, ESR <ESR@des.qld.gov.au> wrote:

Hi Melissa,

As discussed, please see below request from MO regarding Blair Athol. Tonina is allocating the MECS item now.

Kind regards,

<image002.png>

Lindsay Hope
Senior Program Officer
Office of the Deputy Director-General
Environmental Services and Regulation
Department of Environment and Science

P 07 3330 5535
E lindsay.hope@des.qld.gov.au
Level 7, 400 George Street
GPO Box 2454 Brisbane QLD 4001

From: DLO DES <DLO.DES@des.qld.gov.au>

Sent: Thursday, 15 April 2021 12:54 PM

To: ESR

Subject: URGENT REQUEST: HIB request: Fears CQ mine will be abandoned over company's money woes - due 4pm today

Importance: High

inbox by 4pm today. I will add to MECS shortly.
thanks

<image005.png>

Peta Johnston

Senior Departmental Liaison Officer
Office of the Director-General
Department of Environment and Science

Ph: 3087 8407 | Mob: [sch4p4\(6\) P](tel:0813444444)
Peta.Johnston@des.qld.gov.au | Level 38, 1 William Street, Brisbane

From: Francis DelaCruz <Francis.DelaCruz@ministerial.qld.gov.au>
Sent: Thursday, 15 April 2021 12:48 PM
To: DLO DES
Cc: Clare Manton; Kate Whittle; Danielle Shankey
Subject: HIB request: Fears CQ mine will be abandoned over company's money woes

Hi team,

Can I please request a HIB on this one, please? Can I get something by COB today at the latest?

Thanks,

Francis

Fears CQ mine will be abandoned over company's money woes
[s.78B](#) [@news.com.au](#)

15th Apr 2021 5:00 AM
Subscriber only

There are fears a Central Queensland mine will be abandoned if the owner is unable to dig itself out of "severe financial trouble".

A Debtwire credit report for TerraCom - the owner of Clermont's Blair Athol mine - was produced and dated March 24, 2021.

The report was based on the ASX-listed miner's first half-year financial results for the period ending December 31, 2020.

It stated the company "continued to burn through cash" and was only left with \$4.1m in cash at the end of December.

Debtwire reported TerraCom had a total debt of \$249.4m and an EBITDA of -\$39.9m in the past 12 months.

Mackay Conservation Group co-ordinator Peter McCallum said it appeared the company was in "severe financial trouble".

"Unless they can find a financier before the end of June, that company could go into liquidation," Mr McCallum said.

"That raises serious concerns about the rehabilitation of the (Blair Athol) mine site if that company abandons the mine."

The Daily Mercury contacted TerraCom for comment, but did not receive a response by deadline.

Lock the Gate Alliance rehabilitation spokeswoman Ellie Smith said the group was also concerned there would be insufficient funds to complete the necessary rehabilitation of the mine if TerraCom folded.

"The Queensland taxpayer and Clermont community will suffer as a result," Ms Smith said.

"It's particularly worrying because the Queensland Government has handed more than \$30m back to TerraCom from an \$80m rehabilitation cash bond put up by former owner Rio Tinto, despite also allowing TerraCom to mine through areas that Rio had already rehabilitated."

TerraCom purchased Blair Athol coal mine from Rio Tinto for just a \$1 in 2016, which required an \$80 million rehabilitation bond.

The bond is an estimated cost of rehabilitating a mine site in case a miner fails to do so.

In May last year, Lock the Gate Alliance claimed freedom of information documents and corporate statements revealed the government allowed the company to draw down \$32 million from this bond, despite TerraCom mining through areas that had previously been rehabilitated.

But a Queensland Treasury spokesman said the estimated rehabilitation cost for the site was determined to be \$71.7 million, which was currently being held by the Treasury.

A Department of Environment and Science spokeswoman said it had reduced the financial assurance required from TerraCom by about \$5 million in December 2017.

"The reduction was based on changes to the site's management and rehabilitation proposed by TerraCom," the spokeswoman said.

"TerraCom is trialling alternative ways of reinstating topsoil to achieve the same level of rehabilitation, which are different to the mine's previous owners.

"The topsoil trials will not be included in the site's 'rehabilitated area' until they are shown to be successful."

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