



The Hon Chris Hartcher

Minister for Resources and Energy

Special Minister of State

Minister for the Central Coast

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RESULTS OF EXPLORATION LICENCE AUDIT ENCOURAGING

Results of a state-wide audit of all coal and coal seam gas exploration licences show licence-holders have a strong commitment to compliance, contained in a report released by the NSW Government today.

Minister for Resources and Energy, Chris Hartcher said the results show that overwhelmingly the industry is meeting their safety and environmental obligations.

“The results indicate a high level of compliance with licence conditions and that robust systems are in place to alert authorities if any breach occurs,” Mr Hartcher said.

“Of the total 1355 individual conditions audited, 95% were found to be compliant with just 11 non-compliances rated as a significant risk.”

The 11 identified non-compliances were restricted to just two gas exploration licences and four coal licences.

Of the two gas licences, reported ‘significant risk’ non-compliances included suspected dumping of drilling muds and failure to properly rehabilitate a site.

Of the four coal licences, non-compliances related to exploration activity carried out without secondary approval from the Division of Resources and Energy, and the use of non-native pasture grass in the revegetation of a drill site.

Other identified non-compliances included not meeting reporting requirements and lack of documentation.

Government officers have both acted on and continue to act upon the non-compliances.

“It’s reassuring that the vast majority of exploration work is being undertaken in accordance with licence conditions,” Mr Hartcher said.

“Follow-up work is being completed to ensure any inconsistencies and non-compliances have been addressed.

“The audit is an important step in ensuring proper process in the award and application of exploration licences.

“It has also highlighted the need for a review of licence conditions to ensure they represent best practice in the exploration industry. This review is currently underway,” Mr Hartcher said.

The audit was conducted by the Division of Resources and Energy in a two phase process.

The first phase involved a desktop audit of all licences to identify areas or specific licenses warranting more detailed audits against all conditions.

The second phase targeted 42 coal and petroleum exploration licences for a detailed audit, which was conducted at the licence holder’s expense by independent auditors approved by the Department.

The Audit of Coal and Petroleum Exploration Licences is available at www.minerals.nsw.gov.au