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LEGISLATIVE COUNCIL
Question on notice

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BY: *Cover*

3747. Hon Robin Chappie to the Minister for Agriculture and Food representing the Minister for Mines and Petroleum.

With reference to the proposed Yeelirrie uranium mine and the Yeelirrie State Agreement Act, I ask:

(a) is Cameco's Yeelirrie proposal exempt from the Mining Rehabilitation Fund and requirements to pay a 1 per cent levy;

(b) if yes to (a), why;

(c) does the Minister intend or have any initial thoughts on requiring Cameco provide bonds as securities for mine closure of Yeelirrie;

(d) if no to (c), is this because Cameco's Yeelirrie proposal is exempt from bonds under the State Agreement Act;

(e) what part of the State Agreement Act gives the powers to exempt from future Acts on securities and levies for mine closure;

(f) what is the expected mine closure cost for Yeelirrie;

(g) what is the expected mine closure cost for Kintyre or Wiluna;

(h) does the Government have any indication or estimate on closure costs for any of the four uranium mine proposals in Western Australia;

(i) if no to (h), why not;

(j) is the Government aware of the estimated costs of rehabilitation at the Ranger uranium mine or any other operating mines in Australia;

(k) if no to (j), why not;

(l) has the Government given consideration to the exceptional costs and liability of uranium mining rehabilitation and closure;

(m) if no to (l), why not; and

(n) if yes to (l), in what form and will the Minister table all relevant documents?

Answer

In preparing this response, the Department of Mines and Petroleum has consulted with the Department of State Development which is responsible for the administration of the *Uranium (Yeelirrie) Agreement Act 1978*, and provides the following advice:

- (a) The *Uranium (Yeelirrie) Agreement Act 1978* (State Agreement) is the controlling legislation for the proposed Yeelirrie project. It is not automatically subject to the *Mining Rehabilitation Fund Act 2012*, however, the project proponents could opt in and pay the one per cent levy.
- (b) See (a) above.
- (c) The Yeelirrie project is at an early stage of assessment and an investment decision has not yet been made. As a result, the matter has not yet been considered.
- (d) The matter of bonding is not covered by the State Agreement.
- (e) See (a) above.
- (f) Yeelirrie mine closure costs will be determined when the feasibility assessments have been finalised.
- (g) Mine closure cost estimates are usually identified as part of the requirements of *Mining Act 1978* Mine Closure Plan (MCP) requirements. An approved MCP is required prior to the commencement of mining. The Department of Mines and Petroleum (DMP) has yet to receive a MCP submission for the Kintyre and Wiluna uranium projects.
- (h) See (g) above. DMP is also yet to receive a MCP for the Mulga Rock uranium project.
- (i) See (g) above.
- (j) The Northern Territory Ranger uranium mine is expected to complete the processing of existing ore stockpiles by 2021 and finalise site rehabilitation by 2026. A Commonwealth Trust Fund has been established specifically for the rehabilitation and mine closure of the Ranger mine.
- (k) Not applicable
- (l) The mine closure costs for uranium mines in Western Australia are not expected to be substantially different from other mining rehabilitation and closure costs in the areas where they occur, particularly with current requirements for mine closure plans to include progressive rehabilitation throughout the mine life.
- (m) See (l) above.
- (n) Documents relevant to the regulation of uranium mining and mine rehabilitation and closure requirements are available on the DMP website.

