



**NSW  
Resources  
Regulator**

**COMPLIANCE AUDIT PROGRAM**

# **EL8532 MOUNT AUBREY EXPLORATION DRILLING PROGRAM**

**Godolphin Tenements Pty Ltd**



**Document control**

Published by NSW Resources Regulator

Title: Compliance audit program: EL8532 Mount Aubrey exploration drilling program – Godolphin Tenements Pty Ltd

First published: November 2020

Authorised by: Director Compliance

CM9 reference: DOC20/811970

**AMENDMENT SCHEDULE**

Date	Version	Amendment
November 2020	1.0	First published

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# 1. Introduction

## 1.1. Background

Exploration licence 8532 (EL8532) was granted to Ardea Exploration Pty Ltd in March 2017. The exploration area is in an agricultural area about 30 kilometres south east of Peak Hill in central NSW. EL8532 was transferred to Godolphin Tenements Pty Ltd in March 2020.

Exploration drilling within EL8532 began in 2019, with a 197-hole auger drilling program. This program was completed in early 2020. In September 2019, Ardea Exploration submitted an application to conduct further exploration activities for assessable prospecting activities. The description of activities included:

- up to 550 shallow (average depth of 10 metres) small diameter auger drill holes using a UTV-mounted auger
- up to 60 reverse circulation (RC) drill holes ranging from 80 to 200 metres in depth
- up to five moderate to shallow depth diamond drill holes.

The application was approved by the NSW Resources Regulator (the Regulator) within the Department of Regional NSW (the Department) in November 2020. At the time of the inspection in August 2020, 15 RC holes had been completed of the current drilling program.

As part of the compliance audit program, an audit of the exploration activities associated with the Mount Aubrey project within EL8532 was undertaken on 27 August 2020 by the Regulator.

## 1.2. Audit objectives

The objectives of the audit were to:

- undertake a compliance audit of Godolphin Tenements Pty Ltd exploration activities against the requirements of the *Mining Act 1992* and the conditions of the exploration licence and activity approvals issued pursuant to that Act.
- assess the operational performance of the exploration activities and the ability of the title holder and/or its operator to implement management systems and controls to provide for sustainable management of the operations.

### 1.3. Audit scope

The scope of the audit comprised of:

- the exploration activities associated with the Mount Aubrey exploration project including:
  - exploration activities within EL8532 including a selection sample of exploration drillholes
  - borehole sealing and rehabilitation activities for selected drilling activities undertaken since March 2019
- a review of documents and records pertaining to the exploration activities
- the assessment of compliance for the period 1 March 2019 to 27 August 2020.

### 1.4. Audit criteria

The audit criteria against which compliance was assessed included:

- *Mining Act 1992*, specifically, Sections 5, 30, 140, 163C to 163E, 163G, 378D
- Mining Regulation 2016, specifically clauses 59 to 68
- conditions attached to EL8532 (granted 7 March 2017 and renewal dated 29 May 2020)
- exploration activities application (ESF4) dated 26 September 2019 and associated approval dated 26 November 2019
- *Exploration Code of Practice: Environmental Management* (Version 2, April 2017)
- *Exploration Code of Practice: Rehabilitation* (Version 2, April 2017)
- *Exploration Code of Practice: Community Consultation* (Version 1.1, May 2016)
- *Exploration Code of Practice: Produced Water Management, Storage and Transfer* (Version 2, April 2017)
- *ESG4: Guideline for preparing an Environmental and Rehabilitation Compliance Report for exploration* (Version 2.1 November 2016)
- *Exploration Reporting: A guide for reporting on exploration and prospecting in New South Wales* (Version 2, March 2016)

- *Exploration Guideline: Annual activity reporting for prospecting titles* (Version 2a, April 2016) published by the (then) NSW Department of Industry, Skills and Regional Development, Division of Resources and Energy
- *ESG4: Guideline for preparing an environmental and rehabilitation compliance report* (Version 2.3, March 2019) published by NSW Resources Regulator

## **1.5. Publishing and disclosure of information**

This audit report will be published on the NSW Resources Regulator's website consistent with Section 365 of the *Mining Act 1992*.

This audit report may be publicly disclosed consistent with the *Government Information (Public Access) Act 2009*.

## 2. Audit methods

The audit process involved the interview of site personnel, a review of documentation and samples of records provided by the title holder and/or operator and a site inspection of the operations to determine the level of compliance of the operations and assess the status of the operational performance. The audit process and methodology are described in more detail in the sections below.

### 2.1. Opening meeting

The opening meeting was held onsite on 27 August 2020. The audit team was introduced, and the scope of its responsibilities was conveyed to the auditees. The objectives and scope of the audit were outlined. The methods to be used by the team to conduct the audit were explained, including interview of personnel, review of documentation, examination of records and a site inspection to assess specific compliance requirements.

### 2.2. Site interviews and inspections

#### 2.2.1. Data collection and verification

Where possible, documents and data collected during the audit process were reviewed on site. Several documents were unable to be reviewed on site and were provided following the site visit.

All information obtained during the audit process was verified by the audit team where possible. For example, statements made by site personnel were verified by viewing documentation and/or site inspections where possible. Where suitable verification could not be provided, this has been identified in the audit findings as not determined.

#### 2.2.2. Site inspections

A site inspection was undertaken of the following drill sites:

- T-MAR032 drilled August 2020 – hole completed but not yet rehabilitated due to wet ground conditions
- MAGRC0008 – drilled and rehabilitated in February 2020
- T-MAR155 – drilled and rehabilitated in January 2020
- T-MAR147 – drilled and rehabilitated in January 2020

- T-MAR086 - drilled and rehabilitated in January 2020
- MAGRC0011 - drilled and rehabilitated in February 2020
- MAGRC0010 - drilled and rehabilitated in February 2020
- MAGRC0006 - drilled and rehabilitated in February 2020
- MAGRC0007 - drilled and rehabilitated in February 2020

## 2.3. Closing meeting

The closing meeting was held onsite on 27 August 2020. The objectives of this meeting were to discuss any outstanding matters, present preliminary findings and outline the process for finalising the audit report.

## 2.4. Compliance assessment definitions

The reporting of results from the compliance audit was determined based on the definitions presented below in Table 1.

Table 1 Audit assessment categories

ASSESSMENT	CRITERIA
<b>Compliance</b>	Sufficient and appropriate evidence is available to demonstrate the particular requirement has been complied with.
<b>Non-compliance</b>	<p>Clear evidence has been collected to demonstrate the particular requirement has not been complied with. There are three subcategories of non-compliance reflecting the severity and level of risk associated with the non-compliance:</p> <p><b>NC1</b> – the absence of planning or implementation of a required operational element which has the potential to result in a significant risk.</p> <p><b>NC2</b> – an isolated lapse or absence of control in the implementation of an operational element which is unlikely to result in a significant risk.</p> <p><b>NC3</b> – an administrative or reporting non-compliance which does not have a direct environmental or safety significance.</p> <p>Note: The identification of a non-compliance in this audit may or may not constitute a breach of, or offence under, the <i>Mining Act 1992</i>. Non-compliances identified in this audit report may be further investigated by the Regulator and regulatory actions may be undertaken.</p>

ASSESSMENT	CRITERIA
<b>Observation of concern</b>	<p>Where an auditee may be compliant at the time of the audit but there are issues that exist that could result in the potential for future non-compliance if not addressed.</p> <p>Observation of concern was also used where an issue may not have particular compliance requirements, but which was not conducive to good management or best practice.</p>
<b>Suggestion for improvement</b>	<p>Where changes in processes or activities inspected or evaluated at the time of the audit could deliver improvement in relation to risk minimisation, sustainable outcomes and management practices.</p>
<b>Not determined</b>	<p>The necessary evidence has not been collected to enable an assessment of compliance to be made within the scope of the audit.</p> <p>Reasons why the audit team could not collect the required information include:</p> <ul style="list-style-type: none"> <li>■ insufficient information on the file relating to the period covered by the audit or insufficient evidence collected to reach a conclusion</li> <li>■ the wording on the criteria (approval condition) meant that no evidence could be gathered, or it was too difficult to gather the evidence.</li> </ul> <p>A 'not determined' assessment was also made where the condition was outside the scope of the audit.</p>
<b>Not applicable</b>	<p>The circumstances of the authorisation or title holder have changed and are no longer relevant ( e.g. no longer mining, mining equipment and plant has been removed).</p> <p>An invoking element in the criteria was not activated within the scope of the audit.</p>

## 2.5. Reporting

Following completion of the site audit, the audit checklists were completed, and audit notes were reviewed to compile a list of outstanding matters to be noted in the audit report. This report was prepared to provide an overview of the operational performance of the site in relation to the exploration activities and identify any non-compliances or observations of concern noted by the auditors during the site inspections and interviews.

The draft audit findings were forwarded to Godolphin Tenements for comment. Consideration was given to the representations made during the finalisation of the audit report as discussed in the audit findings.

## 3. Audit findings

### 3.1. Work program

Condition 1 of EL8532 requires the licence holder to carry out the operations described in the approved work program.

From March 2019 to March 2020, Godolphin Tenements was in year 3 of approved work program WP-EL8532-2017-2020 which was approved by the (then) Division of Resources and Energy (DRE) on 25 October 2017 as part of the renewal of EL8532.

From March 2020, Godolphin Tenements was in year 1 of approved work program WP-EL8532-2020-2026 which was approved by the Department's Mining Exploration and Geoscience (MEG) on 29 May 2020 as part of a further renewal of EL8532.

Activities proposed for these years included:

- completion or modification of Phase 1 drill program at Mt Aubrey after a review of the assay results for the first 14 RC holes
- detailed spectral imagery acquisition after review of effectiveness. All assays from ALS returned from Phase 1
- geological mapping and recon rock chip sampling at Emu Swamp and Blue Hills
- soil sampling - potential completion of aircore sampling program as planned or modified in Phase 1 of the Mt Aubrey drilling program
- potential completion of Phase 1 drilling extensions at Mt Aubrey and submission of assay samples
- diamond drilling is being considered at Mt Aubrey but dependent on the results of Phase 1 RC drilling
- initial reconnaissance sampling and mapping when access is granted to other prospects
- structural interpretation of Mt Aubrey model - planning stages.

The Phase 1 auger drilling was commenced in late 2019 with approximately 200 holes completed. An RC drilling program was started in January 2020 and 15 holes had been completed at the time of the audit. Evidence was available to indicate that the work program appeared to be on track and exploration progress had been assessed as satisfactory by MEG.

Exploration data is maintained by the Godolphin Tenements geologists and submitted to MEG with the annual activity reports as required.

### 3.2. Access agreements

Section 140 of the *Mining Act 1992* states, 'the holder of a prospecting title must not carry out prospecting operations on any particular area of land except in accordance with an access arrangement or arrangements applying to that area of land'. The access arrangement was required to be agreed in writing between the holder of the prospecting title and each landholder of that area of land.

Access agreements were observed to be in place for the properties upon which drilling was undertaken. The agreements were noted to be standard access agreements, although some landowners had added specific comments such as 'no plastic to be left on property' and one landowner had specified a timeframe for the duration of the agreement.

### 3.3. Native title and exempt areas

Condition 3 of EL8532 requires the licence holder to obtain the prior written consent of the Minister before carrying out any activities on land on which native title had not been extinguished. Similarly, Section 30 of the *Mining Act 1992* requires the consent of the Minister before a licence holder undertakes any activities within an exempted area.

Godolphin Tenements had undertaken mapping to identify the location of any exempted areas or areas to which native title may apply. It was noted that the drilling program in progress at the time of the audit was undertaken on freehold land where native title was extinguished. Further approvals were not required.

### 3.4. Community consultation

Condition 3 of EL8532 requires the licence holder to carry out community consultation in relation to the planning and conduct of exploration activities. Community consultation is required to be carried out in accordance with the requirements of *Exploration Code of Practice: Community Consultation*.

An assessment against the mandatory requirements of the code of practice was undertaken as documented in the following sections.

### 3.4.1. Risk assessment

Mandatory requirement 1 of the code of practice requires the title holder to conduct a risk assessment to identify and consider the range of opportunities and potential threats associated with community consultation and engagement.

Godolphin Tenements had undertaken a community consultation risk assessment which was documented in Table 2 of the community consultation strategy. Generally, the exploration activities resulted in an impact assessment level of low. The auditor concurs with this assessment for the current drilling program given the nature, scale, and location of the drilling operations.

### 3.4.2. Community consultation strategy

Mandatory requirement 2 requires the preparation of a community consultation strategy to manage the risks identified in the risk assessment. Mandatory requirement 3 sets out the requirements for preparation of the community consultation strategy.

Godolphin Tenements had prepared a community consultation strategy for exploration activities on EL8532 commensurate with the activity impact assessment documented under mandatory requirement no. 1.

The strategy was reviewed during the audit and was noted to be very brief. It did not address the requirements of the code of practice in any detail. Evidence was available that consultation had been undertaken with the identified community stakeholders for the low activity impact level, but this should be documented as part of the consultation strategy. For example, the strategy should provide:

- a clear description of the identified stakeholders
- details of the mechanisms to be used to consult with each type of stakeholder.

As suggestion for improvement no. 1, Godolphin Tenements should revise the community consultation strategy to address each of the requirements of the code of practice.

### 3.4.3. Implementation and reporting

Mandatory requirement 4 requires the title holder to implement, monitor and report annually on the community consultation strategy.

Evidence was available to demonstrate that Godolphin Tenements had generally implemented the community consultation strategy. For example:

- landholders had been identified and consulted

- the local council had been advised of exploration activities
- consultation had occurred with the Parkes radio telescope as required by condition 13 of the licence
- stakeholder engagement records were available
- community consultation log was maintained
- land access agreements were available.

Community consultation reports for the 2019 and 2020 reporting years were submitted as part of the annual activity reporting required by condition 8 of EL8532. The reports were reviewed by MEG and found to be adequate. The reports were also reviewed by the auditor and were found to be generally in accordance with the guidance material for reporting in Appendix 1 of the code.

### 3.5. Exploration activity approvals

Section 23A of the *Mining Act 1992* requires the holder of an exploration licence to obtain an activity approval prior to carrying out assessable prospecting operations.

An auger sampling program was started in 2019. The auger program was an assessable prospecting operation and required approval under section 23A of the *Mining Act 1992*. The program was started without exploration activity approval. This non-compliance with the *Mining Act 1992* was self-reported to the Regulator and an application for activity approval was submitted and approved. The title holder was issued with a penalty infringement notice for the non-compliance in September 2019.

In September 2019, an application was submitted for the RC drilling program. This was approved by the Regulator on 29 November 2019. The drilling program commenced in January 2020, after approval was received.

Generally, evidence was available to confirm that activities are being carried out in accordance with the exploration activity approval and the codes of practice as documented in the following sections.

### 3.6. Environmental management

Condition 4 of EL8532 requires the licence holder to prevent or minimise, so far as is reasonably practicable, any harm to the environment arising from the activities carried out under the licence. Condition 2 of the exploration activity approval requires the licence holder to carry out the activity in compliance with Part B of the *Exploration Code of Practice: Environmental Management*.

No evidence of environmental harm beyond that approved in the exploration activity approvals was observed at the sites visited during the inspection. The exploration drilling had been suspended at the time of the audit due to wet ground conditions and the drill rig had demobilised from site. All but one of the holes had been rehabilitated. An assessment against the *Exploration Code of Practice: Environmental Management* could not be completed but the following observations were made:

- Godolphin Tenements had prepared a comprehensive environmental risk assessment for the exploration operations. It details the mitigation controls and the performance criteria for a range of environmental impacts. The controls were reviewed at the end of the Phase 1 activities and revised where required. The risk assessment and the review were noted to be documented in an excel spreadsheet.
- Very minor oil staining (a spill of less than 20 litres) was observed at site T-MAR147 (Figure 1). This oil staining was not causing any significant environmental harm and would not be a reportable incident.
- Weeds were observed at several sites, but the weed species and coverage were generally no different to other areas of the paddocks that had not been disturbed during drilling (Figure 2). The weed coverage was unlikely to have been caused directly by the drilling program.
- The closest residence was observed to be across Renshaw McGirr Way, approximately one kilometre from the drilling operations.
- Existing farm access roads were used to access each drilling site with no additional tracks required. The drill rig and support vehicles drove over the grass to each site with no drill pads required to be constructed. Some minor damage was observed on the main farm access road and Godolphin staff advised this issue had been raised by the landowner. Godolphin Tenements staff advised that the access track would be regraded once the ground had dried out.
- The hole drilled in August 2020 (T-MAR032) was observed to have resulted in some minor damage to a small area of paddock when the drill rig was demobilised following recent rain (Figure 3). Godolphin Tenements staff advised that this would be rehabilitated once ground conditions dried out allowing access to the area.

Figure 1 Hole T-MAR147 showing area of minor oil spillage



Figure 3 Wheel ruts and boggy ground conditions at hole T-MAR032



Figure 2 Weeds around hole MAGRC0011



### 3.7. Security deposit

Condition 5 of EL8532 requires the licence holder to provide a security deposit to secure funding for the fulfilment of obligations under the licence.

The exploration activity approval in November 2019 triggered an increase in the security deposit required to \$36,000. A review of departmental records confirmed that the security increase had been paid and \$36,000 was currently held for the title. Observations made during the site inspection did not identify anything that would create any uncertainty in the security amount required and currently held.

## 3.8. Rehabilitation

Condition 6 of EL8532 requires the title holder to carry out rehabilitation of all disturbance caused by activities carried out under the licence in accordance with the requirements of the *Exploration Code of Practice: Rehabilitation*.

Rehabilitation of the 197-hole auger drilling program completed in January 2020 was accepted by the Regulator as satisfactory on 12 August 2020.

An assessment against the mandatory requirements of the code of practice was undertaken for the 2020 drilling programs as documented in the following sections.

### 3.8.1. Risk assessment

Mandatory requirement 1 requires the title holder to conduct a risk assessment to evaluate the range of potential threats and opportunities associated with rehabilitating disturbed areas to a condition that could support the intended final land use.

The environmental risk assessment undertaken for the 2020 drilling program included an assessment of risks relevant to rehabilitation. The final land use proposed was to return it to its current usage as grazing and cropping fields. No significant risks were identified that would prevent achievement of the final land use.

### 3.8.2. Rehabilitation objectives and completion criteria

Mandatory requirement 2 requires the title holder, no later than 14 days prior to the commencement of surface disturbing activities, to provide to the Secretary a copy of specific, measurable, achievable, realistic and time-bound rehabilitation objectives and completion criteria. For higher risk prospecting operations, a rehabilitation management plan is required to be prepared and submitted with the rehabilitation objectives and completion criteria.

The exploration activity approval application lodged by Godolphin Tenements indicated that the total surface disturbance area was less than 5 hectares (being 0.5 hectares). The drilling programs did not fall within the definition of a higher risk activity under the code of practice and a rehabilitation management plan was not required to be developed.

Rehabilitation objectives and completion criteria were provided in Appendix X of the application for exploration activity approval in September 2019. The objectives and completion criteria were generally consistent with the guidance material provided in the code of practice and were considered adequate for the drilling program.

### 3.8.3. Rehabilitation program

Mandatory requirement 3 requires that the title holder develops, implements and completes a rehabilitation program (which includes a monitoring program) to rehabilitate disturbed areas to a condition that can support the intended final land use. Mandatory requirement 4 requires that the title holder commence rehabilitation of a site, as soon as reasonably practicable, following the completion of activities on that site.

Fourteen of the 15 holes completed had been rehabilitated at the time of the audit site inspection. Rehabilitation of the hole drilled in August 2020 had been delayed due to wet ground conditions.

The rehabilitation monitoring program included:

- initial site inspection following completion of drilling
- inspection once every three months for a six to 12-month period to follow-up rehabilitation progress
- photographic log, before and after drilling photos.

Rehabilitation inspections were documented on updated rehabilitation schedules each monitoring period. These schedules document any follow-up work required.

Figure 4 to Figure 7 show examples of the rehabilitation of drill sites from January and February 2020.

*Figure 4 Rehabilitation of hole MAGRC0008*



*Figure 5 Rehabilitation of hole T-MAR155*



Figure 6 Rehabilitation of hole MAGRC0010



Figure 7 Rehabilitation of hole MAGRC0006



### 3.9. Annual activity reporting

Section 163C of the *Mining Act 1992*, clause 59 of the Mining Regulation and condition 8 of EL8532 require the licence holder to submit an activity report annually within one calendar month following the grant anniversary date. Annual activity reports are required to be prepared in accordance with the *Exploration guideline: Annual activity reporting for prospecting titles*.

During the audit scope period, Godolphin Tenements (or its predecessor, Ardea Exploration) had been submitting annual activity reports comprising:

- annual geological report
- revised work program
- environmental rehabilitation and compliance report
- community consultation report.

Reports for the 2019-2020 reporting year were reviewed during the audit:

- EL8532 Annual Report, Mt Aubrey Project, March 2019 to March 2020
- EL8532 Prospecting Title Work Program, renewal submission
- EL8532 Annual Community Consultation Report March 2019 to March 2020
- Environmental and Rehabilitation Compliance Report for EL8532, March 2020.

Generally, reports were found to be in accordance with the MEG and/or Regulator templates and guidance material. MEG has reviewed the annual exploration reports, and the community consultation reports, and assessed these reports as satisfactory.

### 3.10. Core and sample storage

Clause 65 of the Mining Regulation requires the holder of an authority to, so far as is reasonably practicable, collect, retain and preserve:

- all drill cores remaining after sampling
- characteristic samples of the rock or strata encountered in any drill holes.

All core and samples collected were required to be labelled, stored and managed in a manner that preserved the integrity of the core or samples.

Chip samples had been collected from the RC drilling program. The samples had been removed to the Godolphin Tenements core yard in Orange. An inspection of the core yard was not undertaken due to time and distance constraints.

### 3.11. Record keeping

Sections 163D and 163E of the *Mining Act 1992* relates to the creation and maintenance of records required under the Act, the regulations, or a condition of title. Records must be kept in a legible form for production to any inspector and must be maintained for a period of four years after the expiry or cancellation of the title. Specific requirements for the types of records to be maintained for exploration activities are detailed in the mandatory requirements of the exploration codes of practice as follows:

- mandatory requirement 6 of the rehabilitation code of practice
- mandatory requirement 13.1 of the environmental management code of practice
- mandatory requirement 5 of the community consultation code of practice.

Records reviewed during the audit demonstrated that Godolphin Tenements had generally maintained records as required by the licence conditions and the exploration codes of practice. Examples of records reviewed included:

- environmental risk assessment – exploration activity risk template, Mount Aubrey drilling January – August 2020
- drilling register

- drill rig inspection forms
- Mt Aubrey updated rehabilitation schedules
- photographic records – before and after drilling
- site induction forms
- land access agreements
- community consultation strategy
- community consultation log
- consultation records.

### **3.12. Parkes Radio Telescope**

Condition 13 of EL8532 requires the licence holder to ensure that prospecting operations that will utilise methods, which are likely to cause interference with the Parkes Radio Telescope during its operational hours, are conducted in co-operation and consultation with CSIRO.

Evidence was provided to demonstrate that Godolphin Tenements had consulted with the Parkes Radio Telescope. In an email in October 2019, the Parkes Telescope team leader advised that he did not foresee any issues with the proposed exploration activities.

## 4. Compliance management

### 4.1. Identifying compliance obligations

Identifying compliance obligations is a critical step in the development of an effective compliance management system. Compliance obligations for an exploration project can include:

- regulatory requirements (for example, the *Mining Act 1992*)
- conditions imposed on the grant, renewal, or transfer of exploration licences
- exploration activity approvals
- exploration codes of practice
- specific commitments made by the organisation (for example, commitments made in the approved exploration activity application).

Once identified, compliance obligations should be reviewed periodically to identify any changes in those obligations (for example, changes in legislation).

The Godolphin Tenements' senior geologist demonstrated a good understanding of the requirements under the *Mining Act 1992*, the conditions of title, the exploration activity approval and the exploration codes of practice. Generally, evidence was available to confirm that compliance obligations have been identified and understood. For example, the exploration activity risk template for the Mount Aubrey drilling was noted to generally address the requirements of the environmental management code of practice.

### 4.2. Subcontractor management

Contractors are often used to undertake specialist tasks, for example, exploration drilling. Whilst the responsibility for compliance or the implementation of environmental controls is often passed to the contractor, the licence holder will retain accountability for compliance with its licence conditions and other compliance obligations. It is important that the licence holder exercises management control of its contractors by specifying contract requirements, providing oversight of contracted works, and evaluating the performance of the contractor during the contracted works.

Godolphin Tenements was using a contract driller to complete the drilling program. The drill rig and drilling crew had been demobilised from the site at the time of the audit due to very wet ground conditions. An assessment of the management of the contract driller was not undertaken.

### 4.3. Inspections, monitoring and evaluation

An effective inspection, monitoring and evaluation process is required to:

- monitor the implementation of the risk controls
- evaluate the effectiveness of those controls based on an assessment of inspection and monitoring data
- implement an adaptive management approach if monitoring shows that controls may be ineffective.

Godolphin Tenements had established an inspection and monitoring program for the exploration activities. The exploration activity risk template was noted to include a comprehensive assessment of environmental risks with controls proposed to address each risk. At the completion of the Phase 1 drilling, the controls were reviewed and, where required, controls were amended if the performance of the Phase 1 drilling did not meet the performance criteria specified in the risk template. This Phase 1 review was documented as part of the exploration activity risk template.

Rehabilitation monitoring was undertaken and documented in a series of rehabilitation schedules, which were noted to include any requirements for further works at rehabilitated drill sites.

### 4.4. Title holder response to draft audit findings

Godolphin Tenements was provided with a copy of the draft audit report and invited to submit a response to the draft audit findings. The response from Godolphin Tenements indicated they had no specific comments on the content of the draft report. A minor correction was made to the description of activities to change from aircore drilling to auger drilling using a UTV-mounted auger.

## 5. Audit conclusions

From the evidence reviewed during the audit, and observations made on site during the audit site inspections, it was concluded that Godolphin Tenements has achieved a high level of compliance with the requirements of the exploration licence, exploration activity approval and the exploration codes of practice.

Godolphin Tenements' staff had a good knowledge of the environmental issues and controls associated with the drilling activities. Evidence was generally available to confirm implementation of the controls. Robust and comprehensive inspection and monitoring systems have been developed, with these inspections being documented on inspection checklists.

No non-compliances or observations of concern were identified during the audit. One suggestion for improvement was identified, as documented below.

*Table 1 Summary of suggestions for improvement*

SUGGESTIONS FOR IMPROVEMENT	DESCRIPTION OF ISSUE
1	<p>The community consultation strategy was noted to be very brief. It did not address the requirements of the code of practice in any detail. Evidence was available that consultation had been undertaken with the identified community stakeholders for the low activity impact level, but this should be documented as part of the consultation strategy. For example, the strategy should provide:</p> <ul style="list-style-type: none"> <li>■ a clear description of the identified stakeholders</li> <li>■ details of the mechanisms to be used to consult with each type of stakeholder.</li> </ul> <p>As suggestion for improvement no. 1, Godolphin Tenements should revise the community consultation strategy to address each of the requirements of the code of practice.</p>