

Australian Mining Compliance Research

Comprehensive Guide for Agentic Compliance-Mapping System

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Executive Summary

This document provides a comprehensive overview of Australian mining regulations, compliance frameworks, standard contract terms, and industry terminology to support the development of an Agentic Compliance-Mapping System. The research covers federal and state regulatory requirements, work health and safety obligations, environmental compliance, typical contract clauses, and essential mining terminology.

1. Regulatory Frameworks

1.1 Commonwealth (Federal) Level Legislation

Primary Federal Acts

- **Environment Protection and Biodiversity Conservation Act 1999 (EPBC Act)**
 - Central approval framework for actions affecting matters of national environmental significance
 - Covers World Heritage sites, threatened species, groundwater, migratory species
 - Coal seam gas and large coal projects affecting water resources require EPBC approval
- **Native Title Act 1993 (Cth)**
 - Establishes “right to negotiate” with registered native title claimants
 - Provides for Indigenous Land Use Agreements (ILUAs)
 - Required consultation before mining tenement grants
- **Offshore Minerals Act 1994 (Cth) & Offshore Petroleum and Greenhouse Gas Storage Act 2006 (Cth)**
 - Regulate exploration and titles beyond state coastal limits
 - Control offshore mineral and petroleum activities
- **Climate Change Act 2022 (Cth)**
 - Legislates Australia’s Paris Agreement targets
 - Influences environmental assessment expectations
- **Foreign Investment Review Board (FIRB) Framework**
 - Reviews non-Australian acquisition of significant mining assets

- Mandatory for foreign investment above prescribed thresholds

1.2 State and Territory Mining Legislation

New South Wales

- Mining Act 1992 (NSW)
- Mining Regulation 2016 (NSW)
- Code of Practice for Mineral Exploration

Queensland

- Mineral Resources Act 1989 (Qld)
- Environmental Protection Act 1994 (Qld)
- Mining and Quarrying Safety and Health Regulation 2017 (Qld)

Western Australia

- Mining Act 1978 (WA)
- Mining Regulations 1981 (WA)
- Mines Safety and Inspection Act 1994 (WA)
- Work Health and Safety (Mines) Regulations 2022 (WA)

South Australia

- Mining Act 1971 (SA)
- Mining Regulations 2020 (SA)

Victoria

- Mineral Resources (Sustainable Development) Act 1990 (Vic)
- Mineral Resources (Sustainable Development) Amendment Bill 2023 (Vic)

Tasmania

- Mineral Resources Development Act 1995 (Tas)
- Mineral Resources Regulations 2016 (Tas)

Northern Territory

- Mineral Titles Act 2010 (NT)
- Environmental Assessment Act 1982 (NT)
- Mining Management Act 2001 (NT)

Australian Capital Territory

- Minerals (Acquisition) Act 1969 (ACT)
- Planning and Development Act (ACT)

1.3 Cross-Cutting Requirements

Tenure and Reporting

- Standard progression: Exploration licence → Retention licence → Mining lease
- Annual expenditure and exploration reporting requirements
- JORC Code compliance for ASX-listed companies

Environmental Impact Assessment (EIA)

- Mandatory at both state and federal levels for significant impacts
- Coordinated or bilateral assessments to avoid duplication

Land Access and Indigenous Engagement

- Native title notification and negotiation under NTA
- Aboriginal heritage laws consultation obligations
- Cultural heritage assessments required

Rehabilitation and Closure

- Security bonds and Programs for Environment Protection and Rehabilitation (PEPRs)
 - Progressive rehabilitation requirements
 - Post-closure monitoring obligations
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2. Key Compliance Areas

2.1 Work Health and Safety (Mines) Compliance Areas

Core Safety Management Requirements

1. Mine Safety Management System (SMS)

- Documented, site-specific SMS integrating all risk management elements
- Must cover hazard identification, emergency response, training, incident investigation
- Continuous improvement and monitoring requirements

2. Contractor Health and Safety Management Plans

- Contractors must prepare and implement aligned Health and Safety Management Plans
- Cannot “contract out” of WHS obligations
- Principal employer retains overall responsibility

3. Principal Mining Hazard Management Plans

- Required for major risks including:
- Ground control
- Mobile equipment operations
- Blasting activities
- Electrical systems
- Chemical handling

4. Underground Ventilation Control Plans

- Validated ventilation control plans for underground operations
- Must address air quantity, quality (dust, gases), monitoring equipment
- Maintenance of ventilation networks and corrective action procedures

5. Health Management Plans

- Address occupational hygiene risks:
- Airborne contaminants
- Noise exposure
- Heat stress
- Vibration
- Silica exposure
- Diesel particulate matter
- Include exposure monitoring and medical surveillance provisions

Operational Compliance Requirements

6. High Risk Mining Activity Notices

- Formal notification and approval required for:
- Explosives use
- Emergency rescue operations
- Major equipment commissioning
- Detailed documentation of controls and personnel competencies

7. General WHS Duties and Risk Management

- Hazard identification and risk assessment
- Implementation of hierarchy of controls
- Information, training and instruction provision
- First aid and emergency planning
- Personal protective equipment (PPE) provision and use

8. Representation and Consultation

- Establishment of workgroups and Health and Safety Representatives (HSRs)
- Formal election procedures and training requirements
- Issue resolution processes for worker participation

9. Competency and Licensing

- High-risk work licensing requirements for:
- Crane operation
- Electrical work
- Demolition
- Scaffolding
- Pressure vessel work
- Accreditation and renewal processes

10. Emergency Plans and Incident Reporting

- Comprehensive emergency plans covering:
- Fire emergencies
- Ground collapse
- Inundation
- Gas release
- Medical emergencies
- Immediate incident reporting (typically within 15 minutes)
- Thorough investigation requirements

2.2 Environmental Compliance Areas

Federal Environmental Requirements

EPBC Act Compliance

- Referral process for matters of national environmental significance
- Assessment pathways: accredited assessments, environmental impact statements
- Public consultation requirements
- Strict approval conditions and ongoing monitoring

Water Resources Protection

- Coal seam gas and large coal project assessments
- Groundwater impact assessments
- Water management plans

State Environmental Requirements

Environmental Impact Assessment

- Comprehensive EIA addressing:
- Air quality impacts
- Water resource impacts
- Land use and soil impacts
- Noise and vibration
- Flora and fauna protection
- Heritage and Indigenous cultural values

Ongoing Environmental Management

- General environmental duty to prevent/minimize harm
- Contaminated land management
- Waste management and disposal
- Pollution control and monitoring

Financial Assurance and Rehabilitation

- Security bonds sized to full rehabilitation cost
- Mining Rehabilitation Fund (MRF) in Western Australia
- Progressive rehabilitation commitments
- Post-closure monitoring and land use objectives

2.3 Reporting and Documentation Compliance

Mandatory Reporting Requirements

- Annual expenditure reports
- Exploration and resource reporting (JORC Code)
- Environmental monitoring reports
- Safety performance indicators
- Incident and accident reports
- Financial assurance updates

Documentation Requirements

- Mine safety management systems
- Environmental management plans
- Emergency response procedures
- Training records and competency certificates
- Contractor management documentation
- Risk assessment records

3. Common Contract Terms and Clauses

3.1 Contract Formation and Structure

Essential Clauses

1. Definitions and Interpretation

- Clear definition of capitalised terms: Services, Goods, Contract, Purchase Order, GST, Force Majeure Event
- Interpretation clauses regarding headings, singular/plural, non-exhaustive lists

2. Contract Formation and Precedence

- Purchase order plus standard terms constitute the agreement
- Purchase order takes precedence over general terms and conditions in case of inconsistency

3. Scope of Services/Supply of Goods

- Detailed service/goods description in purchase order or scope document
- Independent contractor relationship (no agency or employment implied)

3.2 Performance and Quality Standards

4. Standard of Performance and Warranties

- Services performed with due skill, care and diligence consistent with Good Operating Practices
- Goods must be:
 - Of merchantable quality
 - Fit for purpose
 - Matching specifications/samples
- Assignment of trade warranties from suppliers

5. Variations and Change Control

- Principal's right to issue variation directions
- Contractor notification requirements for cost/time impacts (typically 10 business days)
- Negotiation or Principal determination of "reasonable" adjustments

3.3 Commercial Terms

6. Price, Invoicing and Payment

- Fixed price unless varied by written amendment
- Price inclusive of packing, insurance, delivery (excluding GST/duties)
- Invoice requirements: order number, description, tax details
- Payment terms (typically 30 days)
- Set-off rights and late payment interest (typically 2% + prime rate)

7. Delivery, Acceptance and Risk Transfer

- Defined delivery location and date
- Acceptance procedures (acceptance doesn't waive defects)
- Risk transfer on delivery, title retention until payment
- Rights to reject non-conforming goods

3.4 Operational Requirements

8. Subcontracting and Personnel

- Written consent required for subcontracting
- Personnel qualifications and licensing requirements
- Site policy and code of conduct compliance
- Principal's right to direct personnel removal

9. Health, Safety, Environment (HSE) and Site Access

- Compliance with site safety requirements and risk management systems
- Material Safety Data Sheets (MSDS) provision for hazardous goods
- Required licences, permits, and insurance maintenance
- Mandatory site induction requirements
- Equipment safety condition requirements

3.5 Risk Management and Insurance

10. Insurance Requirements

Mandatory coverage typically includes:

- Public and products liability (A\$20-30 million typical)
- Workers' compensation
- Transit and cargo insurance
- Motor vehicle insurance
- Professional indemnity (for advisory services)
- Certificates of currency required on commencement and renewal
- All deductibles borne by contractor

11. Indemnities and Limitations of Liability

- Contractor indemnifies Principal against claims from:
- Negligent acts
- Breach of law
- Property damage
- Personal injury
- Exclusion of indirect, special, or consequential loss
- Liability caps linked to insurance amounts or contract value

12. Force Majeure

- Definition of Force Majeure Events:
- Acts of God
- War and terrorism
- Industrial action
- Regulatory changes beyond control
- Obligation suspension during force majeure
- Mitigation obligations
- Termination rights for prolonged events

3.6 Contract Administration

13. Termination and Suspension

- Termination rights for:
- Insolvency
- Material breach (with notice/cure periods)
- Principal convenience (with payment for work completed)
- Consequences: material return, final invoicing, clause survival

14. Confidentiality and Intellectual Property

- Confidentiality of non-public information
- Use restrictions to contract purposes only
- IP ownership typically vests in Principal or exclusive licensing arrangements

15. Dispute Resolution, Governing Law and Jurisdiction

- Multi-tiered dispute resolution:
- Notice of dispute
- Senior management negotiations
- Mediation/arbitration
- State law governance (commonly WA or QLD)
- Non-exclusive court jurisdiction submission

3.7 Regulatory and Tax Compliance

16. GST, Taxes and Customs Duties

- GST-exclusive pricing unless stated
- Valid Tax Invoice requirements
- Duty and tax allocation (typically supplier responsibility)

17. Personal Property Securities Act (PPSA)

- Security interest registration for title retention
- PPSA enforcement and discharge provisions

4. Industry Terminology and Glossary

4.1 Exploration and Resource Terms

Anomaly: Observed deviation from normal geological conditions indicating potential mineralisation

Assay: Chemical test on ore/rock samples to determine valuable metal quantities

Brownfields: Areas adjacent to existing/past mines where mineralisation may extend

Cut-off Grade: Lowest ore grade that can be mined and processed profitably; determines ore/waste boundary

Diamond Drilling: Core-sampling method using diamond-impregnated drill bits for solid cylindrical rock cores

Feasibility Study: Comprehensive technical, economic, environmental assessment including:

- Scoping Study
- Preliminary Feasibility Study (PFS)
- Definitive Feasibility Study (DFS)
- Bankable Feasibility Study (BFS)

Greenfields: Undeveloped areas with no prior mining or known deposits

JORC Code: Australasian Joint Ore Reserves Committee Code for public reporting of exploration results, mineral resources, and ore reserves

RC Drilling (Reverse Circulation): Drilling method using dual-walled rods returning cuttings through inner tube for rapid sampling

Resource: Mineral concentration of potential economic interest, classified as:

- Inferred Resource
- Indicated Resource
- Measured Resource

4.2 Mining Operations Terms

Base Metal: Non-precious metals of industrial use (copper, lead, zinc, nickel)

By-product: Secondary material of economic value produced during primary commodity extraction

Dilution: Inadvertent mixing of waste rock with ore, reducing overall grade

Lode: Continuous vein or deposit of metalliferous ore filling fissures or embedded between rock layers

Open Pit (Open Cut): Surface mining method extracting ore from open excavation

Ore: Rock/mineral material from which metals can be economically extracted

Ore Reserve: Economically mineable portion of mineral resource, classified as:

- Proven Reserve
- Probable Reserve

Tailings: Fine-grained waste material remaining after valuable mineral extraction during milling

Underground Workings: All subsurface development (shafts, drives, tunnels, stops) for ore extraction

4.3 Legal and Administrative Terms

Tenement: Legal right or licence granting exclusive access to explore/extract minerals over defined area, including:

- Exploration Licence (EL)
- Mining Lease (ML)
- Retention Licence (RL)

Dip: Angle of geological plane inclination from horizontal, measured perpendicular to strike

Strike: Horizontal direction of geological feature intersection with horizontal plane

4.4 Regulatory Compliance Terms

EIA (Environmental Impact Assessment): Systematic process evaluating environmental consequences of proposed projects

EPBC Act: Environment Protection and Biodiversity Conservation Act 1999 (Commonwealth)

FIRB: Foreign Investment Review Board

HSR: Health and Safety Representative

MRF: Mining Rehabilitation Fund

PEPR: Program for Environment Protection and Rehabilitation

SMS: Safety Management System

WHS: Work Health and Safety

5. Compliance Mapping Considerations

5.1 Key Risk Areas for Contract Analysis

When analyzing vendor contracts against Australian mining compliance requirements, focus on these critical areas:

Safety and Health Compliance

- Contractor safety management plan alignment with principal's SMS
- Personnel competency and licensing requirements
- High-risk work activity management

- Emergency response and incident reporting procedures
- Insurance coverage adequacy

Environmental Compliance

- Environmental duty of care provisions
- Waste management and disposal obligations
- Rehabilitation and closure contributions
- Environmental monitoring and reporting requirements
- Cultural heritage protection measures

Operational Compliance

- Tenement condition adherence
- Regulatory reporting obligations
- Documentation and record-keeping requirements
- Audit and inspection access rights
- Change management procedures

5.2 Common Compliance Gaps

Inadequate Safety Provisions

- Missing contractor safety management requirements
- Insufficient personnel competency specifications
- Inadequate emergency response procedures
- Limited incident reporting obligations

Environmental Obligation Gaps

- Unclear environmental duty allocation
- Missing rehabilitation contributions
- Inadequate waste management provisions
- Limited cultural heritage considerations

Regulatory Reporting Deficiencies

- Missing reporting obligation clauses
- Unclear documentation requirements
- Limited audit access provisions
- Insufficient change notification procedures

6. References and Sources

Primary Legislation Sources

- Commonwealth legislation: Federal Register of Legislation
- State mining acts and regulations: State parliamentary databases
- WHS regulations: Safe Work Australia and state work safety authorities

Industry Standards

- JORC Code: Joint Ore Reserves Committee
- Australian Standards: Standards Australia

- Mining industry codes of practice: State mining departments

Regulatory Guidance

- Department of Industry, Science and Resources
- State mining departments and regulators
- Environmental protection authorities
- Work health and safety regulators

Contract Template Sources

- ORBIS Mining Standard Terms and Conditions
- Perseus Mining Terms & Conditions
- Evolution Mining Purchase Order Terms
- Century Mining Standard Terms & Conditions

This research document provides a comprehensive foundation for developing compliance mapping algorithms and identifying potential gaps between vendor contracts and Australian mining regulatory requirements. Regular updates should be made to reflect legislative changes and evolving industry practices.