

## Lightning Ridge compliance operation

The Lightning Ridge opal fields are the epicentre of the NSW opal industry and home to over 3000 small mining claims. The region is well known for its opal mining and tourism operations. This was the fourth proactive compliance operation conducted by the NSW Resources Regulator since 2014, with 19 specialist inspectors participating in the operation. This year's operation focused on expired claims, mineral claim conditions, rehabilitation of mineral claims, mine shaft safety and mechanical and electrical safety.

### Compliance approach

The regulator wrote to all land and claim holders and the Lightning Ridge Miner's Association about its intention to conduct proactive inspections of mineral claims focussing on environmental and safety issues such as:

- rehabilitation of cancelled claims
- compliance with mineral claim conditions
- mine shaft safety
- mechanical and electrical safety.

All parties were encouraged to ensure compliance with the legislation and were formally put on notice that any non-compliance may result in regulatory action being taken, such as written warnings, statutory directions, penalty notices, prosecutions or cancellation of a mineral claim.

The regulator also published a [media release](#).

### Inspection results

19 inspectors from the regulator and the Division of Resources and Geoscience attended Lightning Ridge on 11 and 12 July 2017. A total of 124 claims were inspected, comprising of:

- 61 expired or cancelled claims
- 63 active claims.

Of concern, only 14 of the 61 expired or cancelled claims were found to be compliant with rehabilitation requirements.

Further, 27 active claims were found to have breached both *Work Health and Safety (WHS) Act* and *Mining Act* legislation, with only 12 of the 63 current claims inspected found to be compliant.

Overall compliance levels were found to be poor.



One of the most significant issues identified throughout the inspections was the inadequate securing of mine shafts. Such practices can pose significant safety risks and are unacceptable.

The following non-compliance concerns were also identified:

- 68 shaft/auger holes were not secured in accordance with the guidelines
- 16 claims had excessive waste/rubbish
- 10 claims had excessive mullock
- 23 claims were incorrectly marked out
- two claims failed to comply with environmental conditions
- one illegal use of machinery on claim
- one illegal mining allegation
- 11 inadequate guarding on machinery
- 10 electrical safety issues
- three insecure ladders in shafts
- one exhaust fumes potentially entering a shaft.



## Regulatory actions

The inspections resulted in the following regulatory actions:

- five penalty notices were issued under the *Mining Act* resulting in \$6,250 in fines
- four penalty notices were issued for failing to comply with section 191 *WHS Act* improvement notices, resulting in \$2,880 in fines
- official cautions were issued to 50 claim holders
- 12 notices were issued under section 240 of the *Mining Act* requiring rehabilitation activities to be carried out
- 46 improvement notices were issued under section 191 *WHS Act* requiring remedial actions to be taken to address potential safety risk
- one notice of concern was issued under section 23 of *WHS (Mine and Petroleum Sites) Act*
- 45 claims were identified for ongoing rehabilitation management and compliance monitoring.

While many of the claim holders have already rectified the identified breaches, one claim holder is now facing possible cancellation of their mineral claims for failing to comply with remedial notices issued by inspectors.

## Next steps

The claim holders issued with notices under the *WHS Act* and the *Mining Act* will be inspected to ensure that they have complied with the notices.

Those claims identified as being non-compliant with *WHS Act* and *Mining Act* notices will be subject to escalated compliance and enforcement action which may include possible

prosecution action and cancellation of the mineral claim.

Given the level of non-compliance detected during this operation the regulator will continue to monitor Lightning Ridge mineral claims closely and plans on conducting further operations in 2018.

## Recommendations

Claim holders must ensure that their shafts and auger holes are appropriately secured in accordance with the guidelines. Excess rubbish and mullock must also be removed from claims.

Plant and equipment must have appropriate guarding and electrical equipment must be safe to use and regularly tested.

Due to the poor compliance rates detected, future compliance operations will involve

enhanced regulatory actions for both *Mining Act* and *WHS Act* breaches to drive improved compliance. These actions may include penalty notices, prosecutions, suspension or cancellation of mineral claims.

Enhanced enforcement for future operations will be clearly communicated to land owners, claim holders and the Lightning Ridge Miners Association.

Further information on obligations created by the grant of a right to explore or extract minerals and for information for landholders and the community can be found on the department's website at

<http://www.resourcesandenergy.nsw.gov.au/miners-and-explorers/applications-and-approvals/opal-mining>.

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