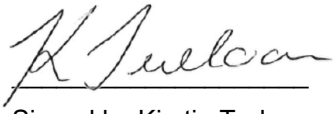
Environmental Enforcement Order

Section 362 of the *Environmental Protection Act 1994*

Contravention of condition of environmental authority

Order id:	**STAT- E-100915676**
Issued to:	Silver Star Resources Pty Ltd (ACN 009 160 918) *For the purpose of this notice you means the recipient of this notice or your authorised representative.*
Registered address	Level 11, 307 Queen Street, BRISBANE, QLD, 4000
Site address	Mining Lease (ML) 100106. 8872 Stanthorpe Texas Road, Texas, Queensland 4385
Issued by:	Kirstie Treloar, Manager Compliance, Department of the Environment, Tourism, Science, and Innovation (the department, an authorised person of the administering authority (the delegate)  Signed by Kirstie Treloar
Date:	15 October 2025
Relevant matter/ enforcement grounds:	1. *Section 359 (c) of the Act – to secure compliance with the general environmental duty.* 2. *Section 359 (e)(ii) of the Act - to secure compliance with condition/s of your environmental authority (EA) EPML04238116. The conditions of the EA which are directly relevant are conditions A3 and H17 which are as follows:* • ***Condition A3*** *- The environmental authority holder must:* a) *install all measures, plant, and equipment necessary to ensure compliance with the conditions of this environmental authority;* b) *maintain such measures, plant, and equipment in a proper and efficient condition;* c) *operate such measures, plant, and equipment in a proper and efficient manner; and* d) *ensure all instruments and devices used for the measurement or monitoring of any parameter under any condition of this environmental authority are properly calibrated.* • ***Condition H17*** *– The holder must, immediately on becoming aware that the MRL has been reached, act to prevent the occurrence of any unauthorised discharge from the regulated dam*

Queensland Government

ABN 46 640 294 485

Issued via registered post and email

Why are we writing to you?

The delegate reasonably suspects that you have contravened section 430 of the Act at the premises and has issued this Environmental Enforcement Order (EEO) to you under section 362 of the Act to remedy the contravention, avoid further contraventions and keep the department informed.

What are you required to do?

Please read this EEO carefully and carry out all the required actions listed below by the required dates.

Terms used in this order have the meaning defined in the Background and Definitions section of the EEO, or if not defined, in the Act.

If you have any questions about this EEO, please contact the Toowoomba Compliance Centre via email southwest.es@detsi.qld.gov.au

Required actions:

1. From **5pm 17 October 2025**, you must take all actions necessary to prevent an unlawful release of contaminants from the premises to waters.
2. From **5pm on 17 October 2025**you must install, retain on site and maintain in good working order all measures, plant, and equipment necessary to ensure compliance with this EEO.
3. From **5pm on 17 October 2025** you must have available on site:
    a. appropriately qualified and experienced staff to ensure compliance with this EEO; and
    b. measures, plant, and equipment necessary to ensure compliance with this EEO; and
    c. fuel supplies and access to power to ensure the ongoing operation of measures, plant, and equipment to ensure compliance with this EEO.
4. Commencing on and from **18 October 2025** and until 31 October 2025, you must remove a minimum of 9 megalitres of contaminated water from the site water inventory every 7 days.
5. Commencing on and from **1 November 2025**. you must remove a minimum of 15 megalitres of contaminated water from the site water inventory every 7 days
6. All contaminated water removed under requirements 4 and 5 must be done in a way that minimises the potential for environmental harm
7. From **5pm on 17 October 2025** all enhanced evaporators, water cannons and evaporative irrigation systems on the premises must be operated at all times during daylight hours unless it is not safe to do so, it is raining, or when measures are under scheduled maintenance. The time and reason for non-operational periods must be recorded.
8. By **5pm on 24 October 2025**, you must have an appropriately qualified person prepare and submit to the department a plan that analyses all reasonably practicable methods to reduce water inventory at the premises and details actions or a combination of actions that when implemented would result in the achievement of MRL/ESS in all regulated structures at the premises by no later than 1 December 2025 and then continue to consistently reduce site water inventory towards DSA and to ensure no wet season release of contaminants from the premises occurs. The plan must include detail for each method of progressive water reduction targets (date and volume of water that can be destroyed using the method), necessary measures, management actions, monitoring programs, implementation timeframes, likely operational and capital costs, risks, controls, recommendations, and designs for the proposed water reduction method(s).
9. This EEO remains in effect until such time as a Registered Professional Engineer of Queensland who is a suitably qualified and experienced person, confirms that each of the regulated structures on the premises has available storage volume to meet the relevant DSA and ESS/MRL obligations as per the EA EPML04238116

and the *Manual for assessing consequence categories and hydraulic performance of structures* ESR/2016/1933.

10. From the date of this EEO until such time as this EEO is finalised, you must provide a written report to the department weekly by 10am Australian Eastern Standard Time each Friday, detailing the actions taken to comply with this Notice. The weekly report must include at a minimum:
    a. daily rainfall totals for the premises for the reporting period;
    b. an updated and accurate assessment of the water storage capacity and water volumes within each regulated structure and New Dam; and
    c. for the weekly reporting period, the estimated daily volume of water removed from the water inventory, listed for each day, separated by each method, including details of the measurements, calculations, and assumptions that the estimate is based; and
    d. An inventory of all water management infrastructure and necessary supplies on site; and
    e. records made of any non-operational periods for enhanced evaporators and/or evaporative irrigation systems.

11. Any written notification or submission to the department, as required by this notice, must be provided via email to southwest.es@detsi.qld.gov.au.

Background and Definitions

1. Silver Star Resources Pty Ltd (ACN 009 160 918) (SSR) is the holder of the Environmental Authority (EA) EPML04238116 and Mining Lease (ML) 100106.
2. SSR (formerly known as Danola Pty Ltd) became the EA holder on 13 December 2024, when the ML and EA were transferred from Thomson Resources Ltd. Prior to the tenure being transferred, representatives of SSR were engaged in site operations.
3. The EA authorises environmentally relevant activities including mining and associated ancillary activities at the premises, subject to the conditions of the EA.
4. There is disturbed land and infrastructure on the premises including an open cut pit, waste rock dump, heap leach pads, processing ponds, a processing plant and water storages that have the potential to generate contaminated water and/or seepage.
5. There are significant risks of environmental harm associated with the activities authorised by the EA on the premises. This includes, but not limited to:
    (a) environmental risks associated with disturbance to the land resulting from the activities;
    (b) environmental risks associated with the mobilisation of contaminants in rainfall runoff from disturbed areas;
    (c) environmental risks associated with the discharge of mine wastes (e.g. process waters); and
    (d) environmental risks associated with equipment, plant and infrastructure utilised in the carrying out of activities (e.g. residual process chemicals, chemical and fuel storages etc).
6. One of the primary ways by which the environmental risks set out in paragraph 5 above are managed at the premises, is through capturing, containing and evaporating contaminated water in regulated structures and water storage dams, to prevent the release of contaminated water from the premises.
7. The water storages at the premises that capture and/or contain contaminated water include Terminal Dam and the Process Ponds (Barren, Intermediate and Pregnant), East Dam and East Sump, West Dam and West Sump, the Pit, Middle Dam and New Dam.
8. Active management of the environmental risk is necessary through the installation, maintenance and operation of adequate measures, plant and equipment required to mitigate the potential for environmental harm and to comply with the conditions of the EA.

9. SSR have not installed, maintained and operated adequate measures, plant and equipment at the premises to reduce contaminated water inventory adequately in preparation for the 2025/2026 wet season and appropriately manage the risk of potential environmental harm being caused by a release of contaminated water to the receiving environment.
10. The department holds data in relation to the contaminated water quality onsite for the period 2022 - 2025. Stored water typically contains high acidity (low pH levels), salts and metal concentrations (including zinc, aluminium, and copper).
11. The contaminated water is of particularly poor quality and typically exceeds relevant Australian and New Zealand Guidelines for Fresh and Marine Water Quality guideline levels for the protection of 95% of aquatic ecosystems and the EA authorised contaminant release limits.
12. The environmental values and water quality objectives for the receiving waters 'Traprock' are listed in the document titled Queensland Border Rivers and Moonie River basins Environmental Values and Water Quality Objectives (des.qld.gov.au). The contaminated water typically exceeds these water quality objectives.
13. The contaminated water typically exceeds the livestock drinking water quality triggers for Cattle, Sheep and Chickens for several parameters including but not limited to: Aluminium, Copper and Zinc.
14. The low pH water quality at the premises, exceeds general water use guidelines to prevent corrosion and fouling for agricultural equipment associated with primary industry activities including stock watering systems, irrigation and pumping.
15. Water storages at the premises, referred to in paragraph 7 above (except for West Sump and New Dam) were the subject of a report titled 'Warwick Gold Pty Ltd 2022 Regulated Dams Inspection, 25 July 2023 (the WGH Report).
16. The Report states that "*Warwick Gold Pty Ltd engaged Engeny to carry out the 2022 annual inspection of the regulated structures onsite at the Texas Silver Project. The inspection was carried out in accordance with the Queensland Government Department of Environment and Science (DES) requirements as set out in the Environmental Authority (EA) EPML04238116. The inspections for 2022 have been undertaken retrospectively with inspections completed in April 2023 due to sale of the site.*"
17. The WGH Report states that "*hydraulic compliance of each structure was assessed against the hydraulic performance requirements documented in the Manual for Assessing Consequence Categories and Hydraulic Performance of Structures (DES, 2016)* (the Manual) *and the Environmental Authority*."
18. The Manual sets out the department's requirements for consequence category assessment, inspection, and certification of the design of 'regulated structures'.
19. The WGH Report refers to Terminal Dam & Process Ponds; East Dam; East Sump; The Pit; West Dam; and Middle Dam as regulated structures with the following consequence categories:

Structure	**Failure to Contain – Overtopping**	**Failure to Contain – Dam Break**	**Overall Consequence Category**
Terminal Dam & Process Ponds	High	High	High
East Dam	Significant	High	High
East Sump	Significant	High	High
The Pit	High	N/A – no plausible failure mode	High
West Dam	Significant	Significant	Significant
Middle Dam	Significant	Significant	Significant

20. The report does not list New Dam as a regulated structure, however SSR has previously utilised this dam as part of the mine water management system. On 30 January 2025, authorised persons were advised that mine affected water had been transferred from Barren Pond to New Dam. Weekly water level reports supplied by SSR indicate the water was transferred between 17 – 31 January 2025.
21. A minimum available storage, called a Design Storage Allowance (DSA) is required to be estimated for regulated structures in accordance with the Manual.
22. The hydraulic performance requirement for each of the regulated structures as per the Manual is provided in the Report as follows:

Structure	Minimum Spillway Capacity	Design Storage Allowance (DSA)	Mandatory Reporting Level (MRL)
Terminal Dam & Process Ponds	1:1,000 AEP	1:100 AEP	1 in 100 AEP 72hr
East Dam	1:1,000 AEP	1:20 AEP	1 in 10 AEP 72hr
East Sump	1:1,000 AEP	1:20 AEP	1 in 10 AEP 72hr
The Pit	N/A	1:100 AEP	1 in 100 AEP 72hr
West Dam	1:100 AEP	1:20 AEP	1 in 10 AEP 72hr
Middle Dam	1:100 AEP	1:20 AEP	1 in 10 AEP 72hr

23. The Mandatory Reporting Level (MRL) is a level at which the dam has a remaining available volume equivalent to the Extreme Storm Storage (ESS) allowance. This available storage is critical to manage the risk associated with short duration intense rainfall events.
24. The department holds on record a report prepared by Engeny titled, *System Design Plan and DSA Assessment Texas Silver Project, 14 September 2022* (System Design Report). The System Design report nominates MRL and ESS volumes for the premises as per Table 1 below. The MRL volumes in the System Design report were subsequently adopted in the WGH Report.
25. On-site water management must allow for and provide the DSA volume in each regulated structure going into each new wet season (that is, on 1 November each year).
26. The intent of a DSA volume is to provide reasonable certainty that hydraulic performance criteria for containment will be met in any forthcoming wet season. Failure to ensure a regulated structure achieves the required DSA volume at the onset of each wet season (that is, on 1 November each year) poses a heightened risk of an uncontrolled contaminant release.
27. On record, the department holds two DSA calculations for the premises, completed by Engeny in 2023 (the WGH Report) and September 2022 (System Design Report). Each calculation considered different water management regimes and consequently assigned different DSAs for regulated structures on site. As there has been no contemporary DSA assessment for ML100106 since July 2023, the department has considered and compared the DSA assessment in 2023 and the DSA assessment in September 2022 in relation to current water management actions by SSR and considers the 2023 DSA calculation to be the most appropriate calculation given current water reduction activities being implemented on site.
28. SSR have not provided the department a contemporary annual inspection report with a DSA for the 2025/2026 wet season to supersede the WGH Report.
29. By 14 June 2025, in accordance with condition F11 of the EA, SSR was required to implement a Water Management Plan, as developed by an appropriately qualified person. To date a copy of the Water Management Plan has not been provided to the department.
30. Water level readings taken on 27 March 2025 indicated that Terminal Dam & Process Ponds, West Dam, and the Pit exceeded their respective MRL and East Dam and East Sump did not hold sufficient capacity to contain an ESS event.
31. On 26 September 2025, SSR provided information to the department regarding water levels as of 25 September 2025 and water reduction activities being conducted on site. The water level information is

summarised in Table 1 with comparison made to MRL and DSA levels as adopted by the WGH Report and System Design Plan Report.

Table 1

Structure	DSA Volume calculated by Engeny 2023	Remaining Capacity as of 25 September 2025	Comparison to DSA	ESS calculated by Engeny 2022	MRL calculated by Engeny 2022	Exceedance of MRL/ESS
Terminal Dam & Process Ponds	197.4	23.871ML	Exceeded by 176.534ML	77.1 ML	126.9ML	Yes – MRL 56.87ML Exceedance
East Dam	13.9 ML	6.93ML	Exceeded by 1.426ML	3.1 ML	N/A MRL greater than FSL	Yes – ESS exceeded by 12.526ML
East Sump	Combined with East Dam	5.54ML		21.9 ML	N/A MRL greater than FSL	
The Pit	46.7ML	21.46ML	Exceeded by 25.234ML	27.2 ML	46.2ML	Yes –5.49ML MRL Exceedance
West Dam	27.9ML	34.69ML	Within by 6.79ML	58.9 ML	41.5ML	Yes – MRL 27.411 ML exceedance
Middle Dam	1.3 ML	12.373ML	Within by 11.073ML	3.0 ML	9.3ML	No – within MRL by 9.297ML

32. As of 25 September 2025, Terminal Dam & Process Ponds, West Dam, and the Pit continue to exceed their respective MRLs. East Dam and East Sump are undersized for their catchment area and the MRL is greater than the full supply level of the dams. As of 25 September 2025, East Dam and East Sump do not hold sufficient capacity to contain an ESS event.

33. Despite the actions taken by SSR since becoming the EA holder, the site-wide contaminated water inventory has increased between 27 March – 25 September 2025 by **~28.7ML,** which SSR asserts is due to unseasonally high rainfall in the region.

34. On 28 July 2025 SSR advised that *"The average weekly evaporation across the Mine is approximately 4.37 ML, calculated during periods of low rainfall to isolate evaporation as the primary driver of water reduction... At this rate, SSR anticipates that, within 15 weeks of low rainfall conditions, the water levels in Terminal Dam, The Pit, and West Dam will be reduced below their respective mandatory reporting levels."*

35. A draft copy of an EEO notice for accelerated water management was provided to SSR on 18 August 2025. In response to the draft notice, on 28 August 2025 SSR committed to hiring "*5 down-draft evaporator fans"* and "*5 additional second-hand Minetek evaporator fans*" which were due to be installed on site between 8 – 11 September.

36. SSR committed to have an appropriately qualified person prepare a plan with the objective of reducing contaminated water inventory at the premises adequate to meet DSA and separately MRL/ESS by 1 November 2025. The commitment was to provide the plan by 24 October 2025.

37. On 3 September 2025, in response to submissions and commitments by SSR to accelerate water reduction at the premises, the decision to issue an EEO was placed in abeyance.

38. On 5 September 2025, SSR advised the delivery date for the down-draft evaporator fans and Minetek evaporator fans had been delayed to 10 – 20 September 2025 and the number of down-draft fans reduced from 5 to 4.

39. On 22 September 2025 SSR advised that delivery and installation of the downdraft fans and Minetek evaporators had been further delayed and the planned measures further reduced. Instead, SSR was intending to install three 'water cannon' units on site, which were "expected to be operational by mid-October'.

40. Between 28 August 2025 and 25 September 2025, the site-wide contaminated water inventory has decreased by **~20.55ML**, reflecting limited acceleration in water reduction activities since the draft EEO was issued on 18 August 2025.
41. On 25 September 2025, the department conducted an inspection of the premises and observed the following infrastructure:
    a. 3 x enhanced evaporators (flow rate 12.5L/s). Two evaporators were not operational.
    b. Irrigation system operating on all four Heap Leach Pads
    c. Irrigation system operating in the Pit
    d. Irrigation system around West Dam (not operational at time of inspection).
42. On 26 September 2025, SSR provided a weekly water level report which included calculations of anthropogenic water loss of existing infrastructure on site as detailed in paragraph 41. SSR estimates (assumed to be under no rainfall scenarios) that the weekly anthropogenic water loss from existing infrastructure is **~5.02ML**.
43. A water reduction rate of **5.02ML** over 4 weeks equates to a total water reduction of **~20.08ML.**
44. Based on 25 September 2025 water levels and assuming no further rainfall is received at the premises, cumulatively **~203ML** would have to be removed by 1 November 2025 to ensure Terminal Dam & Process Ponds, East Dam & East Sump, and the Pit meet levels commensurate with their respective DSAs.
45. Based on 25 September 2025 water levels and assuming no further rainfall is received at the premises, cumulatively **~90ML** would have to be removed by 1 November 2025 to ensure Terminal Dam & Process Ponds, East West Dam and the Pit meet their respective MRL and a further **~12.5ML** removed to ensure that East Dam and East Sump can contain an ESS event.
46. The department considers that the overall increase in the contaminated water inventory since March 2025 and limited water reduction since July 2025 demonstrates that the current water reduction activities, whilst critical, are not commensurate to the system inflows nor sufficient to ensure the site is adequately prepared for the Wet Season. The department considers that commitments made by SSR since a draft EEO was issued have not materialised and some commitments initially made have been scaled back.
47. The department considers that further action is required to appropriately manage the site during the current period of higher-than-average rainfall, through the 2025/2026 wet season and to appropriately manage the potential environmental harm associated with an uncontrolled release.
48. The Bureau of Meteorology (BOM) seasonal rainfall outlook issued on 2 October 2025 is predicting above average (60-80%) for large parts of eastern Australia. BOM predicts a 66% chance of rainfall exceeding 219.7mm for the Texas Region (Silver Spur) between October and December 2025.
49. It is the department's assessment that SSR is not prepared for or taking adequate action to prepare for the wet season and unless additional actions are taken there is a considerable risk of an unauthorised discharge of contaminated water from the site.
50. A release from the premises would migrate into the headwaters and drainage lines of Alpin Creek and eventually the Dumaresq River.
51. The Dumaresq River supports significant environmental values including use in agriculture and flows across the border into NSW. It forms part of the Border Rivers Catchment which is one of the northern-most catchments for the Murray-Darling Basin.
52. In October 2016, the Department of Science, Information Technology, and Innovation undertook a water quality and biological assessment of Alpin Creek Catchment. It was found that "*Alpin Creek and its tributaries appears to have good water quality and be in moderate ecological health, containing diverse and abundant aquatic biota. Any alteration to the water quality downstream of the Texas Silver Mine has the potential to disturb and alter a potentially significant aquatic ecological community*."

53. It is considered that any release of contaminated water in appreciable quantities from the premises, is likely to cause serious or material environmental harm to the downstream environment.
54. The department considers that additional reasonably practicable measures are available to you to manage the contaminated water inventory, to prevent or minimise environmental harm, to meet the obligations outlined in the Manual, and to secure compliance with conditions of EA EPML04238116.
55. The department considers this includes measures such as
    a) operating and increasing enhanced evaporation capacity and operation at the premises; and
    b) operating and increasing water treatment activities and capacities at the premises.
56. On the basis of the information set out in facts and circumstances, the department believes that there is an unacceptable risk of material and/or serious environmental harm occurring as a result of the current rainfall forecast, the current very high water inventory at the premises, the inadequate rate of water destruction and associated risk of a contaminant release.
57. Based on the fact that SSR has been unable to provide a Water Management Plan; that historic water destruction efforts have resulted in an increase of water inventory at the premises over recent months; and the current rate of water reduction is insufficient to ensure compliance with the EA, the department has formed a belief that SSR has not complied with the General Environmental Duty, as SSR have not taken all reasonably practicable steps to responsibly manage contaminated water at the site and prevent or minimise the risk of causing potential environmental harm.
58. The department considers that it is reasonable and necessary to require you to take further action now in order to secure compliance with the conditions of EA EPML04238116, such that you accelerate the reduction of the contaminated water inventory at the premises leading up to and through the 2025/2026 wet season.
59. The delegate has considered the circumstances (including the standard criteria and human rights) and determined that the required actions are reasonable to remedy or otherwise address the relevant matters.
60. This EEO takes effect from the date of service and remains in force until stayed, amended, revoked, or finalised.

Definitions that apply to this notice:

Authorised representative means a representative that has been nominated by the person this EEO relates to, for acting on their behalf when dealing with the Queensland Government to manage matters. For more information, read the guideline Authorisation letter to nominate an Authorised Holder Representative (available at www.qld.gov.au using the publication number ESR/2019/5168 as a search term).

Appropriately qualified person means a person who has professional qualifications, training, skills, or experience relevant to the nominated subject matter and can give authoritative assessment, advice, and analysis on performance relating to the subject matter using the relevant protocols, standards, methods or literature.

Suitably qualified and experienced person means a person who is a Registered Professional Engineer of Queensland (RPEQ) under the provisions of the Professional Engineers Act 2002 and has demonstrated competency and relevant experience and who is a civil engineer with the required qualifications in dam safety and dam design. It is permissible that a suitably qualified and experienced person obtain subsidiary certification from an RPEQ who has demonstrated competence and relevant experience in either geomechanics, hydraulic design or engineering hydrology.

Warnings and information about this EEO

A person who is bound by this EEO and who fails to comply with this EEO, without a reasonable excuse, commits an offence under the Act.

The maximum penalty for:

- wilfully contravening a requirement of an EEO is 6250 penalty units, totalling $1,043,125 for an individual, or $5,215,625.00 for a corporation.
- for contravening a requirement of an EEO is 4500 penalty units, totalling $751,050 for an individual, or $3,755,250 for a corporation.

Note that under section 493 of the Act that each executive officer of the corporation may be taken to have also committed an offence, of failing to ensure the corporation complies with the Act.

If you propose to dispose of the premises or business to which the EEO relates, you must advise the buyer of the existence of this EEO. Failure to provide written notice to the buyer of the existence of the order is an offence under section 369C of the Act with a maximum penalty of 50 penalty units, totalling $8,345 an individual, or $41,725 for a corporation.

Note you must also give the administering authority notice within 10 business days of ceasing activities to which this EEO relates. Failure to provide notice of ceasing to carry out activities is an offence under section 369D of the Act with a maximum penalty of 50 penalty units, totalling $8,345 an individual, or $41,725 for a corporation.

Further information about EEOs can be found on the department's website.

Review and appeal rights

Under Chapter 11, Part 3 of the Act, a dissatisfied person may apply for a review of this EEO within 10 business days of receiving this EEO; and a dissatisfied person who is dissatisfied with the review decision may appeal against the decision to the Court.

A request for review is to be made using the approved form 'Application for review of original decision' (available on the department's website). Applications for reviews are to be sent to Permit and Licence Management, Department of the Environment, Tourism, Science, and Innovation: via email at palm@detsi.qld.gov.au, or by mail to the following address: GPO. Box 2454, Brisbane, QLD, 4001.

A person whose interests are or would be adversely affected by a decision of the department may be able to request a statement of reasons for a decision or a statutory order review under the *Judicial Review Act 1991*.

You may have other legal rights or obligations and should seek your own legal advice.

Privacy statement

Section 540 of the Act requires the department to maintain a register of certain documents and information authorised under the Act. A copy of this document will be kept on the public register. The register is available for inspection by members of the public who are able take extracts or copies of the documents from the register. Documents that are required to be kept on the register are published in their entirety unless redaction in part is required by the Act. For more information on the department's public register, search 'public register' at www.qld.gov.au. For queries about privacy matters, please email privacy@detsi.qld.gov.au or telephone 13 74 68.

Accessibility

Contact us if you need this information in an accessible format such as large print or audio.

Interpreter assistance

If you need interpreter assistance or want this document translated, please contact us and advise your preferred language. If you are deaf, or have a hearing or speech impairment, contact us through the National Relay Service.