Environmental Enforcement Order

NOTICE ID	**STAT-E-100940462**
Date of issue	12 September 2025
Issued to	Blackjack Milling Pty Ltd [ACN 619 978 648]
Registered address	Suite 10, 6-14 Clarence Street, Port Macquarie, NSW 2444
Site address (the premises)	Far Fanning Gold Mine and Blackjack Processing Plant
Land reference	Far Fanning Gold Mine - Mining Lease (ML) 1437, ML1438, ML1439, ML1350 and ML1351 Blackjack Mine - ML10285, ML1387, ML1407, ML1408, ML1409, ML1428, ML1429, ML1431, ML1432, ML1433, ML1548 and ML1735
Administering Authority	Chief Executive of the Department of the Environment, Tourism, Science and Innovation (the department)
Legal reference	Pursuant to s.362 of the *Environmental Protection Act 1994*
Service method	☒ Registered post ☐ Hand delivered ☒ Also by email ☐ Orally (s369(2))
Contact	If you have any questions about this EEO, please contact: Shanna-Marie Spreadborough, Townsville Compliance Centre Email: ESTownsville@des.qld.gov.au Telephone: (07) 4772 5301

Please read the Information Sheet - Recipient of an Environmental Enforcement Order (detsi.qld.gov.au) for further information (search for ESR/2024/6802 on www.detsi.qld.gov.au).

Terms used in this Environmental Enforcement Order (EEO) have their meaning defined in the ***Definitions*** *section in* ***Appendix A*** *of the EEO or, if not defined, in the* Environmental Protection Act 1994 *(the Act).*

Why the department is issuing this Order to you:

For the purpose of this Notice, "you" means the recipient of this Notice or your authorised representative.

You have a proactive **general environmental duty** (GED) to prevent and minimise any environmental harm. You also have a proactive **duty to restore the environment** if environmental harm has been caused by you.

The department has responsibility for enforcing the Act. The delegate for the department is issuing this EEO to you, pursuant to s.362 of the Act, to secure compliance with the Act in relation to activities being undertaken at the premises.

This EEO is issued with respect to the activities undertaken at the premises to secure compliance with GED.

This EEO is issued to you under:

Section 362 (1) of the Act - the administering authority may issue an order to a person if the authority believes an enforcement ground exists for the person.

Section 359 (c) of the Act – It is necessary to issue an EEO to secure your compliance with the GED.

Background and relevant matters:

1. The department is the administering authority and has responsibility for enforcing the Act.
2. Blackjack Milling Pty Ltd (you) is the ultimate holding company for Fortified Gold Pty Ltd (ACN 612 888 052) (Fortified Gold), and you are considered the parent company in control of Fortified Gold and its operations.
3. You are the holder for environmental authority (EA) EA0001593 that authorises mining activities at the Blackjack Mine (Blackjack) located approximately 6 kilometres south-east of Charters Towers in Queensland.
4. Fortified Gold is the EA holder for EPML00771613 that authorises mining activities at the Far Fanning Gold Mine (Far Fanning) located approximately 45 kilometres north-northeast of Charters Towers in Queensland.
5. You are considered responsible for undertaking the required actions and ensuring compliance with the requirements of this EEO for Blackjack and Far Fanning.
6. Far Fanning is currently in a state of care and maintenance and has no current Estimated Rehabilitation Cost (ERC) decision or approved Progressive Rehabilitation and Closure schedule (PRCP) in place.
7. EA holders for a resource activity are required to have a current ERC decision in effect and have lodged scheme assurance (either a contribution paid to the scheme fund or surety give under the *Mineral and Energy Resources (Financial Provisioning) Act* 2018) before commencing any activities under their EA. It is a condition of all EAs for a resource activity under section 297 of the Act that an EA holder must not carry out, or allow the carrying out of a resource activity, if these requirements have not been complied with. Fortified Gold does not have a current ERC decision in place, therefore, cannot commence activities under their EA.
8. In accordance with section 431A of the Act, an EA holder must not carry out, or allow the carrying out of, an environmentally relevant activity under the EA unless there is an approved PRCP schedule for the activity. Fortified Gold cannot commence activities under their EA as an approved PRCP schedule is not in place. The legislation provides commencement timeframes and provisions for existing EA holders to transition into the new framework. EA holders of an existing EA for a mining activity relating to a mining lease approved through a site-specific application are issued with a notice from the department within the first three (3) years following the PRCP start date. The transition notice specifies a date by which a PRCP must be developed and submitted to the department. The previous owner of Fortified Gold at the time was issued a transition notice on 06 December 2023, however, failed to comply with the requirements.
9. The lapsed ERC decision and failure to comply with the transition notice are not the fault of you due to these occurring prior to you obtaining control of EPML00771613 through Fortified Gold. However, these deficiencies present an ongoing barrier to the company generating income from Far Fanning.
10. Far Fanning has a number of structures onsite that contain low-grade ore material, including run of mine (ROM) pads, waste rock dumps, heap leach pads and previously mined low-grade ore stockpiles.
11. The contaminants stored in these structures, if not removed or rehabilitated in situ, are susceptible to erosion and leaching which has the potential to cause environmental harm to livestock water quality and aquatic ecosystems (via surface water and groundwater pathways) in the receiving environment.
12. Runoff from these structures flows in a south-east direction towards the receiving environment and into Beaver Creek. Beaver Creek flows from the site and into the upper catchment of the Burdekin River.

13. You notified the department on 09 July 2025 that a stream sediment zinc exceedance had been identified at compliance monitoring point FFBRO located in Beaver Creek. The zinc result was identified as 761mg/kg for the whole sediment fraction (2mm) and 1240mg/kg for the fine sediment fraction (63µm).

14. In accordance with Table 6 (Receiving Water Sediment Quality Objectives) under condition WA9 of EPML00771613, the sediment quality objective for zinc is 410mg/kg or 2x the reference site concentration, whichever is higher. The notification advised that the zinc result at FFBRO exceeded the concentrations at the reference sites and all test sites.

15. In accordance with the Australian and New Zealand Guidelines for Fresh and Marine Water Quality (ANZG) 2018, the default guideline value (DGV) for zinc in sediment is 200 mg/kg and the upper guideline value (GV-high) is 410 mg/kg. The DGV indicates the concentration below which there is a low risk of unacceptable effects occurring, and should be used, to protect aquatic ecosystems. In contrast, the GV-high provides an indication of concentrations at which you may expect to observe toxicity related adverse effects.

16. A review of stream sediment monitoring data (whole sediment fraction, 2mm) submitted to the department between March 2022 to March 2025 has identified that the zinc exceedance is of a recurring and ongoing nature at FFBRO that exceeds the GV-high guideline value of 410 mg/kg:

    a. March 2022 - 298mg/kg

    b. December 2023 - 3420mg/kg

    c. October 2024 - 2900mg/kg

    d. March 2025 - 761mg/kg

17. On 21 July 2025, you advised the department that recent monitoring had identified seepage from several structures at Far Fanning that pose a significant risk to aquatic ecosystems and stock watering environmental values. You believe that these structures are causing the identified stream sediment exceedances through leachate generation and metal mobilisation.

18. You further advised that low-grade ore material from the following structures requires urgent removal; Heap Leach Pad, Ore Stockpile 1, Ore Stockpile 2, Long Pit Waste Dump, Oxide Waste Dump and Sulphide Waste Dump.

19. You have proposed to remove approximately 147,618 tonnes of low-grade ore material from far Fanning, and relocate it to the Blackjack ROM to be incorporated and processed within the Blackjack Processing Plant. Once the low-grade material has been removed, you have advised that you will implement rehabilitation measures, including neutralisation of any residual material and compaction of surfaces to minimise potential environmental harm.

20. The department is satisfied that the stream sediment exceedances identified in Beaver Creek have the potential to cause environmental harm in the receiving environment, therefore needs action to be taken to secure compliance with GED.

21. Removal of the contaminant sources at Far Fanning and allowing you to process the ore at Blackjack for profit will likely generate income to, in part, fund the required actions of this EEO at Far Fanning. This is consistent with the object of the Act.

22. You have advised that you are in the process of developing a PRCP for Far Fanning. You have advised the department that you can submit a PRCP application to the department during quarter 2 of 2026.

23. An ERC pre-lodgement meeting for Far Fanning was conducted with the department on 13 August 2025. During this meeting you advised that you plan to submit an ERC application by 31 August 2025. To date no application has been received by the department.

24. During a meeting on 01 August 2025 around a potential EEO to require the removal of low-grade ore material from Far Fanning, the department raised concerns about the processing of Far Fanning ore material at Blackjack. The concerns were in relation to the Blackjack Tailings Storage Facility's (TSF) capacity to store tailings and still achieve the necessary available storage capacity to provide Design Storage Allowance (DSA), as well as potential additional environmental risks from processing the ore material. A follow up email was sent to you outlining these concerns on 04 August 2025.

25. You provided a written response to address the department's concerns on 18 August 2025. You advised that a Stage 3 - 2.5 metre upstream lift (upstream lift) had been scheduled for the Blackjack TSF as part of your plan to ensure compliance with the operating requirements of the TSF by 01 November 2025, and to ensure sufficient capacity for storage of tailings when processing the Far Fanning ore material.

26. Your written response included the 2025 Registered Professional Engineer Queensland annual regulated structure inspection report completed by VCON Projects (VCP) that outlined details of the proposed upstream lift for the Blackjack TSF. This report indicated that the available storage capacity, assuming the upstream lift was implemented, is approximately 315,000 m^3. VCP have determined that this capacity is sufficient to meet DSA by 01 November 2025 and considers the processing and additional inputs of the Far Fanning ore material.

27. Your written response also included an ore characterisation report that had been completed by Northern Resource Consultants Pty Ltd (NRC) in 2018. This report included a geochemical assessment of the Far Fanning ore material to identify changes to the existing tailings and decant properties in the Blackjack TSF, and an assessment of potential environmental impacts to groundwater and receiving waters at Blackjack from processing the Far Fanning ore material.

28. Based off the recommendations made within the ore characterisation report, you have proposed to increase groundwater monitoring frequency from bi-annually to quarterly and include additional parameters for groundwater and receiving waters monitoring to assist with the assessment of potential environmental harm.

29. An EA amendment pre-lodgement meeting for EA0001593 was held between you and the department on 9 September 2025 to discuss the proposed Blackjack TSF upstream lift, and conditions deemed necessary to meet contemporary standards and to manage environmental risks associated with processing the Far Fanning ore material.

30. To secure compliance with GED and given the approaching wet season it is necessary for the construction of the lift to the Blackjack TSF to commence as soon as possible, to be prepared for and have capacity for DSA ahead of the commencement of the 2025/2026 wet season.

31. The department has considered all relevant circumstances; the connection between the companies that hold the environmental authorities for Blackjack and Far Fanning, the regulatory, operational and financial constraints around the Far Fanning site, and the potential for environmental harm to be caused at both sites and has formed a view that the required actions of this order in entirety are reasonable and practicable measures that must be taken to secure compliance with GED.

32. The department has considered the circumstances and determined that the required actions are reasonable to address the relevant matters.

33. The department has formed a view that it is necessary to issue an EEO to secure compliance with GED as you are otherwise prevented from lawfully carrying out the required actions in a timely fashion due to the provisions of the Act.

34. This EEO takes effect from the date of service and remains in force until stayed, amended, revoked, or finalised.

Grounds for issuing this Order:

In summary, this EEO is issued on the following grounds and relate to the relevant matter:

1. In accordance with section 359(c), the department has determined it is necessary to secure compliance with GED.

Required actions:

The required actions listed below are to be remedied in full by the required dates.

Requirements take effect from the date of service and remain in force until the date specified, unless this Order is amended, repealed, finalised or stayed beforehand.

1. On receipt of this notice, you are required to implement all reasonable and practicable measures to prevent a release of contaminants from the Blackjack TSF.

2. Before beginning construction on any lift of the Blackjack TSF, a design plan prepared by a **suitably qualified and experienced person** and a consequence category assessment must be submitted to the department. The design plan and the consequence category assessment must be in accordance with the *Manual for assessing consequence categories and hydraulic performance of structures (ESR/2016/1933).*

3. The construction of any lift of the Blackjack TSF must be supervised by a **suitably qualified and experienced person**.

4. By **5:00pm** on **31 October 2025**, you must have submitted a valid ERC application for EA EPML00771613 to the department.

5. By **5:00pm** on **31 October 2025**, you must have submitted a properly made EA amendment application for EA0001593 that relates to the re-commencement of operations at Blackjack, the updating of conditions to meet contemporary standards for regulated structures and environmental monitoring and obtaining approval to process ore from Far Fanning at the Blackjack processing plant.

6. By **5:00pm** on **01 November 2025**, you must have available storage capacity at the Blackjack TSF to meet the DSA for the structure and to prevent a release of contaminants during the upcoming 2025/2026 wet season.

7. By **5:00pm** on **28 November 2025**, you must submit the certification by the **suitably qualified and experienced person** who supervised the construction of any lift to the Blackjack TSF, and state that:

    (a) The ‘as constructed’ drawings and specifications meet the original intent of the design plan for that **regulated structure**; and,

    (b) Construction of the **regulated structure** is in accordance with the design plan.

8. By **5:00pm** on **30 June 2026**, you must have submitted a properly made PRCP application for Far Fanning to the department.

9. By **5:00pm** on **19 December 2026**, you must have removed all the ore material from Far Fanning illustrated in Figure 1.

10. At all times during the carrying out of the required actions of this EEO you must have adequate

erosion and sediment control measures in place.

11. You must submit all reports, plans and documents required by this notice to the department via email to estownsville@detsi.qld.gov.au unless otherwise stated.

12. All terms in **bold** are defined in this EEO.

Issued by



Kirstie Treloar
Manager Compliance (Minerals)
Delegate of the Administering Authority

Department of the Environment, Tourism, Science and Innovation
PO Box 5391
Townsville QLD 4810

Considerations

The standard criteria and human rights were considered prior to issuing this EEO.

Offences

Failure to comply with this EEO is an offence unless you have a reasonable excuse. The maximum penalties are significant and are provided in s369A of the Act.

Figure 1: Estimated quantities of low-grade ore material to be removed from Far Fanning



Appendix A: Definitions used in this Order (that are not exactly as the Act defines or implies them)

Authorised representative	Is a representative that has been nominated by the person this Order 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).
Regulated Structure	Means any structure in the significant or high consequence category as assessed using the *Manual for assessing consequence categories and hydraulic performance of structures (ESR/2016/193315)* published by the department. A regulated structure does not include: • a fabricated or manufactured tank or container, designed and constructed to an Australian Standard that deals with strength and structural integrity of that tank or container; • a sump or earthen pit used to store residual drilling material and drilling fluid only for the duration of drilling and well completion activities; or, • a flare pit.
Suitably qualified and experienced person	In relation to regulated structures 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: • For regulated dams, an RPEQ who is a civil engineer with the required qualifications in dam safety and dam design. • For regulated levees, an RPEQ who is a civil engineer with the required qualifications in the design of flood protection embankments. Note: 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.

Penalties and obligations

It is important that you know the impact to you personally as an individual or as a corporation for not meeting your obligations.

- If you propose to dispose of the place or business to which the EEO relates, you must advise the buyer of the existence of this EEO. **Failure to provide a written notice to the buyer of the existence of the order is an offence.** The maximum penalty is provided in s369C of the Act.
- If you cease to carry out the activity to which this EEO relates, you must give written notice of ceasing to carry out the activity to the department within 10 days of ceasing the activity. **Failure to provide written notice to the department within 10 business days of ceasing the activity to which an EEO relates is an offence.** The maximum penalty is provided in s369D of the Act.

Right of review and appeal

The provisions regarding reviews of decisions and appeals are found in s519 to s539 of the Act.

A person who is dissatisfied with an original decision made by the department may apply to have that decision internally reviewed. Information about initiating an appeal in relation to this notice is contained within the Internal Reviews and Appeals Information Sheet (available at www.qld.gov.au using the publication number ESR/2015/1742 as a search term). A request for review or appeal is to be made using the approved form Application for review of original decision (available at www.qld.gov.au using the publication number ESR/2015/1573 as a search term).

Applications for reviews are to be sent to Permit and Licence Management, Department of the Environment, Tourism, Science and Innovation via email at palm@des.qld.gov.au, or by mail to the following address: GPO Box 2454, BRISBANE QLD 4001.

Where an application has been made for a decision to be reviewed, the applicant may also apply to the relevant court for a stay of the decision to secure the effectiveness of the review.

Once the original decision has been reviewed, a person who is dissatisfied with the review decision may be able to appeal against that decision to the relevant court within 22 business days after receiving notice of the review decision.

For a decision that is not an original decision, there are no formal review and appeal rights for a person who is dissatisfied with the decision made by the administering authority. The person may have other legal rights and may wish to seek 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. There is no general discretion allowing the department to withhold documents or information required to be kept on the public register.

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@des.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

