

Notice

Environmental Protection Act 1994

Environmental Protection Order

This environmental protection order is issued by the administering authority pursuant to section 358 of the Environmental Protection Act 1994.

Citigold Corporation Limited
30 Nagle Street
Charters Towers, QLD 4820

Your reference: EPML00556713

Our reference: STAT1223

Take notice: that under the *Environmental Protection Act 1994* (the Act) this environmental protection order (EPO) is issued to Citigold Corporation Limited (you) by the administering authority. The administering authority is the Chief Executive of the Department of Environment and Heritage Protection (EHP).

The EPO is issued in respect to the activities of Citigold Corporation Limited at the Charters Towers Gold Mine Project on land described as:

Central Area: Mining Lease (ML) 1347, ML 1385, ML 1398, ML 1472, ML 1488, ML 1491, ML 1499, ML 1545, ML 10005, ML 10093, ML 10193, ML 10196, ML 10208, ML 10281, ML 10293; and

Black Jack Area: ML 1387, ML 1407, ML 1408, ML 1409, ML 1424, ML 1428, ML 1429, ML 1430, ML 1431, ML 1432, ML 1433, ML 1548, ML 1585, ML 1735, ML 10032, ML 10042, ML 10282, ML 10284, ML 10285; and

Imperial Area: ML 1348, ML 1490, ML 1521, ML 10222.

A. Grounds

This EPO is issued on the following grounds:

1. Section 358(d)(i) of the Act states that EHP may issue an EPO to secure compliance with the general environmental duty, which pursuant to section 319 of the Act requires that a person must not carry out any activity that causes, or is likely to cause, environmental harm unless the person takes all reasonable and practicable measures to prevent or minimise the harm.

The facts and circumstances forming the basis for these grounds are:

1. You are the holder of environmental authority (EA) EPML00556713 which authorises mining activities to be carried out at the Charters Towers Gold Mine Project. This project consists of three locations Blackjack, Central and Imperial.
2. Blackjack site is located approximately 9km south west of the Charters Towers Township and contains a processing plant, TSF, unused heap leach pad and pregnant pond, three open pits and workshop area.

3. Central site is within the township of Charters Towers and contains a decline portal into the underground.
4. Imperial site is located approximately 5km directly south of the Charters Towers Township and contains an open pit with a decline to the underground at the base.
5. On 6 March 2017, EHP issued you with a Notice of decision on amount and form of financial assurance (FA) which advised FA in the amount of \$2,006,812.00 (excl. GST) was required to be paid to the Department of Natural Resources and Mines (DNRM) by 10 March 2017.
6. On 16 March 2017 EHP sent a letter to you providing the opportunity to make representations as to why further enforcement action should not be taken for failure to pay the required FA by the due date.
7. On 22 March 2017 EHP received written representations from you and this information was considered in determining EHP's enforcement response.
8. The representations you provided included the following statement: *"Citigold will be able to comply with the Review Decision, however, respectfully, requests that the date for compliance be extended to 6 May 2017. In this regard, Citigold is currently in the process of undertaking capital raising activities to enable it to transition the Project from care and maintenance to production"*.
9. On 25 May 2017, EHP issued you with a Notice of proposed action to suspend an EA, for failure to pay the required financial assurance (FA) as per the Decision Notice issued to you on 6 March 2017. This notice was also issued on the grounds that you had failed to comply with an annual notice by not paying the required annual fees for the EA EPML00556713.
10. The Notice of proposed action stated that the period of proposed suspension was to be from 23 June 2017 until the full amount of FA required and outstanding annual fees has been lodged.
11. On 8 June 2017, EHP issued you a 'Creditor's statutory demand for payment of debt', in relation to the outstanding annual fees.
12. On 22 June 2017, EHP received written representations from you as to why the proposed action should not happen. These representations were considered in determining EHP's enforcement response.
13. The representations you provided indicated that the required amount of FA and all outstanding annual fees would be paid on or prior to 22 September 2017.
14. On 7 August 2017, EHP met with you to discuss the proposed enforcement response in relation to the outstanding FA and annual fees. At this meeting you were advised that EHP was considering issuing you an EPO requiring payment of outstanding FA by 22 September 2017. Additionally, it was also discussed that if the outstanding FA and annual fees were not paid by this due date, your EA EPML00556713 may be suspended on 23 September 2017.
15. On 8 August 2017, following consideration of the written representations made by you and subsequent discussions at the meeting of 7 August 2017, you were issued a Decision Notice stating that EA EPML00556713 will be suspended from 23 September 2017 until the full amount of FA and outstanding annual fee is provided. You were also issued with an EPO requiring payment of FA by 22 September 2017.
16. The outstanding annual fees were paid by you on 21 September 2017, however as of 25 September 2017 the required FA has not yet been lodged. This was confirmed with DNRM.
17. In accordance with the Decision Notice of 8 August 2017, as of 23 September 2017 the EA EPML00556713 is suspended and will remain suspended until the full amount of FA has been received.

18. There are significant risks of environmental harm associated with the activities that have been carried out at the premises. This includes, but is not necessarily 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 stormwater runoff
 - c. Environmental risks associated with the discharge of mine wastes (e.g. process waters, tailings etc)
 - d. Environmental risks associated with equipment, plant and infrastructure utilised in the carrying out of the activities (e.g. residual process chemicals, chemical and fuel storages etc)
19. Active management of these risks is required to mitigate the potential for environmental harm.
20. Until recently, the EA EPML00556713 has set out the necessary and reasonable conditions required to prevent or minimise environmental harm. However, EA EMPL00556713 is now suspended.
21. In the absence of ongoing management there is a likelihood that contaminants will be released into the receiving environment, which may cause or be likely to cause environmental harm.
22. The “general environmental duty” requires that all reasonable practicable measures be taken to prevent or minimise environmental harm.
23. EHP considers that an EPO is necessary to ensure that you implement all reasonable and practicable measures to prevent environmental harm from the release of contaminants associated with the Charters Towers Gold Mine Project.

B. Requirements

In accordance with this EPO, you are required to do the following:

1. Install all measures, plant and equipment necessary to ensure compliance with the requirements of this EPO; and maintain such measures, plant and equipment in a proper condition; and operate such measures, plant and equipment in a proper manner.
2. Record, compile and keep for a minimum of five years all monitoring results required by this EPO and make available for inspection all or any of these records upon request by EHP.
3. Where monitoring is a requirement of this EPO, ensure that a competent person(s) conduct all monitoring.
4. Spillage of all flammable and combustible liquids must be contained within an on-site containment system and controlled in a manner that prevents environmental harm (other than trivial harm) and maintained in accordance with Section 5.9 of AS 1940 – Storage and Handling of Flammable and Combustible Liquids of 1993.
5. EHP must be notified by telephone or email as soon as practicable after becoming aware of: any emergency or incident which results in the release of contaminants not in accordance, or reasonably expected to be not in accordance with the conditions of this EPO; or; any monitoring result that indicates an exceedance of any limit specified in this EPO.
6. Receiving waters affected by the release of process water or storm water contaminated by the mining activities or both must be monitored at the locations and frequencies defined in Table 1 and comply with the contaminant limits defined in Table 2.

Table 1: Receiving water monitoring locations and frequency

Monitoring point	Easting (AMG)	Northing (AMG)	Monitoring Frequency
RE1 (Blackjack)	0418401	7770816	Annually – at least one sampling event per sampling location must be undertaken that represents the first rainfall of the wet season and equates to the 'first flush' of the licensed sites.
RE2 (Blackjack)	0418281	7771083	
RE3 (Blackjack)	0418111	7771505	
RE4 (Blackjack)	0417934	7772094	
RE5 (Blackjack)	0425247	7775708	

Table 2: Receiving water contaminant limits

Parameter	Units	Limit type	Contaminant Limits
Total Dissolved Solids	mg/L	Maximum	4000
pH	pH units	Acceptable range	6.5 - 9.0
Sulphate	mg/L	Maximum	1000
Fluoride	mg/L	Maximum	2
Cadmium	mg/L	Maximum	0.01
Mercury	mg/L	Maximum	0.002
Arsenic	mg/L	Maximum	0.5
Cyanide	mg/L	Maximum	1
Copper	mg/L	Maximum	1

7. End of pipe release limits for process water and storm water contaminated by mining activities must be monitored at the locations and frequencies defined in Table 3 and comply with the contaminant limits defined in Table 4.

Table 3: End of pipe monitoring locations and frequency

Monitoring point	Easting (AMG)	Northing (AMG)	Monitoring frequency
EP1 (Blackjack)	0418345	7771730	Before discharge to any surface waters
EP2 (Blackjack)	0418765	7773356	
EP3 (Blackjack)	0418428	7774919	
EP4 (Ch. Towers)	0424218	7778624	
EP5 (Ch. Towers)	0424213	7779003	

<i>Table 4: End of pipe contaminant release limits</i>				
Monitoring Point	Parameter	Units	Limit Type	Contaminant Limits
Blackjack EP1, EP2, EP3 Charters Towers EP4, EP5	pH	pH units	Acceptable range	6.5 - 9
	Total Dissolved Solids	mg/L	Maximum	4000
	Sulphate	mg/L	Maximum	1000
	Fluoride	mg/L	Maximum	2
	Copper	mg/L	Maximum	1
	Arsenic	mg/L	Maximum	0.5
	Cadmium	mg/L	Maximum	0.01

8. In the event that the water quality within any dam containing hazardous waste is likely to cause harm to fauna accessing the dam, measures must be implemented to minimise access by fauna to the dam.
9. The EPO holder must mark the mandatory reporting level on the inside of the spillway of all dams containing hazardous waste in accordance with the "Site Water Management Technical Guideline for the Environmental Management of Exploration and Mining in Queensland 1995."
10. The EPO holder must notify EHP when the level in the dam containing hazardous waste reaches the mandatory reporting level required in accordance with the "Site Water Management Technical Guideline for the Environmental Management of Exploration and Mining in Queensland 1995."
11. All reasonable and practicable protection measures and sediment control measures must be implemented and maintained to minimise erosion and the release of sediment.
12. The bed of the receiving waters, affected by the release of process water and storm water contaminated by the mining activities must be monitored at the location and frequencies defined in Table 6.

<i>Table 6: Receiving stream sediment monitoring locations and frequency</i>			
Monitoring point	Easting (AMG)	Northing (AMG)	Monitoring frequency
SS1 (Blackjack)	0418401	7770816	Annually – Monitoring must be undertaken after the wet season
SS2 (Blackjack)	0418111	7771505	
SS3 (Blackjack)	0417934	7772094	
SS4 (Warrior)	0425247	7775708	

13. All stream sediment sampling must be undertaken in accordance with AS 5667.12 Guidance on Sampling of Bottom Sediments of 1998.
14. Groundwater, affected by the mining activities must be monitored at the locations and frequencies defined in Table 7 for the parameters defined in Table 8.

Table 7: Groundwater monitoring locations and frequency

Monitoring point	Easting (AMG)	Northing (AMG)	Surface RL (m)	Monitoring frequency
GW1 (Blackjack)	0418115	7771501	359	Biannually – Sampling events must be at least 5 months apart, and no more than 7 months apart, so as to reflect wet and dry season conditions
GW2 (Blackjack)	0418255	7771062	364	
GW3 (Blackjack)	0418240	7771050	365	
GW4 (Blackjack)	0418396	7770833	356	
GW5 (Blackjack)	0418634	7771412	341	
GW6 (Warrior)	0425395	7775568	946	

Table 8: Groundwater contaminant trigger levels

Parameter	Units	Limit type	Contaminant trigger levels
pH	pH units	Acceptable range	6.5 – 9.0
Total Dissolved Solids	mg/L	Maximum	4000
Sulphate			1000
Fluoride			4
Lead			0.1
Mercury			0.002
Arsenic			0.5
Cyanide			1
Molybdenum			0.15
Copper			1
Cadmium			0.01

15. Subject to requirement 14, if the groundwater contaminant trigger levels defined in Table 8 are exceeded then the EPO holder must complete an investigation into the potential for environmental harm and notify EHP within 3 months of receiving the analysis results.
16. The method of sampling of groundwater must comply with that set out in the latest edition of the Environmental Protection Agency's Water Quality Sampling Manual.
17. All reasonable and practicable measures must be implemented to prevent hazardous leachate being directly or indirectly released or likely to be released as a result of the activity to any groundwater or water course.
18. Tyres stored awaiting disposal or transport for take-back and, recycling, or waste-to-energy options – should be stockpiled in volumes less than 3m in height and 200m² in area and at least 10m from any other tyre storage area.

19. All reasonable and practicable fire prevention measures must be implemented, including removal of grass and other materials within a 10m radius of the scrap tyre storage area.
20. Where practicable, scrap tyres resulting from the mining activities can be disposed of in underground stopes provided this practice does not cause an unacceptable fire risk.
21. Disposing of scrap tyres resulting from the mining activities in spoil emplacements is acceptable, provided tyres are placed as deep in the spoil as reasonably practicable.
22. Scrap tyres resulting from the mining activity disposed within the operational land must not impede saturated aquifers or compromise the stability of the consolidated landform.
 - i) all areas disturbed by mining activities must be rehabilitated to a stable landform; and
 - ii) a measure of productivity (e.g. sustainable dry matter production, stock live weight gain) are similar to CTG1, CTG2, & CTG3.
23. High hazard dams containing hazardous waste shall be inspected by a Registered Professional Engineer (RPEQ) on or about 1st October but definitely before 1st November each year or at any time if alarming, unusual or otherwise unsatisfactory conditions are observed.
24. For each inspection (as per requirement 23), the engineer shall assess the condition of the dam and its foundations, determine the hydraulic adequacy of the dam and assess the adequacy of the works with respect to dam safety.
25. For each inspection, two copies of the engineer's report and any recommendations as to measures to be taken to ensure the integrity of the dam shall be furnished to EHP within 28 days of the inspection.
26. All complaints received must be recorded including details of complainant, reasons for the complaint, investigations undertaken, conclusions formed, and actions taken. This information must be made available for inspection by EHP on request.
27. Words and phrases used throughout this EPO are defined in Schedule H of EA EPML00556713. Where a definition for a term used in the EA is sought and the term is not defined within the EA, the definitions in the *Environmental Protection Act 1994*, its Regulations and Environmental Protection Policies must be used.

C. Obligations

If you propose to dispose of the place or business to which the EPO relates, you **must** advise the buyer of the existence of this EPO.

If you cease to carry out the activity to which this EPO relates, you **must** give written notice of ceasing to carry out the activity to EHP within 10 days of ceasing the activity.

Take notice:

1. the requirements of this order take effect immediately upon service of the order;
2. failure to comply with this order is an offence under the Act;
3. this order remains in force until further notice from the administering authority.

D. Penalty

Failure to comply with an EPO is an offence.

1. The maximum penalty for an individual for wilfully contravening an EPO is 6250 penalty units, totalling \$788,437.50 or five years imprisonment.
2. The maximum penalty for a corporation for wilfully contravening an EPO is 31,250 penalty units, totalling \$3,942,187.50.
3. The maximum penalty for an individual for contravening an EPO is 4500 penalty units, totalling \$567,675.00
4. The maximum penalty for a corporation for contravening an EPO is 22,500 penalty units, totalling \$2,838,375.00

Failure to provide written notice to the buyer is an offence.

1. The maximum penalty for an individual is 50 penalty units, totalling \$6,307.50.
2. The maximum penalty for a corporation is 250 penalty units, totalling \$31,537.50.

Failure to provide written notice within 10 business days of ceasing the activity to EHP is an offence.

3. The maximum penalty for an individual is 50 penalty units, totalling \$6,307.50.
4. The maximum penalty for a corporation is 250 penalty units, totalling \$31,537.50.

Section 3 of the Penalties and Sentences Regulation 2015 prescribes the monetary value of a penalty unit.

E. Reviews and appeals

The provisions regarding review of decisions and appeals may be found in sections 519 to 539 of the Act.

A person who is dissatisfied with certain decisions of EHP, may be able to apply to have EHP review that original decision.

Generally, a request to have a decision reviewed must be made:

1. within 10 business days of the decision being notified to the person;
2. be supported by enough information to enable EHP to decide the application for review; and
3. be made using the application for review of an original decision form ([ESR/2015/1573](#)).¹

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 appeal against that decision to the relevant court within 22 business days after receiving notice of the review decision.

¹ This is the publication number. The publication number can be used as a search term to find the latest version of a publication at <www.ehp.qld.gov.au>.

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

For further information about reviews and appeals see the information sheet - internal review and appeal to the Planning and Environment Court ([ESR/2015/1572](#)). You may have other legal rights or obligations and should seek your own legal advice.

Should you have any queries in relation to the notice, please contact Centaine Ferris, Environmental Officer on telephone number (07) 4722 5372 or email centaine.ferris@ehp.qld.gov.au.



Signature



Date

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Environmental Protection Act 1994

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