

Mr Mark Darras
Chairman
Advisory Body for Strategic Release
c/o Mr Tony Linnane
Mining Exploration and Geoscience
Department of Regional NSW
Email: tony.linnane@planning.nsw.gov.au

The Hon. Paul Toole MP
Deputy Premier and Minister for Regional for Regional New South Wales
52 Martin Place
Sydney NSW 2000

29 October 2021

Dear Deputy Premier

I refer to the request from the former Deputy Premier of 28 October 2019 seeking advice from the Advisory Body for Strategic Release (ABSR) on whether the NSW Government should release the Hawkins and Rumker potential release areas for coal exploration, in accordance with the Strategic Release Framework (the Framework).

The ABSR requested a Resource Assessment from the Mining, Exploration and Geoscience Group within Regional NSW, in accordance with the Framework. This, together with a Commercial Viability Assessment, were considered by the ABSR in September 2019. Copies of these reports are **attached** for your information.

The ABSR then requested in November 2019 that the Department of Planning, Industry and Environment (DPIE) undertake a Preliminary Regional Issues Assessment (PRIA) on the Hawkins and Rumker areas.

Preliminary Regional Issues Assessment

DPIE finalised the PRIA in October 2021 and the report has now been considered by the ABSR. The PRIA provided an assessment of social, environmental and economic matters relating to the Hawkins and Rumker areas and included community engagement along with consideration of the earlier Resource Assessment and Commercial Viability Assessment reports.

In summary, key findings from the report included that:

- there is a high degree of uncertainty regarding viability of a potential future mining operation in the potential release areas noting the marginal economics of potential mine plans, changing coal market, unstable coal prices and growing support for zero emissions targets internationally
- there are significant limitations to rail transport options
- there are a large number of landholders that could be affected (170) which make up a large portion of the broader Rylstone community (estimated at 920 people) and there are concerns the community may not be able to absorb social impacts
- there are significant features that would need to be avoided, including Aboriginal heritage, swamps and pagoda landforms
- there is significant community opposition to any new coal mine development.

The report recommends that as there are multiple constraints, the Hawkins and Rumker areas should **not** be released for coal exploration.

A copy of the PRIA report is **attached** for your consideration.

ABSR consideration and findings

The ABSR accepts the PRIA report findings that the Hawkins and Rumker areas should **not** be released for coal exploration.

In this respect, the ABSR is satisfied that there is a high degree of uncertainty regarding the viability of a potential future mining operation in the Hawkins and Rumker release areas. The ABSR notes that there are considerable project constraints, including significant transportation challenges, social impacts and likely cumulative limitations placed on mining operations in order to avoid sensitive areas and features.

While any future mining has the potential to deliver significant economic benefits to NSW, the ABSR is of the view that there is a low likelihood of these benefits actually being realised for this greenfield coal mine site. The ABSR is of the view that it is not appropriate to release these areas for coal exploration.

Recommendation

Accordingly, the ABSR recommends that the Minister not release the Hawkins and Rumker areas, either in part or in full, for coal exploration.

Yours sincerely



Mark Darras
Chairman
Advisory Body for Strategic Release

Encl: Resource Assessment – Hawkins and Rumker Areas
Commercial Viability Assessment - Hawkins and Rumker Areas
Preliminary Regional Issues Assessment Hawkins and Rumker Areas