CHAPTER 8 – CONSULTATION, SOCIAL AND ECONOMIC MATTERS, AND SUSTAINABLE DEVELOPMENT

NEW LENTON COAL PTY LTD

NEW LENTON COAL PROJECT

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8. CONSULTATION, SOCIAL AND ECONOMIC MATTERS, AND SUSTAINABLE DEVELOPMENT

8.1 Overview

This chapter describes public and stakeholder consultation undertaken by the proponent, New Lenton Coal Pty Ltd (NLC), as the tenement holder for the New Lenton MLs; and by past and current holding companies for the proponent (e.g New Hope Corporation (New Hope), Bowen Coking Coal Ltd (BCC)) and Argo Holdings Qld Pty Ltd (Argo). Argo, through various subsidiaries, holds interests in other operating mines, exploration tenements and proposed projects in Queensland. Public and stakeholder consultation is done both at the corporate level (i.e. Argo) and at the proponent level (e.g. through local engagement).

The chapter describes economic and social matters that are relevant to the Project.

This chapter describes the compliance of the Project with the principles of ecologically sustainable development (ESD) as set out in the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act), and with the objects of the EPBC Act.

BCC is a wholly owned subsidiary of Argo. Argo acquired BCC in July 2026, at which point BCC became an unlisted public entity. BCC originally acquired NLC from the New Hope Corporation (New Hope) in July 2022. Argo's proposed investment in the Project is expected to require $60M in capital investment and result in approximately 100 construction jobs over various stages and 150 operational jobs. This is expected to be welcomed by stakeholders, as making a positive contribution to the local and regional economy.

8.2 Public and Stakeholder Consultation

8.2.1 Overview

Community consultation and stakeholder engagement forms an integral component of Argos's (and formerly BCC's) activities for the Project and the neighbouring Burton Mine. The proponent has and will continue to build strong, lasting relationships with stakeholders, with the objective of providing accurate and timely environmental, social and economic information about the Project.

8.2.2 BCC's Engagement Activities

BCC was the operator of the Burton Mine between July 2022 and May 2026. During this time BCC built solid relationships with local stakeholders and the broader community. Argo, having acquired BCC and NLC in July 2026, intends to continue to build on the relationships with stakeholders that were developed by BCC. Examples of BCC's interaction with the community include:

- BCC provided sponsorship opportunities through financial contributions through community investment, support and donations to communities in which it operates. Sponsorship opportunities are both ad-hoc (i.e. requested by community) or planned and advertised by BCC.
- BCC sponsored the following eligible groups and initiatives:
    - charitable or not-for-profit organisations
    - community development groups and participation programs
    - community events and activities
    - environmentally sustainable development projects, and
    - safety, health and wellbeing programs.

- Priority was given to sponsorship proposals from regional communities that are located closest to the active BCC projects, including the Project and Burton Mine.
- Initiatives that support children and young people, people/persons with disabilities, and groups from a lower socio-economic background.
- Engagement with landholders within and surrounding the Project area and Burton Mine.
- Engagement on community forums operated by regional councils.
- Ongoing engagement with the Traditional owners for cultural heritage management.

In the course of delivering such initiatives, BCC established good relationships in the communities in which it operates through community activity and support, and positive and proactive engagement.

The objectives of community and stakeholder consultation are to:

- initiate and maintain open and honest communication with stakeholders on all aspects of the Project
- identify stakeholder issues and concerns about the Project via a range of engagement methods
- address stakeholder issues and concerns throughout approvals' processes
- provide feedback to stakeholders on their issues or concerns and how their comments have been considered.

Accordingly, the proponent's consultation considers stakeholder input, responds to feedback and incorporates any new stakeholders who may be identified. Communication and consultation methods applied by BCC, and which will continue under Argo's management, include:

- face to face meetings
- phone meetings
- written notices and communications
- information on the proponent's website, and
- media releases.

8.2.3 Consultation Activities

The proponent has and will continue to consult with:

- relevant State departments (e.g. Department of Environment and Science (DES), Department of Resources (DoR), Department of Regional Development, Manufacturing and Water (DRDMW)[1], Department of Transport and Main Roads (TMR))
- Commonwealth Department of Climate Change, Energy, the Environment and Water (DCCEEW)
- Isaac Regional Council (IRC)
- community forums and groups relevant to its areas of operation
- all directly affected landholders
- the Barada Barna and Widi (relevant Native Title / Indigenous Parties), noting that native title has been extinguished on all land within the New Lenton MLs
- other resource companies with interests in the local area.

Consultation has occurred as part of statutory processes including the EA amendment application and PRCP schedule application for the Project. The EA amendment application occurred whilst the Project was owned by the New Hope Group and hence all consultation with DES was undertaken by New Hope. Consultation between BCC and DES on the PRCP schedule application occurred throughout 2022 and 2023, including meetings to discuss the response to information requests from DES and to clarify the PRCP schedule conditions. The EA amendment process includes public notification and submissions. There were

[1] The proponent notes that the names of departments have changed over the course of consultation. DES is now the Department of Environment, Tourism, Science and Innovation (DETSI). DoR and DRDMW are now the Department of Natural Resources and Mines, Manufacturing and Regional and Rural Development (DNRMMRRD).

no public submissions that prevented the grant of the EA amendment, demonstrating the public's limited concerns with the Project.

As described in **Chapter 3**, there are very few landholders within the New Lenton MLs, with a single landholder operating the majority of land as a pastoral station (Burton Downs) on two properties that overlap the New Lenton MLs. The other main landholders within New Lenton MLs are TMR for the Suttor Developmental Road, and the IRC and a subsidiary of Peabody (a coal mining company) for a mining related road (Ellensfield Road). The nearest sensitive receptor locations (e.g. residences) to the New Lenton MLs are more than 5 km away. The Burton Downs residence is more than 7 km away.

Argo (formerly BCC) consults with these landholders on all Project matters including the interaction of exploration activities with day to day pastoral activities, fencing, water supply, environmental monitoring, land access, and proposed Project mining activities. The proponent has entered into compensation agreements with all landholders with properties that overlap the New Lenton MLs. This was a fundamental step in the securing the grant of the New Lenton MLs.

Native title has been extinguished on the New Lenton MLs and therefore a native title agreement was not required prior to the grant of the New Lenton MLs. However; Indigenous cultural heritage is managed under a Cultural Heritage Management Plan (CHMP) executed by the proponent (or its predecessors) and the relevant Aboriginal Parties (the Barada Barna Kabalbara YeitMarla No 3 People); and a subsequent Cultural Heritage Management Agreement (CHMA) executed by the proponent and additional relevant Aboriginal Parties (the Wiri People Core Country Claimants), or any other subsequent management plan agreed with the relevant Aboriginal Parties.

The Project has been proposed for many years, commencing in the mid 2000's, as evidenced by the application for ML 70337 in 2004 and the grant of ML 70337 in 2008. Over that period the entity proposing to develop the Project has changed, with Peabody having control from the early 2000's to 2018, followed by New Hope Group between 2018 and 2022, BCC between 2022 and mid 2026, and Argo from mid 2026. Over that period consultation was undertaken by these various entities, with incomplete records inherited by BCC on acquisition of NLC. BCC compiled available information on historical consultation (Table 8-1), which is now held by Argo. A fundamental aspect of securing rights to mining is obtaining MLs for a Project. In order to secure MLs a proponent requires:

- public notification of the MLs, with the potential for public objections
- development plans describing the mining activities
- underlying tenements (i.e. exploration permits)
- native title processes to be completed or native title to be extinguished
- compensation agreements with underlying landholders
- environmental approvals
- overlapping tenement arrangements.

These activities are evidenced through various agreements or processes which necessarily require consultation. Furthermore there have been no public objection processes that have prevented the grant of the MLs, demonstrating the public's limited concerns with the Project. The information provided in Table 8-1 recognises the consultation that has occurred in securing the grant of ML 70037, ML 700053 and ML 700054.

Table 8-1 also describes available records of any other consultation that has occurred outside of the ML application processes. Further to the information provided in Table 8-1, a community engagement program was undertaken in June 2018, which included an overview of the Project as well as Burton Mine. The purpose of the engagement was to describe proposed activities, develop relationships with key stakeholders and gather information on community values, opportunities and concerns. Engagement was undertaken through informal, conversational meetings with stakeholders. The following stakeholders were consulted:

- Central Queensland (CQ) Rescue
- Glenden Rodeo Association
- Glenden small businesses – MEH Industrial and Glenden Post Office
- Isaac Regional Council – community representative for Glenden/Nebo and Community and Stakeholder Advisor for Isaac Region
- Former Nebo Community Development Association
- Nebo businesses – Nebo Towing Services, Nebo Hotel
- Moranbah and District Support Services – includes new resident support services
- Moranbah Workers Association
- Moranbah Traders Association
- Local landholders around the mine
- Residents in Glenden, Nebo and Moranbah.

The key outcomes of the stakeholder engagement, considering the social climate in 2018, were:

- General acceptance of mining projects, however, cautious of fluctuating boom and bust mining cycles.
- Region strongly identifies itself as both a mining and an agricultural region.
- Childcare accessibility is an issue, especially in smaller communities.
- Accommodation availability is good but is starting to reduce in Moranbah.
- Communities look for forums to engage with mining companies but don't like 'over consultation'. They speak favourably of cross sector forums which are attended by various companies, business, council and community groups.
- Want 'good families' to move to their towns, with people who will contribute and participate in strengthening communities.

Communities expect mining companies to contribute to the local area, manage impacts and collaborate with local organisations where possible. As evidenced above, Argo's (formerly BCC's) activities will contribute to meeting community expectations.

Table 8-1 Consultation Records

Dates	Organisation / Individual	Summary of Consultation	Outcome
2006	Barada Barna	Consultation on a Cultural Heritage Management Plan.	Lenton Project Cultural Heritage Management Plan for ML 70337 and EPC 766 between the proponent and the Barada Barna Kabalbara Yetimarla Number 3 (BBKY#3) People dated 17 May 2006
2017	Barada Barna	Meeting to discuss various mines and projects, including New Lenton Project	Information on future New Lenton Project provided
2010	Wiri People	Consultation on a Cultural Heritage Management Agreement.	Cultural Heritage Management Agreement for EPC 766, 777 and 865, EPC application 1675 and ML 70337 between the Wiri People Core Country Claimants and the proponent dated 26 November 2010.
2018	Widi People	Meeting to discuss various mines and projects, including New Lenton Project	Information on future New Lenton Project provided, plus discussion on proposed future cultural heritage surveys. Widi sought recognition as a stakeholder in the Project.
2017 - 2022	Barada Barna and Widi People	Cultural heritage surveys	Consultation with relevant Aboriginal parties has occurred over many years, primarily through engagement for cultural heritage surveys. These surveys have been conducted to facilitate numerous activities that are a pre-requisite to mining activities, such as exploration drilling, bore holes, groundwater, soil test pits, and other miscellaneous operations. The majority of surveys occurred over 2017 and 2018. Approximately 140 sites have been surveyed, resulting in 15 finds largely comprising silcrete flake or core. Finds have been managed in accordance with the relevant agreements. Future surveys will be undertaken in accordance with relevant agreements for remaining areas that will be impacted by mining prior to those activities occurring.
2022 - 2024	Department of Environment, Science and Innovation	Multiple engagements, particularly on the development and approvals of the PRCP schedule for the Project	Approved PRCP schedule

Dates	Organisation / Individual	Summary of Consultation	Outcome
2010, 2011	Property owner (Lot 1 SP159745 & Lot 9 RP903903)	Exploration drilling, notice of entry	Landholder agreement for drilling
2017, 2018	Property owner (Lot 1 SP159745 & Lot 9 RP903903)	Access and entry notices for various exploration and monitoring activities	Landholder agreement for exploration and monitoring activities
2018	Property owner (Lot 1 SP159745 & Lot 9 RP903903)	Conduct and compensation agreement	Agreement on compensation for various exploration activities
2021, 2022	Property owner (Lot 1 SP159745 & Lot 9 RP903903)	Landholder information and notification for ML application	Landholder compensation agreement for Project activities
2021	Transport and Main Roads	Consultation on realignment of the Suttor Developmental Rd	Compensation agreement for ML over Suttor Developmental Rd and public road realignment
2009	Property owner (Lot 1 SP159745 & Lot 9 RP903903)	Compensation agreement for exploration activities	Agreement on compensation for various exploration activities
2005	Property owner (Lot 1 SP159745 & Lot 9 RP903903)	Compensation agreement for mining activities on ML 70337	Landholder compensation agreement for Project mining activities
2005	Isaac Regional Council (formerly Nebo Shire Council)	Compensation agreement for mining activities on ML 70337 - road reserves within the ML	Compensation agreement with Isaac Regional Council for Project activities
2005	Transport and Main Roads	Consultation on ML 70337 application overlapping with public road	Compensation agreement for mining activities overlapping Suttor Developmental Rd

Dates	Organisation / Individual	Summary of Consultation	Outcome
2024	Arrow Energy	Notices of overlapping coal and coal seam gas activities	Working relationship with overlapping tenements holders
2021	Arrow Energy	Overlapping tenement arrangements for ML 700053 and ML 700054	Overlapping tenement arrangements effective
2018	Arrow Energy	Consultation on overlapping tenement working arrangements	Agreement on a Joint Interaction Management Plan
2007	Arrow Energy	Consultation on overlapping tenement working arrangements	Co-development agreement executed
2002, 2004, 2006, 2010, 2011, 2012, 2016, 2021	Department of Resources	Renewal of underlying exploration tenements for the Project	Tenements renewed, allowing Project progression
2019	Department of Resources	ML 700053 and ML 700054 applications supporting the Project, including Initial Development Plan	Public notification of ML application; no public objections, leading to grant of ML in 2022
2013, 2018	Department of Resources	Later development plans describing the proposed Project	Later development plans for the Project accepted by Department of Resources

8.2.4 Future Consultation

Argo proposes to undertake ongoing consultation, using the consultation methods described above, on the following basis:

- Directly affected landholder (a single pastoral station) – on bi-annual basis for mining related planning and on an informal basis for ongoing land management activities prior to mining commencement (e.g. cattle grazing, fencing, etc).
- Indigenous parties – in accordance with the requirements of the relevant cultural heritage agreements, plus regular engagement (e.g. annual) on the status the Project inclusive of opportunities for Aboriginal employment or business opportunities.
- Community members – via the established community engagement structures.
- DES – as and when required for any future amendments to the EA and PRCP schedule, plus routine engagement (e.g. 6 monthly) on the status the Project.
- TMR – in accordance with the agreement with TMR for the relocation of the Suttor Developmental Road.
- Isaac Regional Council - in accordance with the agreement with Council for the relocation of Ellensfield Road.
- DoR – regular consultation on tenement matters related to MLs and exploration tenures.
- Other tenement holders – any overlapping petroleum exploration tenures, in accordance with agreed joint interaction management plans.

8.3 Social Matters

8.3.1 Local and Regional Communities

The primary regional access to the Project is from Mackay (on the Queensland Coast) along the Peak Downs Highway for approximately 90 km, and then along the Suttor Developmental Road from Nebo Junction for approximately 70 km. The primary communities for consideration of social impacts and benefits from the Project are Nebo and, to a lesser extent, Glenden, Moranbah and Mackay.

Nebo is a small township (population approximately 800 located approximately 75 km by road south west of the Project, which has historically serviced the coal mining industry. Due to its small population and low unemployment within a mining region, Nebo is unlikely to supply many workers for the Project.

Glenden is a purpose built town to service mines in the northern Bowen Basin, located approximately 45 km by road north of the Project. Access to accommodation in Glenden is controlled by other mining companies the region. Glenden's population has reduced in recent years as mining associated with workers residing in Glenden winds down. Any use of accommodation in Glenden by the Project workforce would be subject to agreement with other mining companies.

Moranbah is located approximately 100 km from Nebo by public road and 175 km from the Project by public road. Moranbah is a key population and service centre for the Bowen Basin. It is also the centre of governance for the IRC. The IRC encompasses 58,862 km^2, stretching from the Central Queensland coast to the Bowen Basin coalfields.

Mackay is the principal service centre for the broader region. Mackay is a well-developed source of resource sector employees, contract labour, supplies and services to the Bowen Basin and is integral to the region's supply chain as a source of employees, construction services, labour and equipment, goods and services, and social infrastructure for employees and families. Burton Mine will seek to continue to utilise supplies and services based in Mackay.

Due to the Project's separation from local populations, there are unlikely to be workers who commute to the Project on a daily basis. Workers will be accommodated at the Burton Mine accommodation camp, typically on a 7 days on 7 days off, 12 hours per day shift roster cycle. Workers will typically drive in-drive out (DIDO) for their shift rosters, with around two thirds DIDO from Mackay, 20% DIDO from the IRC / Bowen Basin region, and 15% fly in fly out (FIFO) / DIDO from other locations in Queensland. Any workers not within a reasonable driving distance of their places of residence are likely to fly into and out of Mackay.

Mining towns, including Moranbah, have experienced the cyclical effects of the coal mining industry. For example, the mining industry peaked from 2008 and 2012 and thus the Isaac region (particularly in and around Moranbah) experienced significant investment in coal mining. In contrast with the mining industry boom in 2012, mining towns in the Isaac region experienced a sharp decline in the local housing market in 2013 as the construction of several resource projects was finalised and coal prices dropped. There followed a period in the last few years where mining investment has again risen. Mining activity also proved resilient in the face of COVID-19. Social resilience to the mining cycles in communities can be strengthened through a core permanent labour force working and living locally. For the Project, this would mean that a core workforce resides in and around Mackay and Nebo, and to a lesser extent in Moranbah.

8.3.2 Isaac Region

The Isaac Local Government Area (LGA) is located in central Queensland, approximately 1,000 km northwest of Brisbane and 900 km south of Cairns. The estimated resident population is around 21,000, with an additional approximate 10,500 resource sector workers housed in temporary accommodation at any one time. The full-time equivalent population is estimated at around 31,500 (Isaac Regional Council, 2019). The regions Gross Regional Product was $5.95 billion in 2018, growing 10.9% since 2016.

The resource sector contributes a large proportion of the region's economic output. As of June 2018, the Isaac LGA hosted 27 operating coal mines and four other resource operations (Isaac Regional Council, 2019). The industry produces 54% of Queensland's total saleable coal and generates 1.1 billion in royalty payments per year (Isaac Regional Council, 2019).

Agriculture is another key industry for the region. The local value of Isaac region commodities produced is $502.6 million, with $440.4 million from livestock and $62.2 million from crops (Isaac Regional Council, 2019). The Queensland Agricultural Land Audit identifies two important agricultural areas within the Isaac LGA. An important agricultural area is described as an area that has all the requirements for agriculture to be successful and sustainable, is part of a critical mass of land with similar characteristics and is strategically significant to the region or the state.

8.3.3 Mackay Region

As at June 2018 the population of Mackay LGA was around 116,500 residents. In the Mackay LGA, technicians and trades workers represented the largest occupational group at 20%, followed by professionals at 14.3% and machinery drivers at 12.9%. This reflects the region's strength in mining and associated business sectors, such as automotive and engineering trades workers and machine operators.

8.3.4 Moranbah

As of 2018, Moranbah had a total permanent population of around 9,000 people. Between 2013 and 2018, Moranbah experienced a decrease in population with an average annual growth rate of -0.1%. Over these five years, Isaac LGA also experienced a decline, with an average annual growth rate of -2.1%. Between 2008 and 2018, the town experienced slight annual population growth of 0.9% while Isaac LGA's population decreased by 0.3% over this ten-year period. The non-resident workforce comprises FIFO and DIDO workers living in the region. The estimated non-resident population in Moranbah in June 2018 was around 2,500 people.

In 2016 mining was the top industry for employment in Moranbah and Isaac LGA, with 42.7% and 37.7%, respectively, of employed persons working in the mining industry.

Moranbah has a strong identity as a mining town. This is because the town was established by mining companies. The mining industry is currently still dominant in the town's economy. Moranbah is considered as a workers' town, but is also a family town with large percentages of children and young people. Workers' unions are strong and represent local values.

Moranbah has three schools, two childcare centres, emergency services, a hospital, doctors' practices, and a police station. Moranbah offers a wide range of community and civic services and community and family support services. The town offers a variety of sport and recreational facilities and several local associations and hobby groups.

8.3.5 Key Social Issues

Key social issues in the local and regional areas have been identified through various projects for which an environmental impact statement and social impact assessment have been prepared.

Key social concerns in local and regional towns include alcohol and substance abuse and domestic violence. The housing market is volatile with rental prices subject to rapid and substantial change. In spite of these challenges, people generally seem to enjoy living in local and regional towns and it is a strong and resilient community.

Most stakeholders have acknowledged that BCC made a valuable contribution to the local community during its period of operating Burton Mine and seeking to commence operations at the Project. Argo will continue to contribute to the local community through recommencement of Burton Mine and by investing in the Project. The Project will make a positive contribution to the local economy by bringing additional jobs and capital investment; in combination with recommencing mining operations at Burton Mine. This will provide improved job security for workers in the local area.

Housing availability and affordability is a key issue in local and regional centres, with the real estate market subject to rapid change. Other key issues include the shortage of childcare places, domestic violence and a lack of services for the elderly. The Project is not expected to have a significant impact on these key issues as the majority of workforce is expected to be sourced from within these communities, rather than resulting in a significant increase in workers requiring accommodation or an increase in pressure on social services and infrastructure.

Local people and service providers would prefer that a proportion of workers who work in local mining projects also live locally, as this genuinely contributes to the sustainability and vitality of local communities. Due to the remote location of the Project, the workforce will utilise the accommodation camp at Burton Mine. Workers that live locally and regionally will continue to form a key component of the workforce.

The proponent is committed to providing businesses in the local and regional area with access to supply chain opportunities. This would include, as appropriate

- utilising local contractors, including those from key regional towns such as Mackay, Moranbah and Emerald
- utilising Queensland or State based service providers for major long-term contracts for various operational activities.

8.3.6 Workforce Management

Argo's recruitment strategy has equity, transparency and safety as core values. Employing the best qualified person for the position is a paramount consideration whilst also ensuring that those potentially marginalised are provided equitable access to employment opportunities.

Whilst it is considered important to provide residents of nearby regional communities with priority in terms of accessing employment opportunities, it should be recognised that targeting recruitment in a region of low unemployment is likely to result in attraction of persons that are already in an existing job.

Whilst there is a prevalence of sought-after skills in nearby regional communities, unemployment is low, indicating that those who have skills required for the operations workforce are already in employment. The final choice of a family's place of residence remains with the employee and their family members, and this choice is personal for most families.

Argo will seek to provide for training and apprenticeship opportunities to meet skill's shortages in the industry.

Argo is investigating opportunities for the employment of Indigenous people and provision of services from Indigenous businesses. In particular, Argo will seek to further understand the:

- business services provided the relevant Aboriginal Parties (e.g. the Barada Barna and Wiri People) and the opportunities for these businesses to service the Project
- the availability of potential employees from Aboriginal parties to fulfill the Project's workforce requirements including any training and apprenticeship opportunities.

The Project will contribute towards the ongoing enhancement of skills and capacity in local and regional communities.

The following workforce management measures will be implemented for the Project:

- workforce safety, health and well-being measures and policies
- the rolling out of fatigue management initiatives
- drug and alcohol testing systems
- onsite medical and first aid facilities (e.g. trained paramedics available that can assist in managing minor health issues, as well as providing first response services for emergency situations and site accidents)
- camp accommodation that encourages and supports workforce physical and mental health
- flexible work practices.

8.3.7 Local Business and Industry Procurement

Argo provides opportunities for the supply of a broad range of goods and services. Moranbah and Mackay are key service centres for the mining industry, with mining supporting many local businesses. There is robust capacity within the local and regional areas to provide many of the goods and services required for Project.

Argo actively seeks to engage local and regional contractors and suppliers for mining related services, and this will continue for the Project. This benefits local and regional community businesses.

8.3.8 Health and Community Well-being

The Project will contribute to a stable and increasing workforce in the local area with the approximate 150 workers during operations. This will contribute positively to the health and community well-being as a result of additional certainty of employment. In addition the proponent will continue to contribute to health and community well-being through the following:

- Separation of the Project's ROM coal haul road from the public Suttor Developmental Road (including its realignment).
- Reduce additional demands on local health services through the provision of site medical facilities with trained paramedics available that can assist in managing minor health issues, as well as providing first response services for emergency situations and site accidents.
- Maintain communications with emergency services on issues such as emergency access.
- Workers abide by a stringent code-of-conduct in the Burton Mine accommodation camp which includes disciplinary measures for any demonstrated breaches. There is a very low likelihood of the Project having any effect on workforce interactions with the community. The proponent will

investigate and respond to any complaints received via the complaint management system. Overall it is expected that members of the workforce will benefit the community, as those workers and their families who live in local or regional communities contribute to the vibrancy of towns.

- Support community culture and well-being through sponsorship opportunities.
- A complaints management process is in place to register and respond to any issues raised (noting that no complaints have been received to date at Burton Mine).
- Provide members of the workforce with access to mental health support and monitor workforce demand on health and mental health services.
- Encourage car-pooling arrangements for personnel.
- Confine the movement of wide loads to low-traffic periods.
- Monitor workforce hours and driver behaviour.
- Implement a fatigue management policy for workers including coordinated car-pooling arrangements.

8.4 Economic Matters

The Project will provide substantial economic benefits to the local region, Queensland and Australia. Approximately 150 jobs will be generated during operations, with 100 jobs during various stages of staggered construction. The Project will generate additional indirect employment in the region and throughout Queensland. The Australian Government is predicted to receive significant direct and indirect tax revenue from the Project, and the Queensland Government is expected to earn substantial royalties from the Project (forecast $800M for the Project). Without the Project approval the associated employment and economic benefits will not be realised.

The Project is an important component of Argo's plan to extract metallurgical coal to meet its forecast production volumes. The State has approved the Project activities.

There is demand for metallurgical coal products throughout international markets, resulting in the Project being deemed viable. The approximate 150 full time operational jobs will provide employment security and stability, with associated social and economic benefits in the local and regional areas. The approximate 100 construction jobs, staggered over time, will provide additional flow on economic benefits. The Project will provide businesses within the local area and broader Central Queensland region further opportunities for the supply of goods and services.

Chapter 3 describes the consequence of not proceeding with the Project. The following describes the relative costs and benefits of the alternatives for the Project, as identified in **Chapter 3**:

- By not seeking to divert the Isaac River, and by maintaining a buffer between mining activities, infrastructure and the Isaac River, the proponent has not sought to extract economic ROM coal beneath and surrounding the Isaac River, which would have generated additional revenue.
- The Ti-Tree Creek diversion has been designed to provide a long term landform that is hydraulically and geomorphologically stable. This requires significant investment (millions of dollars) in the design and construction of the diversion and associated levee.
- The post mining landform includes the costs of developing a long term permanent stable and rehabilitated structure between the Ti-Tree Creek diversion and the residual void, with a flood immunity for a probable maximum precipitation flood event. This requires significant land forming and rehabilitation costs (millions of dollars) post mining compared to retaining the operational levee.
- Through the continued utilisation of Burton Mine infrastructure and equipment for the Project (e.g. CHPP, rail loop, voids for co-disposal and mine water storages) unnecessary environmental impacts have been avoided, and the capital expenditure for the Project reduced, thereby resulting in a positive net present value (NPV) for the Project.

- The proposed rehabilitation and closure methodologies, as described in the PRCP schedule, involve significant expenditure (i.e. millions of dollars) on land forming to achieve landform grades suitable to a post mining land use such as grazing.
- In-pit dumping has reduced the extent of the final void, which has resulted in higher closure costs than would have resulted with a larger residual void and less backfill of the operational pit.

The Queensland Government is a significant benefactor from coal mining royalties, with coal the largest export commodity in the State. Additional royalty revenue will flow from the Project throughout the life of mine. The consequences of not proceeding with the Project would be a loss of royalties, loss of employment and training, loss of supply opportunities and loss of positive social benefits.

- Loss of royalties: The Queensland Government would lose in the order of $800 M over the life of the Project.
- Loss of tax revenue: The Federal government would not receive tax revenue from company profits and employee wages.
- Loss of employment and training: Opportunities (150 direct operational jobs, 100 construction jobs, and other indirect jobs) in the local and regional area for employment and training would be lost.
- Loss of supply opportunities: Opportunities for the local, regional and broader Queensland businesses to supply goods and services would be lost.
- Loss of direct investment through approximately $60M of capital expenditure.
- Loss of positive social benefits: The local and regional community benefits derived from the flow on effect of employment and business confidence generated by the Project would be lost.

The potential positive effect of not proceeding with the Project is avoidance of environmental impacts. However, with the proposed environmental management measures and biodiversity offsets for significant residual impacts, the net economic and social benefits of the Project outweigh the potential impacts.

8.5 Ecologically Sustainable Development

8.5.1 Principles

The following principles of ESD are set out in the EPBC Act:

a) Decision-making processes should effectively integrate both long-term and short-term economic, environmental, social and equitable considerations.
b) If there are threats of serious or irreversible environmental damage, lack of full scientific certainty should not be used as a reason for postponing measures to prevent environmental degradation.
c) The principle of inter-generational equity – that the present generation should ensure that the health, diversity and productivity of the environment is maintained or enhanced for the benefit of future generations.
d) The conservation of biological diversity and ecological integrity should be a fundamental consideration in decision-making.
e) Improved valuation, pricing and incentive mechanisms should be promoted.

The design, planning and assessment of the Project have been carried out applying the principles of ESD, through:

- incorporation of risk assessment and analysis at various stages in the Project design, environmental assessment and decision-making
- adoption of high standards for environmental, health and safety performance
- consultation with regulatory and community stakeholders
- optimisation of the social and economic benefits to the community arising from the development of the Project.

In addition, it has been demonstrated that the Project can be undertaken in accordance with ESD principles through the application of measures to avoid, mitigate and offset the potential environmental impacts of the Project. The following sections describe the consideration and application of the principles of ESD to the Project.

8.5.2 Precautionary Principle

Environmental assessment involves predicting what the environmental outcomes of a development are likely to be. The precautionary principle emphasises the need to address the threats of irreversible damage, even in circumstances where there is scientific uncertainty about environmental risk.

The scoping of impact assessments considered potential environmental impacts associated with the Project, including long-term effects. Assessments considered potential short, medium and long-term impacts of the Project. Short and medium term impacts are associated with the construction, operational and progressive rehabilitation phases of the Project. Short and medium term benefits of the Project are associated with social and economic benefits. The consideration of long term impacts and benefits included the post mining landform, rehabilitation, decommissioning and post mining land use to achieve a safe, stable, non-polluting landform, with grazing as the majority land use.

Measures designed to avoid, mitigate and offset potential environmental and socio-economic impacts, and to enhance socio-economic benefits, arising from the Project are described in **Chapter 3** to **Chapter 7**, and impact assessments and management plans in **Appendix 7** to **Appendix 27,** of the PER.

Minimal uncertainty regarding the information used in these specialist assessments is expected given:

- the number of site-based surveys and assessments conducted within and surrounding the Project area
- the comprehensive nature of the assessments
- the use of the latest modelling techniques and standards
- the consultation process conducted with key stakeholders (Section 8.2).

A range of measures have been adopted as components of the Project design to minimise the potential for serious and/or irreversible damage to the environment. These include design controls (e.g. mine scheduling, mine design, selection of preferred post mining landform, and use of existing infrastructure at Burton Mine), operational controls (e.g. onsite environmental management measures) and physical controls (e.g. selection of location of infrastructure to minimise impacts), environmental management and monitoring programmes, and provision of biodiversity offsets for significant residual impacts.

8.5.3 Social Equity

Social equity is defined by inter-generational and intra-generational equity. Inter-generational equity is the concept that the present generation should ensure that the health, diversity and productivity of the environment is maintained or enhanced for the benefit of future generations, while intra-generational equity is applied within the same generation.

The principles of social equity are addressed in the PER through:

- assessment of the social and economic impacts and benefits of the Project, including post mining operations; with social impact management measures designed to mitigate impacts and enhance community benefits
- management measures for the potential impacts of the Project on groundwater resources, surface water resources, terrestrial ecology, aquatic ecology, and social and community well-being
- environmental management and monitoring programmes to minimise and evaluate potential environmental impacts (which include environmental management and monitoring programmes covering the Project's life)

- proposed biodiversity offsets during the life of the Project to compensate for residual ecological impacts.

The Project would benefit current generations through employment. It would also provide significant stimulus to local and regional economies and provide Queensland export earnings and royalties, thus contributing to future generations through social welfare, amenity and infrastructure.

8.5.4 Conservation of Biological Diversity and Ecological Integrity

The Project area is located in a largely agricultural landscape, with the majority of the vegetation within and surrounding the Project area cleared for grazing. The Project area comprises agricultural grasslands with areas of remnant vegetation, including woodlands and riparian corridors along the Isaac River and tributary creeks.

Surveys conducted for the Project have identified threatened ecological communities and habitat suitable for conservation significant flora and fauna species (refer to **Chapter 6**). The environmental assessment in **Chapter 6** describes the potential impacts of the Project on ecology. Surveys have been undertaken for potential groundwater dependent assets, including ecosystems and stygofauna. **Chapter 4** and **Chapter 5** describe the potential impacts of the Project on surface water and groundwater resources, respectively.

In accordance with ESD principles, the Project addresses the conservation of biodiversity and ecological integrity by proposing environmental management measures designed to conserve ecological values, where practicable, after consideration of potential impacts.

A range of impact avoidance, mitigation and offset measures will be implemented for the Project to maintain or improve the biodiversity values of the surrounding region in the medium to long-term. These measures include the long-term viability of existing vegetation communities (i.e. the Project's biodiversity offset area management plan) and rehabilitation of landforms.

An offset area management plan has been developed to address the potential residual impacts on biodiversity values associated with the Project, such that biodiversity values of the region are maintained or improved in the medium to long-term. Terrestrial flora, fauna and aquatic ecology management measures, and the biodiversity offset area management plan, are described in **Chapter 6** and **Chapter 7**.

8.5.5 Greenhouse Gas Emissions

The National Greenhouse and Energy Reporting (NGER) scheme, established by the *National Greenhouse and Energy Reporting Act 2007* (NGER Act), is Australia's national framework under which companies are required to report their greenhouse gas (GHG) emissions and energy consumption and production. The objectives of the NGER scheme include informing government policy and helping to meet Australia's international reporting obligations.

In October 2021, Australia set a national net-zero target, while in June 2022 Australia committed to reducing GHG emissions to 43% below 2005 levels by 2030. Alongside these commitments, each state and territory has set their own net-zero target.

Starting on 1 July 2016, the Australian Government introduced a Safeguard Mechanism under the NGER Act. Responsible emitters for facilities that emit 100,000 t CO2-e (carbon dioxide equivalent) or more of scope 1 GHG emissions are required to meet the Safeguard Mechanism requirements, including keeping the facility's scope 1 emissions at or below a set baseline. Should the emissions exceed the baseline, the responsible emitter will be required to 'make good' the excess emissions by surrendering Australian Carbon Credit Units (ACCUs) or Safeguard Mechanism Credits (SMCs) or be liable to a substantial penalty.

The Safeguard Mechanism reforms introduced in 2023 apply a decline rate to facilities' baselines so that they are reduced on a trajectory consistent with achieving Australia's emissions reduction targets of 43% below 2005 levels by 2030 and net zero by 2050. The decline rate will be set at 4.9% each year to 2030.

Post-2030 decline rates will be set in predictable five-year blocks, after updates to Australia's Nationally Determined Contribution under the Paris Agreement.

Forecast scope 1 GHG emissions will be estimated of the Project to determine if the Project will exceed the Safeguard threshold of 100,000 t CO2-e, and be required to report annual covered emissions to enable a comparison against a baseline determined by the Clean Energy Regulator (CER).

By following the requirements of Commonwealth legislation on managing GHG emissions, the Project will not impact the GHG emissions targets set at national level.

8.5.6 Valuation

One of the common broad underlying goals or concepts of sustainability is economic efficiency, including improved valuation of the environment. Consideration of economic efficiency, with improved valuation of the environment, aims to overcome the under-pricing of natural resources and has the effect of integrating economic and environment considerations in decision making, as required by ESD. While historically, environmental costs have been considered external to project development costs, improved valuation and pricing methods attempt to internalise environmental costs and include them within project costing.

Compensation for lost agricultural value has been incorporated into landholder compensation agreements and the value of biodiversity offsets to compensate for residual impacts has been factored into capital and operating budgets.

Without the Project there would be a reduction in gross regional product, gross state product, full time equivalent jobs, support for local business and government revenue. Based on the economic assessment the benefits of the Project outweigh the costs.

8.6 Objects of the EPBC Act

The Project is considered to be generally consistent with the objects of the EPBC Act, because it:

- incorporates a range of measures for the protection of the environment, including listed threatened species and ecological communities (**Chapter 6**), and water resources (**Chapter 4** and **Chapter 5**)
- incorporates relevant ESD considerations
- includes a proposal for offset of residual impacts on biodiversity, and other compensatory measures to promote the conservation of biodiversity
- includes the involvement and participation of the community and landholders through the consultation program, the public exhibition of the PER document and assessment of the Project's social impacts and benefits
- would not result in a significant impact on migratory species protected under international agreements
- is not predicted to result in a significant impact on surface water or groundwater resources (**Chapter 4** and **Chapter 5**)
- includes employment and business supply chain opportunities for people of Aboriginal and/or Torres Strait Islander descent.

8.7 Conclusion

This final PER has been prepared in accordance with the PER Guidelines issued by DCCEEW. The EPBC Act controlling provisions for the relevant MNES to be assessed for the Project are:

- Listed threatened species and communities (sections 18 & 18A); and

- A water resource, in relation to coal seam gas development and large coal mining development (sections 24D & 24E).

The potential impacts of the Project on the relevant MNES have been assessed in this PER. Assessments comprised desktop research and field based surveys, either undertaken specifically to inform the PER or undertaken within and surrounding the Project area as part of previous environment investigations for the Project, and modelling utilising that latest standards. The Project's impacts on the relevant MNES were assessed by experienced professionals in each relevant environmental discipline. Impacts were assessed for the Project and cumulatively with other regional resource projects, including Burton Mine. Mitigation and management measures have been proposed to avoid or reduce impacts on MNES, through a combination of mine planning, maximising the use of existing Burton Mine infrastructure, site environmental management, and integration with existing environmental management systems at Burton Mine. Assessments of the significance of impacts on MNES have been undertaken in accordance with the relevant Commonwealth significant impact guidelines, which concluded that the Project:

- would have significant residual impacts on the Poplar Box on alluvial floodplains threatened ecological community (TEC) and habitat for the Koala, Greater Glider and Squatter Pigeon
- would not have significant impacts on surface water resources
- would not have significant impacts on groundwater resources, including groundwater dependent ecosystems (GDEs) and stygofauna.

A biodiversity offsets strategy has been developed to offset significant residual impacts to MNES.

As the future operator of Burton Mine, Argo will continue to build solid relationships with local and regional communities.

The Project is predicted to provide substantial economic benefits to the local region, Queensland and Australia. Approximately 150 people will be employed during operations with additional indirect employment created in the region and throughout Queensland. The Australian Government will receive significant direct and indirect tax revenue from the Project, and the Queensland Government will obtain substantial royalties from the Project (forecast $800M for the Project).

The Project will mine an additional 30 Mt metallurgical (steel making) coal over 18 years (approximately 1.9 Mtpa) thereby providing medium to long term employment and economic benefits. The Project will require approximately $60M of capital expenditure.

The proponent will implement workforce management measures for the Project which, in conjunction with the recommencement of mining operations and Burton Mine and proposed Project activities, will provide social and economic benefits to the community. Argo actively seeks to engage local and regional contractors and suppliers for mining related services and this will continue for the Project.

The Project's social and economic benefits, as a proposed metallurgical coal producer within the Bowen Basin mining region, outweigh the mitigated social and environmental impacts of the Project.

This PER demonstrates that the Project can be undertaken in an environmentally acceptable manner, subject to the proposed management and monitoring measures. The State of Queensland has approved the Project activities, subject to conditions of approval, further demonstrating that these regulatory agencies consider that the Project can be undertaken in an environmentally acceptable manner. The Project can be undertaken in accordance with the principles of ESD and the objects of the EPBC Act.

8.8 References

Isaac Regional Council , 2019, Regional Overview, available via Regional Overview – Isaac Regional Council, accessed 31 May 2022