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Castillo Copper caught out

21st December, 2018

I had a call from the Resources Regulator this morning, which confirmed that Castillo Copper's operations at Cangai had been suspended. We were aware that an ecologist had been hired to oversee rehabilitation work, following a site inspection by the regulator. That inspection, which noted "*a number of serious compliance issues*", was a direct result of the Clarence Environment Centre's reports of possible breaches of environmental legislation.

I also earlier expressed a faint hope that perhaps the reason why drilling has ceased at the site might also be the result of that inspection. The good news is that all operations were indeed suspended by order of the regulator until the mess is cleaned up.

That story was posted on the Resources Regulator's website shortly afterwards. No mention of any of this on Castillo's website of course, despite the inspection happening over a month earlier, and as of a few days ago they are still talking up the great results and plans for ongoing exploration. Clearly we haven't seen the last of them.

The point that needs to be made is that this is unlikely to be an isolated occurrence, and that these cowboys can never be trusted to do the right thing, because they know there is very little likelihood of them ever being caught out.

It seems that compliance monitoring is largely incumbent on members of the public to report, so it's critically important that any dodgy practices be reported.

21st December 2018

The NSW Resources Regulator has suspended all operations on two exploration licences held by mining companies Total Mineral Pty Ltd and Total Iron Pty Ltd.

Exploration Licences 8625 and 8635 were being operated by Castillo Copper Limited, about 45km northwest of Grafton, in the North Coast Region of NSW.

The Resources Regulator's Director of Compliance Operations, Matthew Newton, said action was taken to suspend the operations due to a number of serious compliance issues being identified at a recent inspection.

"The contraventions related to alleged non-compliance with conditions of both exploration licences, which were uncovered during an inspection on November 22, 2018," Mr Newton said. Mr Newton said the November inspection identified alleged issues in relation to:

- a lack of sediment and erosion controls;
- poor management of drill cuttings/waste materials;
- clearing and excavation works undertaken outside of approved limits;
- the drilling of five bore holes without approval; and
- a failure to progressively rehabilitate in approved time frames.

“The Regulator will take strong action on titleholders who fail to comply with their obligations, particularly in relation to environmental management and rehabilitation,” Mr Newton said.

“In this instance the Regulator has issued statutory directions to both titleholders to implement immediate controls to address the impacts and prevent further harm to the environment - and we have taken the step of suspending operations until these works are completed,” he said.

The statutory directions include engaging a suitably qualified independent environmental expert to assist in remediation / rehabilitation and an independent expert to complete a compliance audit of the exploration activities.

The suspension of exploration licences 8625 and 8635 takes effect immediately and will remain in force until the Regulator is satisfied Total Iron Pty Ltd and Total Mineral Pty Ltd have complied with the statutory notices.

Failure to comply with the suspension may result in a maximum fine of \$1,100,000 for a company and \$220,000 for an individual.

The suspension excludes any activities required to maintain a safe workplace and/or to undertake environmental rehabilitation of the exploration licences.

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We applaud the regulators in this instance, and hope an appropriate penalty is levied

John Edwards
Honorary Secretary