

Hon Dale Last MP
Minister for Natural Resources and Mines

By Email: resources@ministerial.qld.gov.au

Cc: Graham Fraine, Director-General, Department of Natural Resources and Mines
Hon Andrew Powell, Minister for the Environment and Tourism
Trish O'Callaghan, Director-General, Department of the Environment, Tourism, Science and Innovation

By Email: dgdirect@resources.qld.gov.au
environment@ministerial.qld.gov.au
directorgeneral@des.qld.gov.au

14 April 2025

Dear Minister Last,

RE: Callan Coking Coal Bulk Sample Project - request for the application be made available for public comment

We write to draw your attention to the Callan Coking Coal Pty Ltd (**the Proponent**) proposed Callan Coking Coal Bulk Sample Project (**the Project**) and request that you provide the opportunity for public submissions in relation to this Project.

About Environmental Advocacy in Central Queensland

Environmental Advocacy in Central Queensland (**EnvA**) is a Central Queensland association concerned about the risks associated with coal mining, coal seam gas and climate change.

EnvA believes that opening new and expanding coal and gas projects:

- is contrary to meeting Australia's emission targets and Queensland's emission targets,
- is likely to result in irreparable damage to our local landscape and result in stranded assets,
- will put our local community at further risk of extreme weather such as increasing the intensity and frequency of storms, floods, droughts and bushfires,
- will damage our significant coastal resources including our beaches and the Great Barrier Reef through storm surge and increased coral bleaching events, and
- will further degrade wildlife habitats of state and national significance through both habitat loss and climate change.

The proposed Project

The Proponent is proposing to extract a bulk sample of 942kt of coal from a target area within Callan Coking Coal site to:



- Test coal quality and confirm product specifications through CHPP beneficiation and as a screened/unscreened product; and
- Form the basis of a marketing plan to support future Callan Coking Coal products into the market.

The Project Area is 238ha within MDL 454 with a further 4ha external to this mining development lease (**MDL**). The Project is located approximately 20km north of Middlemount and 27km east of Dysart in Central Queensland. It lies between existing Middlemount and Lake Vermont coal mining operations.

Request for public consultation

The Project has been referred for assessment under the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC 2025/10122)¹ and is currently under assessment. This referral provided the opportunity for public comment under this federal environmental legislation.

More importantly, the referral for assessment under the EPBC Act alerted us to the proposed Project which we would not have been otherwise aware of. This same proponent was provided approval for a similar bulk sample project, the Vulcan North Bulk Sample Project, at it's Vulcan South Coal Mine. This project was not referred for EPBC Act assessment and hence we only became aware of the project when the Proponent breached their Environmental Authority (EA) conditions. Further comment on the fiasco that arose from this is detailed in the 'Suitability of the operator' section below, much of which could have been avoided with public consultation which would have identified the potential issues with the approval of the project.

We firmly believe that we should also have the opportunity to make comment under Queensland's *Mineral Resources Act 1999 (MR Act)* and *Environmental Protection Act 1994 (EP Act)*. Your government has strongly voiced the need for social licence for renewable energy projects², and we respectfully request that you offer the same opportunity for fossil-fuel projects that have significant impacts on our environment, local communities and our climate.

Suitability of the operator

The Proponent has a history of breaching the conditions of State and Commonwealth environmental approvals and is currently under further criminal investigation under the EPBC Act for their operations at the Vulcan North Bulk Sample Project and Vulcan South Coal projects.

EnvA has previously raised our concerns about the Proponent's compliance history^{3 4 5 6} and suggest that their environmental compliance record is poor with more serious allegations currently under current investigation by the Compliance Branch of DCCEEW.

As such, we are of the firm belief that the Proponent must be considered as not a suitable operator and their registration be suspended or cancelled until the criminal investigation is completed.

¹ [Callan Coking Coal Bulk Sample Project – EPBC referral](#)

² [A Fresh Start for Queensland: Local community consultation rights made permanent on wind farm developments – 31 Jan 2025](#)

³ [Vulcan South – conservation group letter to federal Environment Minister re water resource environmental protection order at the Vulcan Complex Mine – 23 Feb 2024](#)

⁴ [Vulcan North Bulk Sample Project – letter to federal Environment Minister re non-referral of the project for EPBC assessment – 8 Aug 2024](#)

⁵ [Vulcan North Bulk Sample Project – letter to federal Environment Minister re illegal clearing of threatened species habitat – 23 Oct 2024](#)

⁶ [Vulcan South Coal mine – clearing and activity outside approved disturbance area – 24 Feb 2025](#)

Matters of concern about the proposed Project

Significant impact on threatened species and communities and migratory species

The project will or has the potential to impact on numerous threatened species and communities. Along with a desk top survey, the Proponent conducted a comprehensive dry season survey between 27 July and 1 August 2024 and a wet season spotlighting survey in January 2025. A further comprehensive survey was planned for March 2025, the results of which were not included in the EPBC Act referral documentation.

From these surveys, the Proponent has identified numerous threatened species, communities and migratory species within 20-40km of this Project which will or maybe impacted on the expansion of this current Project:

Threatened ecological communities

- Brigalow (*Acacia harpophylla* dominant and co-dominant) (Endangered)
- Poplar Box Grassy Woodland on Alluvial Plains (Endangered)
- Natural Grasslands of the Queensland Central Highlands and northern Fitzroy Basin

Threatened species

- Australian painted-snipe (*Rostratula australis*: endangered)
- Latham's snipe (*Gallinago hardwickii*: vulnerable)
- Squatter pigeon (*Geophaps scripta scripta*: vulnerable)
- Painted honeyeater (*Grantiella picta*: vulnerable)
- White-throated needletail (*Hirundapus caudacutus*: vulnerable)
- Koala (*Phascolarctos cinereus*: endangered)
- King blue grass (*Dichanthium queenslandicum*: endangered)
- Blue grass (*Dichanthium setosum*: vulnerable)
- Grey snake (*Hemiaspis damelii*: endangered)
- Ornamental snake (*Denisonia maculata*: vulnerable)
- Yakka skink (*Egernia rugosa*: vulnerable).

Migratory species

- Fork-tailed swift (*Apus pacificus*)

Of these species, the ornamental snake and the Australian painted-snipe will be directly impacted by the proposed Project. The squatter pigeon, fork-tailed swift and Latham's Snipe are likely to be impacted by the Project.

EnvA is concerned that this Project is part of a staged project as it is based on an assessment of the coal resources with the stated intention to further develop the Callan Coal mine. This would result in this Project expanding to over 2,500ha which will significantly impact on at least 15 threatened species and communities.

EnvA is of the strongest view that this Project must be refused on the basis of the unacceptable impacts to threatened species in both the direct impacts from the loss of habitat and the cumulative impacts of the continuing approval of new and expanding coal mines that not only destroy habitat forever but also contribute to the impacts of climate change.

Concerns with the Greenhouse Gas (GHG) assessment⁷

The Project plans to extract a coal sample of approximately 942 kt of low volatile Pulverised Coal Injection (**PCI**) coal from a small-scale open cut pit. GHG estimates have been based on the extraction and use of this product.

The Proponent estimates the total life of mine (**LOM**) Scope 1 emissions including land clearing are estimated to be 74,736t CO₂-e. The Project will be subject to NGER reporting but will not trigger the Safeguard Mechanism threshold and subsequent GHG emissions reduction obligations.

Scope 3 GHG emissions for the LOM are estimated to be 2,612,427 t CO₂-e, with the major source of emissions being the downstream combustion of product coal (2,602,140 t CO₂-e or 99.6% of the total Scope 3 emissions).

GHG emissions

In general terms, the Project will emit GHGs which cumulatively will increase global temperature and result in adverse impacts to MNES. Australia, and of particular concern to EnvA, Central Queensland (where this mine is proposed), is already experiencing climate change impacts that include an increased frequency and severity of coral bleaching, storms, heat waves and wildfires, and an increase in the number of endangered species and ecosystems. As global warming increases to 1.5°C and above, these impacts will increase in severity.

Low volume PCI

The proposed coal product is pulverised coal injection (**PCI**). The demand for this low-quality metallurgical coal is rapidly declining⁸ and we have seen other local PCI coal mines being put into care and maintenance due to the fall in prices⁹.

In the justification for the Project (section 1.1.2), the Proponent notes that “The bulk sample material will undergo comprehensive metallurgical testing to determine its suitability for processing. The results of the testing will provide insights into the recoverability of valuable material from the bulk sample and specifically, how that material may perform as a blend.”

We consider that this is an acknowledgement that the coal is of low quality and may only be useful to blend with higher quality metallurgical coal.

EnvA considers that project will cause significant environmental damage and may not be economically viable. It will only leave a legacy for our communities and our wildlife.

Compatibility of the Project with Queensland legislation and policy

EnvA submits that this Project is contrary to the operational policy for implementing the Qld *Mineral Resources Act 1989*¹⁰ in relation to two matters:

- Section 4.2 of the GHG assessment¹ indicates the intention to sell the coal from the Project which is contrary to section 3.1 of the operational policy (**OP**)⁴ which requires the Proponent to provide “A written statement acknowledging there will be no monetary gain from the sale of the sample to facilities owned by the holder, parent company/subsidiaries or any other company”, or to seek the Minister’s consent and to dispose (sell or transport off site) minerals discovered on an MDL (OP - section 4.1). To our knowledge, this consent has not been obtained.

⁷ Callan Coking Coal Bulk Sampling Project Greenhouse Gas Assessment (Attachment 8 of the referral documents)

⁸ <https://ieefa.org/resources/pci-coal-steelmaking-first-metallurgical-coal-grade-be-impacted-decarbonisation>

⁹ <https://www.inqld.com.au/business/2023/09/28/bluff-mine-to-close-by-end-of-year-as-prices-fall-and-costs-rise>

¹⁰ [Operational policy MIN/2020/5192 Applying for bulk sampling on a Mineral Development Licence or Exploration Permit \(February 2025\)](#)

- Bulk sampling activities can only be carried out on an MDL, or in exceptional circumstances an EP (OP – section 2.1). Four hectares of this application are outside MDL 454. We acknowledge that these approvals may be sought outside of this Project from a Queensland perspective, but unfortunately EA applications for bulk sampling projects are generally not released for public comment.

In conclusion

EnvA strongly recommends that:

- Bulk sample projects be subject to a public consultation process,
- The Proposed Callan Coking Coal bulk Sample Project is required to obtain a social licence before any approval is provided,
- EnvA's concerns in relation to environmental impacts, greenhouse gas emissions, staged projects, suitable operator status and compatibility with government policy and guidelines are considered in any decision in relation to this project.

Yours sincerely,



Dr Coral Rowston

Director

Environmental Advocacy in Central Queensland