



environmental and geoscience consultants

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Attention: MBS Clients and Colleagues

Dear valued client or colleague:

Novel Coronavirus (Covid-19) Update and Implications for Environmental Compliance

I write to provide an update on our arrangements for the developing global outbreak of Novel Coronavirus (Covid-19) and its potential implications for our business, and yours.

Measures We Are Taking

I would first like to reassure clients that MBS intends to operate as normally as is possible within prevailing Federal and State directives and guidance during the current pandemic; that said, the health and safety of our people, our clients, their families and friends remains, as it always has, our first priority.

Presently our office remains open in line with current Government directives, although most staff have transitioned to working remotely, and we are well placed to transition to fully remote operations should the need arise (for instance, due to a suspected exposure), or should Government directives change.

Provided that you are well, and not subject to current self-quarantine or self-isolation requirements, we will at this time be happy to continue to welcome you at our office if you wish to meet with us in person, but please allow us to welcome you with a smile rather than a handshake. We encourage clients however to request teleconferences where practicable, and we will be happy to facilitate.

We recognise that many other businesses have decided to transition to remote working or otherwise limit contact and will be happy to make ourselves available for meetings via teleconference; please let us know if you have any preferences for conferencing systems. MBS uses Microsoft Teams but can accommodate a variety of other applications if necessary.

We will continue to keep a close eye on developments and will of course continue to conform to current Government health directives and guidelines as they are issued.

Implications for Operations and Compliance

MBS recognises the potential for disruption to our clients' operations that may arise from a local outbreak, and the measures to contain it. Quarantine or isolation requirements in light of a suspected or actual exposure may entail a partial or complete suspension of operations at short notice; the regulatory and community expectation is however that operations are shut down in an orderly manner, with appropriate measures left in place to protect the environment and public safety, as well as the health and safety of any skeleton staff that may remain.

Obligations to manage any ongoing discharges (such as mine dewatering), maintain environmental controls, and conduct monitoring may remain in effect during suspension unless otherwise negotiated. We note that while the regulations may provide certain exemptions for emergencies, they should not necessarily be relied upon.

One particular issue that may arise in a suspension of mining is the need to continue mine dewatering to protect mine infrastructure, without an operating processing plant to consume the water; provisions for emergency discharge may be available depending on circumstances, but we recommend that operators review their site water balance for such a contingency, and identify mitigations for control or minimisation of discharge that could be put in place in anticipation.

In addition, we recognise the potential for qualified staff or contractors to be unavailable or unable to travel to complete monitoring or other compliance related tasks required under licence conditions, Ministerial Statements, or other standing obligations.

MBS recommends that operators as part of response planning for Covid-19 take this opportunity to:

- Review licence conditions, commitments made in approved Environmental Management Plans, Mining Proposals, Mine Closure Plans, and other obligations that may take effect or be difficult to fulfil in the event of sudden suspension or lack of resources.
- Assess the risk of non-compliance or environmental damage, and plan for the steps that may need to be taken as part of an orderly shutdown to mitigate such risks.
- Engage with relevant regulators as early as possible, where risk is identified, to negotiate exemptions to or deferral of current obligations, or practicable alternative interim measures.

We further recognise the broader implications of the pandemic for the economy and markets generally, and the potential need for operators to conserve cash over the coming months, which may entail longer-term suspensions and/or further re-negotiation of obligations and commitments.

Our hope is to assist our clients in this challenging time to maintain their regulatory and social licence to operate, avoid the reputational damage or liability that may arise if compliance or environmental risks are not managed, keep costs down through identifying practical solutions and negotiating satisfactory outcomes, and if operations are curtailed, remain in the best possible position to return to full operation as soon as circumstances allow.

Please feel free to contact me or your usual MBS contact at any time if you have any questions or concerns in this matter, or would like our assistance with any of these issues.

Yours sincerely

MBS Environmental



Kristy Sell
Managing Director