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Chair’s Report

Following a successful first year, the Woomera Prohibited Area (WPA) Advisory Board continued its consultation with a broad range of stakeholders during the remainder of 2013 and into the New Year.

The Board invited a number of stakeholder groups to its December meeting to outline personally their experiences of accessing the Woomera Prohibited Area (WPA) and co-existence more broadly. This meeting was held in conjunction with the non-Defence visitor’s day and dinner at Woomera and provided us all with a great opportunity to view current Defence equipment used in trials at the range and for Defence and non-Defence users to meet and interact face-to-face. The day certainly highlighted just how important the WPA is to so many people.

The February meeting in Adelaide gave the Board a further chance to meet with key stakeholders. Those present included representatives from Indigenous groups who have native title rights and interests in the WPA, the Conservation Council of South Australia (Conservation SA) and the South Australian Chamber of Mines and Energy (SACOME). These stakeholder meetings are particularly useful in keeping the Board apprised of current user views and we all agreed how important it was that this consultation continues into the future.

The Board was pleased to hear of the decision by the Minister for Defence and the Minister for Indigenous Affairs to excise the area known as ‘Section 400’ from the WPA. The decision represents a good outcome for the Maralinga Tjarutja (MT) people, who have already developed a successful tourism enterprise conducting guided tours of the atomic test sites and Maralinga Village. As a consequence of the excision, their access to Section 400 will no longer be restricted by Defence’s use of the WPA.

As development and progress of the new legislation continued, the Board believed that it was premature to reduce its meeting schedule to half-yearly, as proposed by our Terms of Reference. However, it was agreed to that the Terms of Reference be amended to reflect that three meetings should be held in the year, one each in Adelaide, Canberra and the WPA. The Board will continue to monitor the frequency of its meeting schedule and adjust as necessary.

The feedback received from WPA users and others in response to our request for comments on co-existence was favourable and the Board appreciates the continuing interactions with our important WPA stakeholders.

I would like to acknowledge the hard work of the Deputy Chair, the Hon Paul Holloway, members of the Board, particularly Chief of Air Force, AIRMSHL Geoffrey Brown AO, and the worthy staff of WPACO.

I wish to also thank the Australian Government Departments of Defence; Finance; and Industry; and the South Australian Government through the offices of the Department for Manufacturing, Innovation, Trade, Resources and Energy and Defence SA in finalising the legislation.

Stephen Loosley
Chair
Woomera Prohibited Area Advisory Board
Executive Summary

During the reporting period, work continued on the development of a legislated permit scheme which would contribute to the co-existence framework. Defence, in conjunction with the Department of Industry and South Australian Government, developed the Defence Legislation Amendment (Woomera Prohibited Area) Bill 2014 (the Bill) that was introduced into Parliament on 27 March 2014. A Regulation Impact Statement (RIS) was undertaken to support the measures proposed in the Bill, which demonstrated that the legislation amendment would provide the certainty of access required by the resources industry to invest in the Woomera Prohibited Area (WPA).

As at the time of printing of this Report, the Bill was subsequently passed by Parliament and the new legislation came into effect on 9 August 2014. The amendments are supported by the Woomera Prohibited Area Rule 2014 which provides for the issue of permits and access to the WPA.

On 4 June 2014, the then Minister for Defence and the Minister for Indigenous Affairs issued a joint media release announcing that the remaining part of land known as ‘Section 400’ would be excised from the WPA following a request from the Maralinga Tjarutja people and recognition from Defence of the rare and unique circumstances of this small section of the WPA. Once the steps necessary to formally excise Section 400 from the WPA are complete, the Maralinga Tjarutja people’s access to Section 400 will no longer be restricted by Defence’s use of the WPA.

The WPA remains Australia’s most important military testing range. Although there were less testing activities during this reporting period, the complexity and number of future trials is expected to increase following the introduction of new platforms and weapons and with the upgrade of range systems.

Despite recent falls in commodity prices, the operating mines within the WPA remain economically viable. During the year a number of mineral, petroleum and to a lesser extent, geothermal exploration tenements were active in the WPA. Exploration expenditure is expected to be more than $13 million based on current available data. Also at the time of printing, the SA Department for Manufacturing, Innovation, Trade, Resources and Energy (DMITRE) merged with other state government departments to form the new SA Department of State Development.

The reporting period of this annual report covers a 9 month period of 1 October 2013 to 30 June 2014. This revised period will align publication with a financial year and subsequent annual reports will be produced for the full financial year 1 July to 30 June the following year.
1. Background

Hawke Review

On 17 May 2010 the Government commissioned a Review to consider how to use the WPA in a way that ensured that both its national security and full economic potential were realised. The Review was undertaken by Dr Allan Hawke AC and staffed by a team comprising representatives from the Departments of Defence, Prime Minister and Cabinet, and Resources, Energy and Tourism.

The review proposed a system to maximise the co-existence between Defence and non-Defence users of the area. The review recommended that Defence remain the primary user of the area, but acknowledged that exploitation of the WPAs considerable minerals resources would bring significant economic benefit to South Australia in particular and Australia in general. The review proposed that the WPA be accessible for resources exploration to the maximum extent possible, but within the confines of its primary use for defence purposes. This was to allow Australians to take advantage of the resources potential of the WPA while ensuring its future viability as the most important test and evaluation range supporting the Australian Defence Force.

Establishment of the Advisory Board

The Hawke Review recommended the Australian Government negotiate with the South Australian Government to establish an Advisory Board. It recommended that the Advisory Board be headed by an independent Chair agreed to by the Ministers of the following portfolios: Defence; Resources, Energy and Tourism and Finance and Deregulation (as they were then known); and by the Premier of South Australia. The Review further recommended that the Chair of the Advisory Board should have the power to refer Defence access conditions to the Secretaries of Defence and Resources, Energy and Tourism to seek their review by Defence where necessary. The Advisory Board Terms of Reference are at Attachment A.

The Australian Government established the WPA Advisory Board in October 2012.

Establishment of the Woomera Prohibited Area Coordination Office

WPACO was established in late May 2011 within Defence as a central point of contact for non Defence access to the WPA. It is responsible for implementing the recommendations of the Review and to provide Secretariat support to the Advisory Board.

WPACO is located in Canberra and includes physical representation from Defence, and ‘virtual’ representation from other Australian Government departments (Industry – Resources Division, and Finance) and the South Australian Government (Department for Manufacturing, Innovation, Trade, Resources and Energy (DMITRE) and Defence SA).
2. Advisory Board

Membership

The Australian Government established the WPA Advisory Board in October 2012 and, following consultation with the South Australian Government, appointed an independent Chair, Mr Stephen Loosley, and Deputy Chair, the Hon Paul Holloway. The Board also includes ex officio representatives from relevant Australian Government and South Australian Government agencies. The Board membership comprises of:

- Mr Stephen Loosley - Advisory Board Chair
- Hon Paul Holloway - Advisory Board Deputy Chair
- Mr Peter Baxter - Deputy Secretary Strategy, Department of Defence
- AIRMSHL Geoffrey Brown AO - Chief of Air Force, Department of Defence
- Mr Martin Hoffman - Deputy Secretary Resources, Department of Industry
- Ms Jan Mason - Deputy Secretary Business, Procurement and Asset Management, Department of Finance
- Mr Andrew Fletcher - Chief Executive Officer, Defence SA
- Dr Paul Heithersay - Deputy Chief Executive, Resources and Energy, SA Department for Manufacturing, Innovation, Trade, Resources and Energy (DMITRE)

Reporting Period

The second annual report of the Advisory Board covers a 9 month period, 1 October 2013 to 30 June 2014 to align its publication with the financial year. Subsequent annual reports will be produced for a full 12 month period, 1 July to 30 June the following year.

The Board’s first annual report included the period between the lifting of the moratorium on new access, on 5 October 2012 through to 30 September 2013.

Terms of Reference

This report fulfils the requirement to report annually on the balance of interests in the WPA. In preparing the annual report on the balance of interests in the WPA and in assessing extant co-existence policy and procedures, the Terms of Reference require the Board to:

a) call for submissions from non-Defence users on their experience with obtaining access to and operating in the WPA;

b) assess Defence use of the WPA for the preceding 12 months and anticipated use for the subsequent 12 months as provided by the Coordination Office; and

c) assess:
   i. the number of tenements renewed or granted in the past 12 months and the number anticipated in the next 12 months; and
   ii. updates on the resources potential of the WPA as provided by the Coordination Office.

Functions

As outlined in its Terms of Reference, the Advisory Board is to:

a) monitor and recommend amendments to co-existence policies and procedures;

b) develop high-level relationships between Defence and the resources sector;

c) resolve disputes between Defence and non-Defence users;

d) report annually on the balance of interests in the WPA; and

e) conduct a review every seven years of the balance of interests in the WPA.
Remuneration

The remuneration for the Chair of the Board is determined by the Remuneration Tribunal in its Principal Determination Remuneration and Allowances for Holders of Part Time Public Office and tier two travel entitlements under its determination Official Travel by Office Holders. The Minister for Defence determined that the Deputy Chair would be paid 80% of the Chair’s base rate, plus the meeting fee only when acting for the Chair, and Tier 2 travel entitlements. There was no additional remuneration payable for ex officio members of the Board.

<table>
<thead>
<tr>
<th>1 October 2013 to 30 June 2014</th>
<th>Remuneration Paid (GST Inclusive)</th>
<th>Meeting Fees (GST Inclusive)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chair – Mr Stephen Loosley</td>
<td>$8833.07</td>
<td>$2562.00</td>
</tr>
<tr>
<td>Deputy Chair – Mr Paul Holloway</td>
<td>$7066.49</td>
<td>Nil</td>
</tr>
</tbody>
</table>

The Remuneration Tribunal conducts reviews on the rates within the Determinations and if an increase is to be made a ‘Statement’ will be issued advising the rate increase, accompanied by the justification. Copies of current and previous Determinations can be located on the Remuneration Tribunal website at http://www.remtribunal.gov.au/.

Terms of appointment

The terms of appointment for the current Chair and Deputy Chair are three years, which commenced on 1 November 2012 and concludes on 31 October 2015.

Ex officio members relinquish membership on cessation of their substantive appointments to their respective government departments. Membership normally transfers to the new incumbents.

Advisory Board meetings

The Board initially met quarterly and this was adjusted to three meetings per year to be held at the following locations:

- Adelaide,
- Canberra and
- Woomera Prohibited Area

The following three Advisory Board meetings were held during the reporting period.

3 December 2013, Woomera

The third Board meeting of 2013 was held in Woomera on 3 December 2013. The meeting was held in conjunction with a non-Defence visitor’s day and dinner at Woomera. This event was hosted by the Royal Australian Air Force, on behalf of Defence with financial support from DMITRE.

WPA stakeholder groups were invited to address the Board to discuss their experiences of accessing the WPA and of co-existence more broadly. The Board subsequently met with two pastoralists, an exploration company, a mining company and representatives of the railway owners and operators.

The Board members also attended visitor day activities at the airfield and had the opportunity to meet local Woomera community representatives and many regional Defence and non-Defence families from the Woomera township community and surrounding regions. The visitor’s day combined an opportunity to view current Defence equipment used in trials at the range, and for all Defence and non-Defence users to meet and interact. Attendees were able to view military assets including aircraft and armoured vehicles and weapons at the airbase, and undertake a tour of the Test Range incorporating the ELDO launch site at Lake Hart, the Ruins of Koolymilka Village and the Range Control Centre. Lunch was provided at the airfield during an air display by RAAF aircraft.
The meeting culminated in a formal dinner at the Eldo hotel in Woomera with the guest of honour His Excellency Rear Admiral Kevin Scarce, Governor of South Australia. All Defence and non-Defence attendees had the opportunity to continue discussions on the new co-existence model and meet as many range users as possible. AIRCDRE Noel Derwort gave a presentation on co-existence within the WPA, followed by a speech from His Excellency the Governor of South Australia.

18 February 2014, Adelaide

The first Board meeting of 2014 was held in Adelaide on 18 February 2014. The Board invited stakeholders who were unable to attend the Woomera meeting to meet with them as part of this activity. The invitation included Indigenous groups who have native title rights and interests, the Conservation Council of South Australia (Conservation SA) and the South Australian Chamber of Mines and Energy (SACOME).

Other agenda items included the progression of the new legislation, the requirement for a Regulation Impact Statement and a discussion regarding the importance of Section 400 to the Maralinga Tjarutja people.
The Board’s original Terms of Reference stated that the Board should meet quarterly at the beginning, moving to half yearly, and were to be held in Adelaide and Canberra alternatively. The Board agreed to amend its Terms of Reference to reflect three meeting per year to be held in Canberra, Adelaide and the Woomera Prohibited Area.

13 June 2014, Canberra

The second meeting of 2014 was held in Canberra on 13 June 2014. The Board discussed the steps required to formally complete the process of excising Section 400 from the WPA, which was advised in a joint media release on 4 June 2014 by the Minister for Defence and Minister for Indigenous Affairs.

Discussions also focused on the establishment of the Reference Group once the new legislation was passed and the further progression of the legislation and the associated Rule.

Meeting Attendance

The members’ attendance at meetings during the reporting period is listed in the table below.

<table>
<thead>
<tr>
<th>Name of Member</th>
<th>Position</th>
<th>Meeting eligibility</th>
<th>Meetings attended</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mr Stephen Loosley</td>
<td>Chair</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Hon Paul Holloway</td>
<td>Deputy Chair</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>AIRMSHL Geoffrey Brown AO</td>
<td>Chief of Air Force</td>
<td>3</td>
<td>1*</td>
</tr>
<tr>
<td>Mr Andrew Fletcher</td>
<td>Chief Executive Officer, Defence SA</td>
<td>3</td>
<td>2*</td>
</tr>
<tr>
<td>Dr Paul Heithersay</td>
<td>Deputy Chief Executive, Resources and Energy, DMITRE</td>
<td>3</td>
<td>2*</td>
</tr>
<tr>
<td>Mr Martin Hoffman</td>
<td>Deputy Secretary, Department of Industry</td>
<td>3</td>
<td>2*</td>
</tr>
<tr>
<td>Ms Jan Mason</td>
<td>Deputy Secretary, Business, Procurement and Asset Management, Department of Finance</td>
<td>3</td>
<td>2*</td>
</tr>
<tr>
<td>Mr Brendan Sargeant</td>
<td>Deputy Secretary, Strategy, Department of Defence</td>
<td>1</td>
<td>0*</td>
</tr>
<tr>
<td>Mr Peter Baxter</td>
<td>Deputy Secretary, Strategy, Department of Defence</td>
<td>2</td>
<td>1*</td>
</tr>
</tbody>
</table>

* A representative was provided for the meeting not attended.
3. Legislative package

The Hawke Review recommended the introduction of a co-existence scheme underpinned by legislation to encourage non-Defence users to access the WPA for commercial purposes. The aim of the scheme was to provide commercial non-Defence users of the WPA with certainty around their access rights and responsibilities, while maintaining the WPA for primary use as a national security and defence asset.

Defence, in conjunction with the Department of Industry and the South Australian Government, developed the Defence Legislation Amendment (Woomera Prohibited Area) Bill 2014 (the Bill) that was introduced into Parliament on 27 March 2014.

The regulatory system introduced by the legislation re-establishes the primacy of the WPA as a national defence asset and provides a co-existence framework that allows non-Defence users to access the WPA on a conditional basis. The conditions are intended to protect the safety of all users in the WPA and to ensure the appropriate national security protections for an area used to test defence capability.

Importantly, the framework provides stakeholders with greater certainty of the co-existence arrangements and, for resource exploration and production companies, confidence to invest in the WPA with increased awareness of Defence activity in the area.

The new regulatory scheme will also reduce the cost burden to these companies in obtaining access permission and will see savings of an estimated $69,000 per year over 10 years compared with the previous mining deed negotiation process. The new regulatory scheme is cost neutral for other users, including opal miners and tourists.

Other key features of the new legislation include new access management zones with defined exclusion periods; a permit system to support the co-existence framework; new compliance and enforcement measures including offences and penalties for entering the WPA without permission and for failing to comply with the conditions of a permit; and compensation measures which will provide for compensation for acquisition of property interests or loss or damage caused by negligent use of the area for Defence purposes.

The new legislation does not apply to those users who have permission to access the WPA under the Defence Force Regulations 1952. This includes pastoralists, Indigenous groups, the rail operator and the existing operating mines, who will continue to access the WPA under their leases, deeds or other permission type provided under the Defence Force Regulations 1952.

Indigenous groups and the railway operator raised concerns about their existing arrangements during consultations. Defence continued to work closely with all existing users to respond to their concerns, which consisted mainly of clarifying longstanding working relationships with Defence in the administration of the range.
4. Woomera Prohibited Area overview

The importance of the WPA to Defence

The WPA remains a declared ‘Prohibited Area’ under regulation 35 of the Defence Force Regulations 1952. This regulation allows the Minister to declare a place to be a prohibited area which is a place necessary, expedient or in the interest of safety or defence of Australia:

- to carry out operations for the testing of war materiel; and
- that special precautions be taken to prevent the entry of unauthorised persons into that place.

In addition, a person must not access the WPA without the Minister’s permission, which may be subject to any condition necessary for the protection of persons, property and official secrets. The authority to grant permission to the WPA has been delegated to officials in the Department of Defence, including key positions located in Woomera. This allows access decisions to be made in a timely manner.

The WPA covers nearly 122,000 km² in South Australia, approximately 450 km NNW of Adelaide. It comprises extensive lands north of the Indian Pacific railway, from Maralinga in the south-west up to its north-west corner in the Great Victoria Desert (that stretches across the SA-WA border), across to Coober Pedy, and west of Roxby Downs down to Woomera in the south-east.

The WPA is globally unique, and Australia’s most important military testing range. It is used for the testing of war materiel under the management of the Royal Australian Air Force and is the largest land-based test range in the world, comparable in size to England, with a centre line of over 600 km.

The size, remote location, low population density and quiet electromagnetic environment of the WPA make it an ideal test and evaluation site for Australia and its allies and partners.

The WPA was established as a long-range weapons testing facility by the United Kingdom and Australia under the Anglo-Australian Joint Project, which wound down during the 1970s. The use of the WPA by Defence declined during the 1980s and 1990s at which time its use by non-Defence users including the resources sector, increased in the area. Changes in the strategic environment since the late 1990s have resulted in an increasing requirement for access to WPA facilities for the testing and evaluation of weapons systems.
The range is now increasing in use with trials ranging from traditional kinetic weapons to the testing of new electronic warfare systems and unmanned aerial systems and is in near constant use.

Defence is responsible for ensuring the safety of people and security of trials during all defence activities inside the WPA. Current and future weapons systems are increasing in range and lethality and require larger exclusion areas during the critical trials and evaluation phase undertaken at Woomera. Testing of the Joint Direct Attack Munition – Extended Range during 2013 and 2014 has informed development and acceptance of this important capability. This weapon has a significantly longer range than previous bombs requiring evacuation of an area that can not be achieved on any other range in Australia. The Joint Direct Attack Munition – Extended Range, Joint Air to Surface Standoff Missile and HiFire rocket trials will require large areas of the WPA and are indicative of the safety templates for future generation weapons. Increasingly Defence will rely on new generation weapons which will focus on electronic effects rather than traditional kinetic ones. Whilst not having the same dynamic or explosive potential of traditional kinetic weapons (bombs and missiles), lasers and jammers require larger safety templates, bounded only by radio frequency horizons, to ensure personal safety and protecting electronic equipment which can create an indirect safety hazard to range users. Providing access to an electronically quiet environment in the WPA provides a unique capability for Australia and our strategic partners to test new generation electronic systems, affording high levels of safety and protecting the sensitive nature of many of these trials and tests. Security of Defence trials provided inside the WPA remains a critical part of Australia’s continued access to leading edge weapons and systems.

The importance of the area for non-Defence users

The WPA overlaps a major part of South Australia’s potential for significant minerals and energy resources, including 30 per cent of the Gawler Craton, one of the world’s major mineral domains, and the Arckaringa, Officer and Eromanga Basins for hydrocarbons and coal. Olympic Dam is adjacent to the WPA and is part of the Gawler Craton.

During the reporting period there were four operating mines in the WPA: the Challenger gold mine, producing more than 80,000 ounces of gold a year since 2002; the Prominent Hill copper-gold mine, operating since 2010, is a medium-sized, high quality copper-gold mine producing around 75,000 tonnes of copper and around 140,000 ounces of gold a year; the Peculiar Knob iron ore mine, operating since October 2012, contributing approximately 3.6 million tonnes per annum of high grade iron ore to Arrium’s 12 million tonnes per annum processing and export facilities in Whyalla, and the Cairn Hill magnetite (iron ore) mine, operating since 2010, was one of Australia’s few magnetite mines, producing around 1.7 million tonnes of premium quality magnetite-copper direct shipping ore a year.

On 18 June 2014, IMX Resources Ltd announced that its Cairn Hill iron ore mine was placed in voluntary administration due to the decline in the iron ore price. Cairn Hill is owned and operated by Termite Resources NL, which is wholly-owned by an incorporated joint venture entity (comprising IMX and Taifeng Yuanchuang International Development Co., Ltd). The Cairn Hill mining lease (ML 6303) remains current whilst the status of the mine site is ‘on care and maintenance’.

The South Australian Government and Geoscience Australia have assessed that over the next decade about $35 billion worth of iron ore, gold and other mineral resources are potentially exploitable from within the WPA.

Most of the WPA is South Australian Crown land and is covered by pastoral leases and exploration and mining tenements granted by the South Australian Government. The WPA contains Indigenous freehold title, recognised traditional owners and claimants and significant Indigenous heritage sites. There are native title rights, interests and claims over most of the WPA.

Key transport infrastructure, including the Stuart Highway and the Adelaide to Darwin railway bisect the WPA.

Visits to the area by tourists has increased in recent years. Tourists both from interstate and overseas visit Coober Pedy north of the WPA, dubbed as the ‘Opal Capital of the World’, for its opals, opal mines and local attractions such as the underground homes, museums and outback activities. Adventure seekers and nature
lovers visit and traverse the Tallaringa Conservation Park (northwestern WPA) which provides 4WD access to Western Australia along the Anne Beadell Highway. The Woomera Village with its “Rocket Park” and museum is also an attraction for tourists travelling through the area.

Co-existence model

The Hawke Review concluded that the WPA is an important asset in the national interest, but that its full potential is not being realised. It was evident that introducing a comprehensive range management framework would improve the co-existence of national security and economic interests in the WPA.

Accordingly, the Review proposed that access to the WPA be facilitated for resources exploration to the maximum extent possible, while ensuring Defence primacy for the testing of war materiel. This would allow Australians to take advantage of the resources potential in the WPA while ensuring its future viability as the most important test and evaluation range that supports the Australian Defence Force.

To implement the co-existence model, the Review recommended that access be regulated by the use of zones and exclusion periods that recognises the frequency and location of Defence testing, its safety and security requirements, and that some areas within the WPA are used more often than others. These provisions would give non-Defence users greater certainty by granting guaranteed access to parts of the WPA for set periods of time.

The zones were determined according to Defence use of the WPA, and have been in place since 31 March 2012. They are:

- **Red Zone**: encompassing the area of high frequency Defence use;
- **Amber Zone**: encompassing the area of periodic Defence use and, together with the Red Zone, comprises the previously defined Core Area of Operations as described in the Defence Minister’s statement of 17 May 2010; and
- **Green Zone**: encompassing the area of infrequent Defence use.
The number of exclusion periods available for Defence depends on the zone within the WPA. The exclusion periods are each of seven days duration during which non-Defence users are required to evacuate the designated areas:

- **Red Zone** (continuous Defence use): a total exclusion of new non-Defence users.

- **Amber Zone** (periodic Defence use): Defence can exclude new non-Defence users for 20 windows each of seven days in the Amber Zone (Zone 1), and 10 windows each of seven days in the Amber Zone (Zone 2) - the corridor - every year. Defence will give at least three months notice before the beginning of the financial year in which the exclusion period begins. There will be a break of at least six weeks between the exclusion periods.

- **Green Zone** (infrequent Defence use): Defence can exclude new non-Defence users up to 56 days. The exclusions will be for up to eight windows of seven days each year after giving permit holders with permanent facilities a minimum of six months notice, and other permit holders 14 days notice.

Exclusion period notices have been exercised since 1 July 2012.

Essential elements of the co-existence model are transparency and compliance monitoring. Defence has created a Compliance Management Flight, a specialist team to provide a compliance, monitoring and enforcement capability inside Air Force as an integral part of the Woomera Test Range team. The team’s primary role is to provide compliance monitoring which is conducted using ground patrol vehicles supplemented with aerial surveillance. Visits to the existing mine sites inside the WPA and regular interaction with the indigenous groups represented in the WPA has greatly increased the understanding of the activities and requirements of all WPA stakeholders. Meetings with rail operators and the pastoral board, as well as individual pastoralists by Woomera Test Range staff have also increased transparency across all WPA activities.
5. Economic potential

SA Government economic/resource potential assessment

The WPA covers over 30 percent of the Gawler Craton, one of the world’s major mineral domains, and the Arckaringa, Officer and Eromanga Basins that contain conventional and unconventional hydrocarbons and coal. Geoscience Australia has estimated that 62 percent of Australia’s known copper resources, as well as 78 percent of the country’s known uranium resources are located within the WPA and immediate surrounds.

It is estimated that the WPA has a potential mineral development value of up to $35 billion, including iron ore, gold, copper and uranium prospects.

There are currently 3 operating mines within the WPA - the Challenger gold mine by Kingsgate Consolidated Ltd, the Prominent Hill copper-gold mine by OZ Minerals, and the Peculiar Knob iron ore mine by Arrium. In June 2014, the fourth operating mine - Cairn Hill, was closed and placed on ‘care and maintenance’ following the appointment of administrators.

These mines employ over 2,000 people and contribute about $20 million per annum to South Australia in royalties.

Despite recent falls in commodity prices, the operating mines within the WPA remain economically viable. Kingsgate Consolidated continues to identify additional resources within its Challenger mine continuing its operation from an initial mine life of 3 years back in 2002. Kingsgate Consolidated is looking to extend underground operations to north of the current mine with the application for an adjacent, new mining lease. OZ Minerals continues to develop its underground operations to extend the Prominent Hill mine life which is now expected to be as follows: Malu open pit to 2018, Ankata underground to 2022 and Malu Underground to 2024. Arrium is actively progressing its Hawks Nest iron ore project which lies south of Peculiar Knob.
The high prospectivity of the area is also demonstrated by the active exploration of both Australian and international major miners and explorers in WPA. At the end of June 2014, there were 179 active mineral exploration licences within WPA held by 58 companies including BHP Billiton, FMG Resources, Vale, Teck Cominco and Antofagasta Minerals. Eight different companies holding 17 tenements under the Petroleum and Geothermal Energy Act 2000 (SA) continue to evaluate the considerable potential of the region to host oil, conventional and unconventional gas reserves and ‘hot rocks’ at depth that could support geothermal power generation.

To further assess the economic and resource potential of the WPA, the South Australian Government, through its PACE 2020 Initiative, funded the Gawler Craton (WPA) Gravity Survey. The survey began in June 2013 and was completed in September involving collaboration between DMITRE, Geoscience Australia, and Defence personnel from WPACO and the Woomera Test Range. The new data collected from the gravity survey has enabled the detection of large-scale iron oxide copper gold mineral systems hidden under the cover sediments of the Gawler Craton. The WPA gravity survey data together with reprocessed magnetic data were released to the industry in November 2013 bolstering exploration investment in the region and supporting the discovery of South Australia’s next series of mines. The data is currently freely downloadable through SARIG 2020, the State’s online delivery portal for all geoscientific information (www.minerals.statedevelopment.sa.gov.au/sarighelp).
6. Facts and Figures

SA Government tenements and licences - Mineral, Petroleum and Geothermal Exploration

During the year a number of mineral, petroleum, and to a lesser extent, geothermal exploration tenements were active in the WPA area (refer table).

Upon the granting of a mineral exploration licence (EL), the holder of an EL has authority to conduct low impact exploration activities which include geophysical surveys, soil and rock chip sampling, mapping, Indigenous heritage surveys and other non-invasive exploration techniques. When undertaking low impact exploration activities, these must be conducted in accordance with the Generic Program for Environment Protection and Rehabilitation (PEPR) for Low Impact Exploration Activities in SA. Prior to the use of drilling and earthmoving equipment required in the search for and delineation of mineral deposits, explorers are required to submit a PEPR for assessment and approval. During the reporting period, 3 new PEPRs were approved with a total of 14 active PEPRs in the area.

In general, activities conducted within the WPA during the reporting period included airborne surveys, Indigenous heritage surveys, ground sampling and mapping programs, exploratory drilling and site rehabilitation works. Exploration expenditure is expected to be more than $13 million based on current available data.

<table>
<thead>
<tr>
<th>Tenement / Application</th>
<th>Current</th>
<th>Granted</th>
<th>Renewed</th>
<th>Anticipated over the next 12 months</th>
</tr>
</thead>
<tbody>
<tr>
<td>ELA – Exploration Licence Application</td>
<td>17</td>
<td>-</td>
<td>-</td>
<td>17 ELAs may be finalised and granted</td>
</tr>
<tr>
<td>EL – Exploration Licence</td>
<td>163</td>
<td>9</td>
<td>0</td>
<td>Up to 111 ELs may be renewed</td>
</tr>
<tr>
<td>MC – Mineral Claim</td>
<td>4</td>
<td>1</td>
<td>0</td>
<td>Anticipated to be similar to previous year</td>
</tr>
<tr>
<td>RL – Retention Lease</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>GEL – Geothermal Exploration Licence</td>
<td>3</td>
<td>0</td>
<td>0</td>
<td>1 GEL to be surrendered</td>
</tr>
<tr>
<td>GELA - Geothermal Exploration Licence Application</td>
<td>0</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>GSEL – Gas Storage Exploration Licence</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>Anticipated to be similar to previous year.</td>
</tr>
<tr>
<td>GSELA – Gas Storage Exploration Licence Application</td>
<td>21</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>PEL – Petroleum Exploration Licence</td>
<td>10</td>
<td>0</td>
<td>2</td>
<td>2 PELs will be renewed over a reduced area</td>
</tr>
<tr>
<td>PELA – Petroleum Exploration Licence Application</td>
<td>17</td>
<td>-</td>
<td>-</td>
<td>1 PELAs may be granted</td>
</tr>
</tbody>
</table>
The mineral exploration licences (ELs) granted in the WPA between 1 October 2013 and 30 June 2014 are shown in the following figure.
Existing mines

During the period four metallic mines operated within the WPA (although the Cairn Hill mine was placed in voluntary administration on 18 June 2014). There are also several small extractive mines which supply construction materials locally, often on an ‘as needed’ basis. Information on the major mines in the WPA is provided in the table below.

<table>
<thead>
<tr>
<th>Mine Name</th>
<th>Commodity</th>
<th>Company</th>
<th>Status</th>
<th>Term of Mining Lease</th>
<th>Life of Mine(^1) (years)</th>
<th>Production FY 2013/14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prominent Hill</td>
<td>Copper (Cu), Gold (Au), Silver (Ag)</td>
<td>OZ Minerals</td>
<td>Operating underground (Ankata); Commissioning underground (Malu)</td>
<td>ML 6228 – 15 years from 2006 to 2021</td>
<td>11 (out to 2025)</td>
<td>75,872t Cu</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>129,765oz Au</td>
</tr>
<tr>
<td>Challenger</td>
<td>Gold (Au)</td>
<td>Kingsgate Consolidated Ltd</td>
<td>Operating; underground</td>
<td>ML 6103 – 17 years from 2001 to 2018</td>
<td>Extended to June 2015</td>
<td>74,954oz Au</td>
</tr>
<tr>
<td>Cairn Hill</td>
<td>Magnetite iron ore (Fe(_3)O(_4)), Copper (Cu), Gold (Au)</td>
<td>Termite Resources NL (an incorporated JV of IMX 51% &amp; Taifeng Yuanchuang Int. Dev. Co. Ltd. 49%)</td>
<td>Ceased operation on 18 June 2014 and placed under voluntary administration</td>
<td>ML 6303 – 10 years from 2008 to 2018</td>
<td>6</td>
<td>1.66Mt ore mined</td>
</tr>
<tr>
<td>Peculiar Knob</td>
<td>Hematite iron ore (Fe(_2)O(_3))</td>
<td>Arrium Ltd</td>
<td>Operating; open cut</td>
<td>ML 6314 – 14 years from 2008 to 2022</td>
<td>6</td>
<td>3.4Mt ore mined, 3.75Mt crushed &amp; railed</td>
</tr>
</tbody>
</table>

\(^1\) Published information based on currently defined reserves

In line with the co-existence model for the area, both the exploration and mining operators work in close communication with Defence in relation to their operations and the scheduling of activities relevant to supporting Defence tests.

The DMITRE Mining Regulation officers conduct regular inspections of mine operations within the WPA. Annual Compliance reporting is required by the department from mineral production tenement holders to demonstrate compliance with the Outcomes and Criteria of an approved PEPR for mining operations, progressive rehabilitation and completion.

Negotiations underway for mining

Negotiations are continuing with a company interested in a Resource Production permit for new mining operations in the WPA.
New exploration deeds and other forms of access

Information on the types of Deeds of Access and total numbers held are provided in the table below.

<table>
<thead>
<tr>
<th>Period</th>
<th>Total Number of Deeds of Access held</th>
</tr>
</thead>
</table>
| As at 31 Dec 13 | 32 mineral exploration  
|              | 4 mineral lease  
|              | 4 extractive mineral  
|              | 1 petroleum  
|              | 0 geothermal  
|              | 1 infrastructure/other                                                  |
| As at 31 Mar 14 | 33 mineral exploration  
|              | 5 mineral lease  
|              | 4 extractive mineral  
|              | 1 petroleum  
|              | 0 geothermal  
|              | 1 infrastructure/other                                                  |
| As at 30 Jun 14 | 34 mineral exploration  
|              | 5 mineral lease  
|              | 4 extractive mineral  
|              | 1 petroleum  
|              | 0 geothermal  
|              | 1 infrastructure/other                                                  |
The table below provides a summary of applications and access requests during the period.

<table>
<thead>
<tr>
<th>Item</th>
<th>1 Oct 13 to 31 Dec 13</th>
<th>1 Jan 14 to 31 Mar 14</th>
<th>1 Apr 14 to 30 Jun 14</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deeds of Access executed</td>
<td>2</td>
<td>1</td>
<td>2</td>
<td>5</td>
</tr>
<tr>
<td>Deeds of Amendments issued</td>
<td>3</td>
<td>2</td>
<td>0</td>
<td>5</td>
</tr>
<tr>
<td>Non-compliance</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Approved Personnel lodged in period</td>
<td>340</td>
<td>328</td>
<td>352</td>
<td>1020</td>
</tr>
<tr>
<td>Total number of Approved Personnel currently approved</td>
<td>1807</td>
<td>2099</td>
<td>2450</td>
<td>6356</td>
</tr>
<tr>
<td>Approved Personnel denied</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Escorted Personnel lodged in period</td>
<td>9</td>
<td>67</td>
<td>47</td>
<td>123</td>
</tr>
<tr>
<td>Escorted Personnel denied</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Number of Tourist Permits issued</td>
<td>24</td>
<td>111</td>
<td>274</td>
<td>409</td>
</tr>
<tr>
<td>Number of tourists processed on Permits</td>
<td>42</td>
<td>229</td>
<td>564</td>
<td>835</td>
</tr>
<tr>
<td>Tourist Permits denied</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Opal Permits issued</td>
<td>10</td>
<td>10</td>
<td>5</td>
<td>25</td>
</tr>
<tr>
<td>Opal Permits denied</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Exploration Access Requests processed</td>
<td>30</td>
<td>33</td>
<td>19</td>
<td>82</td>
</tr>
<tr>
<td>Total number of personnel processed on Access Requests</td>
<td>217</td>
<td>320</td>
<td>283</td>
<td>820</td>
</tr>
<tr>
<td>Access Requests denied</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>
Opal Mining

The Coober Pedy Proclaimed Precious Stones field covers approximately 4,954 square kilometres, 48% of which falls within the WPA. Prospecting for Opal and Opal mining tend to be ephemeral activities with a constant turnover of registered tenements. Exceptions to this occur when opal is found, and then tenements tend to be renewed for longer periods.

There are currently 56 registered precious stones tenements within the WPA. For the period October 2013 to June 2014 Opal Fields staff conducted 178 inspections in the area. It is estimated from the Opal Production report (6 months to June 2014) that these tenements may produce $900,000 worth of Opal.
7. Defence use

Range of Unclassified testing undertaken in last 12 months and anticipated use over the next 12 months

During the reporting period (01 October 2013 – 30 June 2014) overall Defence activity was slightly down compared to the previous reporting period. Less testing activities were planned and a higher proportion of planned activities were cancelled. Contributing factors included changed reporting periods, fiscal pressures, reduced operational tempo as a consequence of Australian Defence Force withdrawal from Afghanistan and equipment readiness for trial. Future years are expected to see an increase in the number of trials; and the complexity of these trials is expected to increase following introduction of new platforms and weapons.

Trials conducted during the reporting period include air-to-surface weapons, remotely piloted aircraft, electronic warfare self-protection, surface-to-air missiles, parachute delivery and explosive ordnance disposal.

Similar trials are planned for FY 2014/15 with an increase in testing of long-range air-to-surface weapons and rocket launches.

The project to replace the test range systems including radars and optical systems is well advanced and work on upgrading the airfield is due for completion in December 2014 reflecting the priority Defence is placing on the Woomera Test Range.

Range usage

There were 47 tasks were planned to commence over the reporting period. Of these, 26 were completed, 20 were cancelled and 1 remained underway. 821 staff participated in trial activities (excluding Woomera Test Range staff). Simultaneous conduct of multiple trials on a single day in geographically separated areas means that
551 trial activity days were achieved. Additionally, 94 visits were conducted involving a total of 382 persons.

Exclusion Windows exercised over the reporting period

WPA non-Defence users were advised of the WPA exclusion periods for the 2013-14 financial year on 21 March 2013, and for the 2014-15 financial year on 31 March 2014. The exclusion periods for Amber Zone 1, Amber Zone 2 (the corridor) and the Green Zone during the reporting period are provided in the following tables.

<table>
<thead>
<tr>
<th>Amber Zone One Planned</th>
<th>Exclusion exercised</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>07 October – 10 November 2013</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>17 February - 23 March 2014</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>5 May – 8 June 2014</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>21 July – 24 August 2014</td>
<td>Planned</td>
<td>Note: Exclusion period lifted 15 August 2014</td>
</tr>
<tr>
<td>10 November – 7 December 2014</td>
<td>Planned</td>
<td></td>
</tr>
<tr>
<td>16 February – 22 March 2015</td>
<td>Planned</td>
<td></td>
</tr>
<tr>
<td>18 May – 28 June 2015</td>
<td>Planned</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Amber Zone Two Planned</th>
<th>Exclusion exercised</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>24 November – 7 December 2013</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>3 March – 23 March 2014</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>19 May – 8 June 2014</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>17 – 30 November 2014</td>
<td>Planned</td>
<td></td>
</tr>
<tr>
<td>02 – 15 March 2015</td>
<td>Planned</td>
<td></td>
</tr>
<tr>
<td>18 May – 28 June 2015</td>
<td>Planned</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Green Zone Planned</th>
<th>Exclusion exercised</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>NIL FY 2013/14</td>
<td></td>
<td></td>
</tr>
<tr>
<td>17 November – 07 December</td>
<td>Planned</td>
<td>East of Adelaide to Darwin railway only. Further area refinement planned as trial planning progresses</td>
</tr>
</tbody>
</table>

Where an exclusion period is planned and subsequently no longer required, Defence lifts the exclusion as early as practical.
Nature of exclusions and non-Defence users affected

It is necessary to suspend WPA access at times to ensure safety and/or security during Defence test and evaluation activities. During the reporting period, a combination of pastoralist evacuation and/or activity restrictions was undertaken including road blocks for both major and minor roads.

Tourist Permits were not issued during Amber Zone Two exclusion periods. Tourists requiring permits planned their activities around the planned trial dates.

Defence testing during the reporting period was restricted to the Amber and Red Zones due to the nature of trials conducted. The Green Zone and standing permissions for access such as those applicable to the Stuart Highway and Darwin to Tarcoola Railway were not impacted. Long-range weapon trials and rocket trials planned for FY 2014/15 are expected to require Green Zone exclusion periods which will be notified in accordance with the new legislation. Defence plans to exclude the minimum required area and refine the area as trial planning progresses.
8. Users views on co-existence

In accordance with the Terms of Reference, the Board invited non-Defence users of the WPA to provide their views on access to, and operating in the WPA during the reporting period.

Three submissions were received, including from the South Australia Chamber of Mines and Energy (SACOME), the Conservation Council SA and one exploration company.

In preparing its feedback for the Board, SACOME had consulted its members and advised that overall the comments received were positive. SACOME also requested that consultation and engagement continue into the future.

The submission received from the Conservation Council of South Australia conveyed its view that a portion of the WPA should be considered for wilderness protection under the *South Australian Wilderness Protection Act 1992*.

Finally, the exploration company submission noted that they are satisfied with the way the WPA is managed for all stakeholders.

The Advisory Board noted the submissions received and thanks those who contributed.

9. Conclusion

The Advisory Board believes it has continued to make a valuable contribution to monitoring and reporting on the co-existence between Defence and non-Defence users within the WPA throughout the latter half of 2013 into 2014, and to build upon its successful undertakings of the first year.

The Board was pleased to have the opportunity to meet directly with many non-Defence user groups of the WPA throughout this time and look forward to continuing its important work into the future.
Attachment A

WPA Advisory Board Terms Of Reference

Objectives

1. Monitor and report on the balance of national security and economic interests in the WPA.
2. Oversee the implementation of the co-existence policy arrangements.
3. Foster strategic relationships between Defence and non-Defence users of the WPA.

Membership

4. An independent Chair to be agreed by the Ministers for: Defence; Industry; Finance; and the Premier of South Australia.
5. Members: The Commonwealth (the Department of Defence and the Department of Industry, and the Department of Finance) and the South Australian Government (Department for Manufacturing, Innovation, Trade, Resources and Energy (DMITRE) and Defence SA).
   a. Members should be senior-level (Deputy Secretary/Deputy Chief Executive) representatives of their respective organisations.

Roles and Functions

6. Monitor and recommend amendments to co-existence policies and procedures.
7. Develop high-level relationships between Defence and the resources sector.
8. Resolve disputes between Defence and non-Defence users.
9. Report annually on the balance of interests in the WPA.
10. Conduct a review every seven years of the balance of interests in the WPA.

Operating Procedures

11. The Chair should guide discussions but is not the arbitrator on decisions.
12. The Chair should only endorse proposed amendments to coexistence policy and processes that have been agreed by both Defence and DMITRE.
   a. Each agency representative would be responsible for achieving the necessary changes in their own organisations to effect coexistence policy outcomes.
13. The Board should meet quarterly at the beginning, moving to half yearly, to discuss issues arising from the implementation and execution of coexistence policies and processes and the balance of national interests in the WPA.
   a. Issues could be discussed and resolved out of session with the agreed action appropriately minuted in the subsequent Board meeting.
   b. The Board should invite external persons as they relate to the issues being considered.
14. Consistent with legal authority, and as the primary user of the WPA, Defence should have the final authority on granting non-Defence access, but the Board would operate in a collegiate manner to resolve all reasonable impediments to Defence authorising a permit.
   a. The Board may request that Defence reconsider its decision to deny access in light of any additional substantial information not previously considered by Defence.

15. In preparing the annual reports on the balance of interests in the WPA and in assessing extant coexistence policy and procedures the Board should:
   a. call for submissions from non-Defence users on their experience with obtaining access to and operating in the WPA;
   b. assess Defence use of the WPA for the preceding 12 months and anticipated use for the subsequent 12 months as provided by the Coordination Office; and
   c. assess:
      i. the number of tenements renewed or granted in the past 12 months and the number anticipated in the next 12 months; and
      ii. updates on the resources potential of the WPA as provided by the Coordination Office.

16. The annual reports on the balance of interests in the WPA will be publicly available, with copies provided to the heads of the relevant State and Commonwealth agencies and respective State and Federal ministers.

17. In conducting the seven-yearly review, the Board should consider, but not be limited to, the following:
   a. Defence use of the WPA in the preceding seven years and anticipated use in the following seven years;
   b. the findings from the on-going South Australian Government geological assessment;
   c. the views of non-Defence and Defence users in the WPA; and
   d. the effectiveness of extant time-share arrangements and coexistence policy and procedures.

18. The findings of the seven-yearly review should be provided to the heads of the relevant State and Commonwealth agencies, the Prime Minister, South Australian Premier and respective State and Federal ministers, as well as being made publicly available.

Administration

19. Each agency should be responsible for the resourcing of its contribution to the Board.

20. Secretariat support should be provided by the WPA Coordination Office with support from DMITRE.
   a. Meetings should be held each year at the following locations:
      i. Adelaide,
      ii. Canberra and
      iii. Woomera Prohibited Area.
Notes