

General Direction – s 574

Offshore Petroleum and Greenhouse Gas Storage Act 2006 (Cth)

Direction No: **2084**

To Vermilion Oil & Gas Australia Pty Ltd:

Issue of Direction/s - section 574 of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006*

I, Graham Blair, Deputy Chief Executive Officer of the National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA), make this instrument under section 574 of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* (the Act) pursuant to the Instrument of delegation dated 16 December 2025.

Graham Blair
Deputy Chief Executive Officer – Regulatory Operations
wA1076010

06 February 2026

1. Commencement

This direction takes effect on the date of signature.

2. Application

This direction applies to Vermilion Oil & Gas Australia Pty Ltd, ACN: 113 023 591 the registered holder of petroleum Production Licence WA-14-L.

3. Direction

1. The registered holder of Production Licence WA-14-L, Vermilion Oil & Gas Australia Pty Ltd (VOGA), is given the directions contained in Schedule 1.
2. Each direction in Schedule 1 is a separate direction.

Schedule 1

Direction 1

1. The registered holder must not conduct or permit petroleum offtake activities via the Wandoo export system, until NOPSEMA is satisfied that interim controls are in place that ensure the export system is safe and fit for ongoing service and reduces the environmental risk to as low as reasonably practicable.
2. The registered holder must transition to a fully replaced export system by 31 December 2027, after which petroleum offtake through the existing system (Scope starting from the Pipeline End Manifold to export hose, including CALM Buoy and chains) will not occur, unless otherwise agreed by NOPSEMA.

Direction 2

1. The registered holder must, within 180 days from the date this direction is signed:
 - a. Have an independent, suitably qualified third party conduct a detailed review of the VOGA HSE management system that relates to the management of integrity across all infrastructure located within Production Licence WA-14-L. The review is to:
 - i. identify any gaps in the management of integrity of existing infrastructure associated with the petroleum activity;
 - ii. propose corrective actions in response to 1(a)(i), including end point objective to enable assurance of implementation and effectiveness in remediating the issue(s); and
 - iii. assess the implementation and effectiveness of VOGA actions to address Improvement Notice 1899.

The choice of independent third party and the terms of reference associated with the scope of work are to be agreed by NOPSEMA prior to commencement of work.

2. The registered holder is to revise the VOGA HSE Management System to address any gaps, weaknesses or deficiencies that may be identified through the review conducted by the third party pursuant to Direction 2 (1(a)).
3. Until the review is completed and all associated remedial actions are implemented to NOPSEMA's reasonable satisfaction, VOGA must:
 - a. submit a report to NOPSEMA, every two months, demonstrating progress in implementing the remediation actions; and
 - b. continue reporting until all remedial actions are completed to NOPSEMA's satisfaction.

Direction 3

1. The registered holder must, within 120 days from the date this direction is signed:
 - a. Have an independent, suitably qualified third party conduct a detailed review of the VOGA HSE management system that relates to environmental management and assurance elements to determine whether the system is designed and operating effectively to:
 - i. implement all control measures and performance requirements of the Environment Plan in practice;
 - ii. translate control measures into clear tasks, accountabilities, and records;
 - iii. provide effective inspection, maintenance, monitoring, and verification to prevent incidents;
 - iv. identify, classify, manage, and close anomalies and non-compliances within defined timeframes; and
 - v. ensure personnel and contractors are competent and adequately resourced to perform these duties.

The choice of independent third party and the terms of reference associated with the scope of work are to be agreed by NOPSEMA prior to commencement of work.
2. The registered holder must revise the VOGA HSE Management System and implement a corrective action program that addresses all findings from Direction 3 (1). The program must:
 - a. be risk-prioritised (highest risk actions first);
 - b. assign accountable owners, resources, due dates, and objective completion criteria;
 - c. include effectiveness measures for each action;
 - d. result in risks and impacts from petroleum activities being reduced to ALARP and acceptable; and
 - e. provide progress updates to NOPSEMA every two months.
3. The registered holder must provide NOPSEMA with a report that demonstrates completion of Directions 3(1)(2), including:
 - a. the investigation findings and causal analysis;
 - b. the management system gaps identified and their connection to the non-compliances;
 - c. the revised controls, procedures, and assurance tasks and how they are now being applied;
 - d. evidence demonstrating that corrective actions have been implemented and are effective; and
 - e. evidence demonstrating that functional mechanisms are in place to ensure risks and impacts arising from the petroleum activity continue to be reduced to levels that are ALARP and acceptable.

Direction 4

1. This General Direction must be displayed at a prominent position at the Wandoo facility.

Explanatory Statement

NOPSEMA has undertaken recent inspection and investigation activities that have identified systemic failures in the Titleholder's Environmental Management System (EMS). These include repeated non-compliance with Environment Plan (EP) requirements and inadequate implementation of inspection, maintenance, and assurance processes.

An environmental inspection of the Wandoo facility conducted in October 2025, together with a separate investigation following the unplanned release of petroleum from the Wandoo export system on 11 December 2025, has identified deficiencies in the Titleholder's management systems. These findings are consistent with issues identified during previous environment and OHS inspections and demonstrate that weaknesses within the Titleholder's HSE management system remain unresolved. These issues reflect recurring themes from earlier inspections and show that corrective actions and assurance processes have not fully addressed the underlying causes.

These matters have been repeatedly communicated to VOGA through inspection actions, a structured remedial action plan, and targeted enforcement measures, the Titleholder has not effectively addressed systemic deficiencies nor independently identified them as current and persistent issues. The systemic weaknesses identified may have contributed to the unplanned hydrocarbon release from the Wandoo export system in December 2025.

Additionally, the titleholder has not demonstrated the fitness for service of the replacement CALM Buoy Reducing Spool. This assurance has not been provided in accordance with industry practice or sound engineering principles, prior to the intended recommencement of offtake activities.

Taken together, these findings demonstrate that the EMS is not fit for purpose, to ensure that compliance is consistently achieved and able to reliably ensure environmental risks are managed to ALARP. Accordingly, NOPSEMA considers it necessary to issue this General Direction.

Notes

Breach of a direction

Under sub section 576(1) of the Act, if a person is subject to a general direction under section 574 and the person engages in conduct that breaches that direction, the person commits an offence:

Fault-based offence – 5 years imprisonment or 2,000 penalty units, or both (10,000 penalty units for a body corporate).

Strict liability offence – 100 penalty units (500 penalty units for a body corporate).

Civil penalty provision – 525 penalty units (2,625 penalty units for a body corporate).

Continuing offences – a person who commits a fault-based or strict liability offence commits a separate offence in respect for each day during which the offence continues. The maximum penalty for each day that the offence continues is 10% of the maximum penalty that can be imposed in respect to that offence.

Continuing contraventions of civil penalty provisions – a person who contravenes the civil penalty provision commits a separate contravention in respect for each day during which the contravention continues. The maximum civil penalty for each day that the contravention continues is 10% of the maximum civil penalty that can be imposed in respect to that contravention.