



Coastwatchers

Eurobodalla's environment group

Newsletter 2 October 2015

Recent Chronology of Events Regarding the Dargues Reef Gold Mine

1. Modification 3.

In early 2015, Unity Mining's subsidiary Big Island Mining applied for a further Modification to its existing gold mining approval at Major's Creek near Braidwood.

This application was placed on public exhibition on 10 July 2015, for 6 weeks until 26 August 2015.

The key elements in the Modification 3 proposal were:

a. The introduction of on-site cyanide processing operations, which created transportation, storage and handling risks as well as issues associated with the resulting contaminated concentrate of heavy metals and toxic water waste in the tailings dam.

b. The size of the proposed tailings dam was to be radically increased by 78% from 9ha to 16ha. This is equivalent in area to about 128 Olympic swimming pools.

c. The disturbance area of the project is to increase by 41% from 33.1 ha to 46.8 ha (including the

creation of a new waste rock emplacement (approx. 6 ha in size).

d. An increase in resource extraction by 33% from 1.2 to 1.6 million tonnes.

e. A new transport crossing over Spring Creek for heavy vehicles, a new contaminated concentrate pipeline, and a new the paste/fill pipeline.

2. Submissions to NSW Planning

Coastwatchers, prepared a 16 page submission, together with 3 Appendices. These can be read on the Coastwatchers Website at:

<http://www.coastwatchers.org.au/campaignsandissues/formal-submissions-on-the-2015-proposals-by-unity-mining-to-modify-existing-mine-approval-at-dargues-reef/>

Overall there were 428 submissions, of which 347 (81%) opposed the proposal, 69 (16%) supported the proposal and the remainder, were 'comments', most from government agencies.

Both the Eurobodalla Shire Council and the Palerang Shire Council, opposed this proposal, and jointly engaged an expert consultant to assist in preparing their submissions.

3. Post Submissions

The 428 submissions are now being considered by Unity Mining and the NSW Planning Department.

It is uncertain how long this process will take and what may happen in the future. Under normal circumstances the matter would proceed to the independent PAC, the NSW Planning Assessment Commission. However, that may not happen because of a number of matters, which have happened since the closure of submissions.

4. New Mining SEPP

On 31 August 2015 5 days after submissions closed with Modification 3 at Dargues Reef Mine, the NSW Planning Minister Rob Stokes MP announced the State's mining policy would be changed to ensure **economic, environmental and social** considerations are appropriately balanced when considering mining projects. Previously, the **economic** criteria, was the only criteria applicable.

The reform was introduced by an amendment to the Mining SEPP (State Environmental Planning Policy). The amended policy came into effect on Wednesday 2 September 2015.

The proposed reforms were placed on public exhibition back in July 2015 and the Government received more than 2,400 submissions, 98 per cent of which supported the proposed amendment. The Minister acknowledged the massive community support for the reform.

The new policy has already been required to apply to a number of coal mines, which had commenced the planning process. It was unfortunate with the Dargues Mine missed by 7 weeks.

5. Commonwealth Endangered Species Legislation.

Two days after the NSW Planning submissions had closed, the Coastwatchers learnt that Unity Mining had made a referral application to the Commonwealth Department of the Environment regarding species on the Commonwealth's Endangered Species list under the EPBC Act.

The Coastwatchers' had 7 days to prepare a submission and pointed out that the additional risks arising from the proponents 'Modification 3' were so significant as to require a formal assessment and a new approval under the Cth's EPBC Act.

In particular, there were major risk increases from a tailings dam overflow or failure, which would have significant if not catastrophic impacts on threatened and endangered species downstream.

Yet the proponent completely ignored those significant increases in risk, instead settling on a desktop assessment of the immediate site, as in 2010.

Coastwatchers indicated that any formal assessment must be incorporated into a detailed EIS covering the area from Majors Creek to Moruya, together with a detailed Risk Assessment.

6. Unity Abandons Cyanide

Since the closure of the public exhibition for Modification 3, Unity Mining has formally notified the Department of Planning, that it has altered the proposal in three significant ways.

First, the removal of cyanide from the processing of gold at the mine.

Second, the management of the tailings operation is to be altered following the withdrawal of the cyanide, and that a further amendment is to be made to the application.

Third, the period of operation of the mine is to be extended by four years from 2018 to 2022.

The Coastwatchers are concerned that this “creep” process to development approval by Unity Mining, continues. It is their modus operandi. It is alarming to see how the goal posts keep shifting, with little or no consultation with the community.

7. Coastwatchers Letter To Minister Stokes.

At the end of September 2015, the Coastwatchers wrote to Minister Stokes requesting that any further consideration of Modification 3 at the Dargues Reef Mine, be terminated, and recommenced with a new Development Application, given the significant changes, which have occurred since the close of submissions.

The new Development Application should consider:

a. Correct meteorological data, which will have subsequent changes to tailings dam infrastructure.

b. A review of the initial Development Approval given the meteorological data was similarly incorrect in 2010.

c. A thorough EIS, reviewing all impacts of the mine on flora, fauna and humans, for the 60km from Majors Creek to the Coast. (Note it is unbelievable that a comprehensive EIS has never been required by NSW or the Commonwealth Governments for this development.

d. The new NSW Mining SEPP be considered to ensure economic, environmental and social considerations are appropriately balanced when considering this project.

e. The proposed use by Unity of land with no previous development approval, appears to be a proposition which is illegal,

g. The impacts of the further amendments proposed since the Public Exhibition by Big Island Mining. These amendments should be placed back on public exhibition, to allow experts to re-examine the impacts.

Events are moving at a fast rate. We will keep members informed.

Dr. Emmett O’Loughlin’s
Submission to Planning

Dr O’Loughlins submission to NSW planning is a masterpiece. The Association cannot thank this man enough for his professionalism and attention to detail.

After examination he found the meteorological data used by Unity was totally flawed.

The same hydrology consultants were used by Unity in 2010 as in 2015. They were Knight Piesold and SEEC. How Knight Piesold derived its meteorological data is unknown, but it appears incorrectly attributed to the Bureau of Meteorology, both in 2010 and again in 2015. On the other hand SECC used accurate BOM data.

O'Loughlin questioned the accuracy of Knight Piesold's rainfall and evaporation data, casting enormous credibility over the entire application and future of the project. Knight Piesold advised that even in extreme storm events the tailings dam capacity was adequate to avoid water discharging over the spillway. That assurance has no validity.

O'Loughlin's submission pointed out that the rainfall and evaporation data were incorrect, as Knight Piesold appears to have used estimates of Braidwood data rather than the actual BOM data.

The rainfall data was underestimated by about 30% and the evaporation data over-estimated by about 60% resulting in a significant and massive bias. As well Knight Piesold ignored using Majors Creek data where rainfall was 30% higher than Braidwood. The end result was that the tailings dam would most probably be inadequate and overflow annually.

The same erroneous data was used in 2010 when the initial Development Application was assessed, but was never identified because the data was privileged due

to legal action. Freedom of Information by the EDO has now confirmed that earlier error. This casts major doubt on the reliability of the original DA approval. The Government now needs to review that erroneous approval.

The Proponent's response to this issue was to say that the Planning Department and other NSW Departments, had reviewed the data and had no issues. Clearly the Proponent is correct, because all NSW Departments failed to adequately scrutinize the data and identify the flaws.

It was only when the Caretaker of the Weather Station at Braidwood reviewed the data that he immediately observed the glaring errors and he and Dr O'Loughlin teamed up.

To date Unity Mining has not admitted to this error, and quite surprisingly no agency within the NSW Government appears to have contacted the Bureau of Meteorology for clarification.

Annual General Meeting 31st October 2015

A reminder that the Association's Annual General Meeting is being held on Saturday 31 October at the meeting room at the Eurobodalla Regional Botanic Gardens. Dr Emmett O'Loughlin will be our Guest Speaker.

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