



Cowal Gold Mine

Modification 15 (Independent Monitoring Panel)

*Modification Assessment
(DA 14/98 MOD 15)*



August 2019

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Cover photo

Cowal Gold Mine (Department of Planning, Industry and Environment)

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1. Introduction

1.1 Background

Cowal Gold Mine (the mine) is an existing open cut gold mine located approximately 37 kilometres (km) northwest of West Wyalong on the shore of Lake Cowal, in the Bland Shire local government area (LGA) (see **Figure 1**). The mine is owned and operated by Evolution Mining (Cowal) Pty Limited (Evolution) and has been operational since 2005.

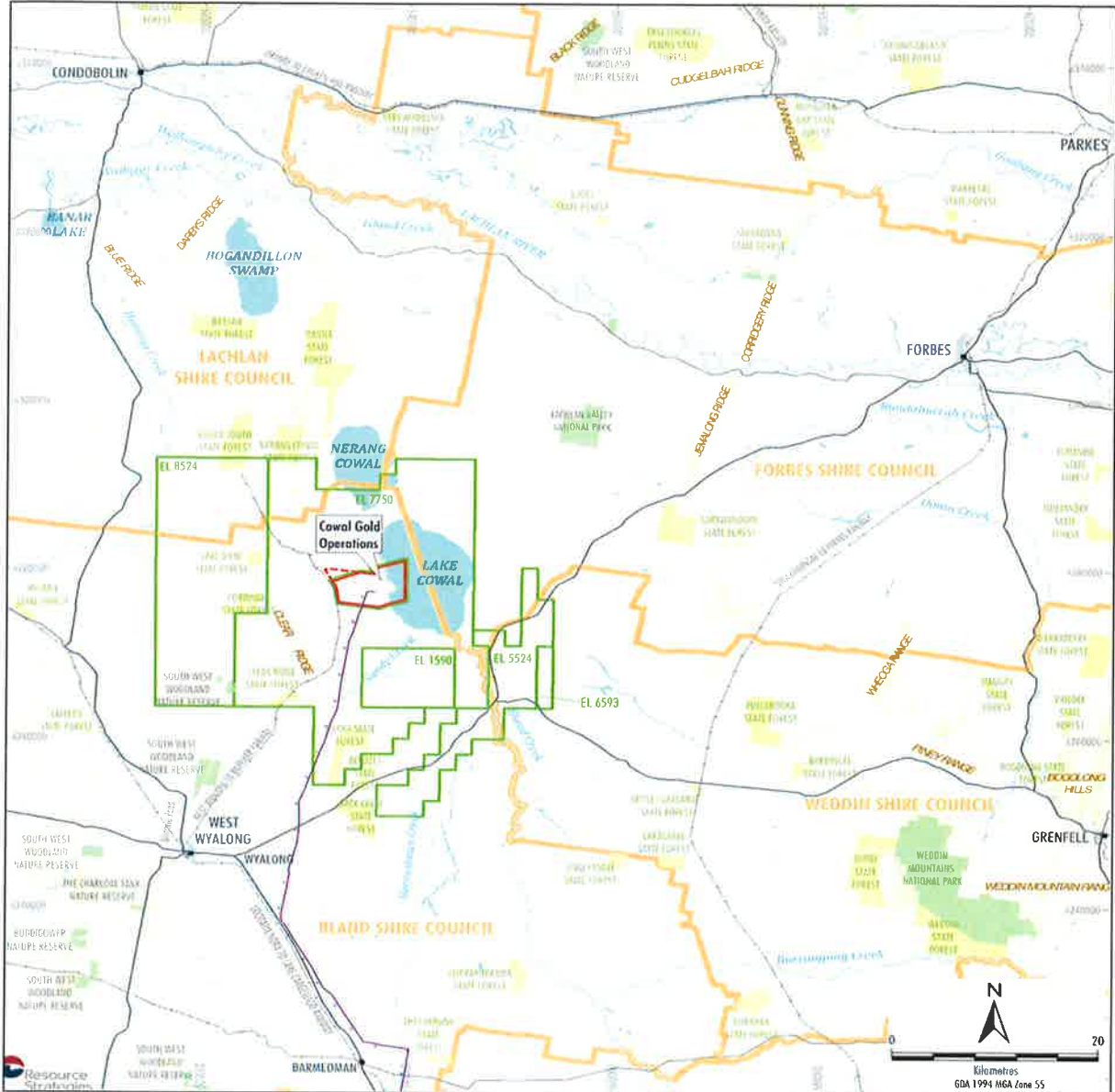


Figure 1 | Site Location

The mine currently operates under a Ministerial Development Consent (DA 14/98), granted on 26 February 1999 following a Commission of Inquiry (COI). The development consent has been modified on 14 previous occasions, allowing Evolution to:

- extract ore using conventional drill blast, load and haul methods until 2032;

- process up to 9.8 million tonnes of ore per annum;
- extract gold from the ore using a carbon-in-leach cyanide leaching circuit;
- produce 6.1 million ounces of gold over the life of the project; and
- progressively rehabilitate the site.

Operations at the mine are supported by on-site facilities including water management infrastructure, a processing plant, tailings storage facilities and waste rock emplacement areas.

1.2 Independent Monitoring Panel

Since the commencement of mining activity at the mine, Evolution has been required to undertake annual external audits of its operations via an Independent Monitoring Panel (IMP).

The Independent Monitoring Panel (IMP) was established in accordance with condition 8.8(b) of the development consent and is required to be made up of at least two duly qualified independent environmental scientists and a representative of the NSW Department of Planning, Industry and Environment.

The IMP is tasked with:

- providing an overview of the annual reviews and independent audits required by the conditions of consent;
- regularly reviewing all environmental monitoring procedures and results undertaken by Evolution; and
- providing an annual State of the Environment Report for Lake Cowal (the lake) with reference to the ongoing interaction between the mine and the Lake.

The requirement for the IMP was a recommendation made following the COI, to provide for ongoing independent oversight and reporting of the mine's environmental impacts, including any impacts on the environmental values of Lake Cowal. The ongoing interactions between the mine and the lake was a key concern for conservation groups and other organisations at the time who were opposed to the mine's development.

A total of 14 annual State of the Environment reports have been prepared by the IMP to date, each finding that the mine and lake remain hydrologically disconnected. The IMP has also made a number of recommendations regarding various environmental monitoring and reporting aspects, with a key emphasis around progressive rehabilitation of the mine. Several rehabilitation trials have been undertaken at the mine, which have been supported by the IMP. Most recently, the IMP's recommendations have focused solely on providing support for Evolution's already proposed rehabilitation trials.

In accordance with the conditions of consent, Evolution has prepared responses to the IMP's annual recommendations, and the Department has continued to support Evolution's implementation of the IMP's recommendations.

All of the IMP's reports and Evolution's responses are required to be made publicly available on the mine's website.



2. Proposed Modification

Evolution is seeking to modify its development consent to remove the requirement for the Independent Monitoring Panel. Specifically, Evolution considers that the content of the IMP's report is a duplication of the existing monitoring, auditing and reporting requirements in the development consent. These requirements

include the Annual Review, Mining Operations Plan, various approved environmental management plans, Independent Environmental Audit and triannual Hazard Audit.

Evolution argues that given the content of the audit is covered by these other conditions and on the basis that ongoing monitoring has continued to confirm there are no negative interactions between the mine and the lake, the original intent of the IMP has been addressed.

A full description of the proposed modification is provided in **Appendix B**.



3. Statutory Context

3.1 Scope of Modification

The project was originally approved on 26 February 1999 under Part 4 of the *Environmental Planning and Assessment Act 1979* (EP&A Act). As such, any modification to the development consent must be made under Section 4.55 of the EP&A Act.

A modification application to the existing development consent under section 4.55(1A) of the EP&A Act for a modification involving minimal environmental impact was submitted to the Department of Planning, Industry and Environment (the Department) on 24 June 2019.

The Department considers that the application can be characterised as a modification involving minimal environmental impact, as it is administrative in nature and would not change the approved components of the mine or the environmental impacts of the project as approved. In this regard the mine would remain substantially the same development as last modified in 2018 (MOD 14).

Consequently, the Department considers that the proposed modification is within the scope of Section 4.55(1A) of the EP&A Act.

3.2 Consent Authority

The Minister for Planning and Public Spaces is the consent authority for the proposed modification. However, under the Minister's delegation dated 11 October 2017, the Director, Resource Assessments may determine the modification application, as there were no public objections, Evolution did not report any political donations and Bland Shire Council did not object to the proposed modification.



4. Engagement

In accordance with the requirements for 4.55(1A) modifications, the proposal was not formally exhibited. Nevertheless, the Department made the proposal publicly available on its website from 24 June 2019 and sent it to Bland Shire Council and the Resources Regulator within the Department for information.



5. Assessment

As noted in **section 1.2**, the IMP's main function is to provide independent oversight of the mine's environmental monitoring and compliance reports as well as report against the interactions between the mine and Lake Cowal. The Department has considered these aspects in its assessment below.

Environmental monitoring, reporting and compliance

In addition to the annual review, the Department notes that the existing conditions already include extensive auditing and reporting requirements including:

- *Annual Review - condition 9.1(b)*. Evolution is required to undertake comprehensive environmental monitoring on environmental factors including water levels and quality (surface water, groundwater and lake water), dust and noise. This data is recorded and forms the evidence base for the Annual Review which reflects on the mine's performance for the previous year and outlines future works to improve environmental performance. The Annual Report then informs the subsequent review and update of the mine's various environmental management plans. The Annual Review process also includes an annual site inspection by the relevant NSW regulators including the Biodiversity Conservation Division, Environment Protection Authority and the Resources Regulator, and is required to be made publicly available.
- *Independent Environmental Audit - condition 9*. The Independent Environmental Audit must be undertaken every 3 years and must be conducted by a suitably qualified, experienced and independent team of experts led by a suitably qualified auditor and including ecology and rehabilitation experts. The audit must include consultation with the relevant regulatory agencies, Bland Shire Council and the Community Environmental Monitoring and Consultative Committee and must assess compliance with the consent condition requirements, environmental management plans and licences including the Environment Protection Licence 11912.
- *Various environmental management and monitoring plans relating to rehabilitation (condition 2.4(c)), flora and fauna (condition 3.2(b)) and water (condition 4.4(a))*. The development consent requires the preparation of numerous environmental management and monitoring programs, the implementation of which must be regularly reported against.

Given the existing comprehensive external auditing and reporting requirements, the Department is satisfied that the review and reporting functions of the IMP would continue to be met through compliance with the existing conditions of consent.

Rehabilitation

The Department notes that the IMP's more recent focus has been solely on providing support for Evolution's already proposed rehabilitation trials. In this regard, the Department notes that the Resources Regulator already fulfils this role in ensuring rehabilitation objectives are met under the provisions of the *Mining Act 1992*, which is monitored through Evolution's implementation of the Mining Operations Plan for the site.

The interaction of the mine and Lake Cowal

The IMP is required to provide a Statement of the Environment Report for Lake Cowal, with particular reference to the ongoing interaction between the mine and Lake. As noted in Section 1, the IMP have consistently reported that the mine and lake have continued to be hydrologically disconnected since the commencement of operations at the mine.

To ensure the continued monitoring of the interaction of the mine and Lake Cowal, the Department has recommended that the Annual Review continue to report against this interaction.



6. Evaluation

The Department has assessed the modification application and supporting information in accordance with the relevant requirements and objects of the EP&A Act, including the relevant “matters for consideration”.

The Department notes that IMPs were historically established for a small number of controversial mining proposals, to advise the Department on the key environmental management issues affecting the mines. Now that these mines are operationally advanced, the need for standing IMPs has substantially reduced.

For the Cowal Gold Mine, the Department considers that the IMP has successfully achieved its objectives in the last 14 years, providing independent, expert advice on environmental matters including rehabilitation and the ongoing interaction between the mine and Lake Cowal.

However, the Department considers that the continuation of the additional third-party IMP audit is a duplication of the existing comprehensive external auditing and reporting requirements and is no longer required.

As is the case for all major mining projects, the Department’s compliance team would continue to have an ongoing role in monitoring and enforcing the conditions of consent in accordance with the Department’s Compliance Policy.

The Department has recommended the following changes to the development consent:

- inclusion of the modification proposal in the definition of ‘EIS’;
- deleting condition 9.2(a) to remove the requirement for the IMP;
- amending condition 9.1(b) to ensure the interaction between the mine and the lake continues to be monitored and reported on in the Annual Review: and
- administrative changes to reflect government agency name changes.

Evolution has reviewed the proposed conditions of consent and has accepted them.

Given the proposed modification would enable Evolution to more efficiently report on its existing consent obligations, and given the extensive regulatory and compliance oversight that would continue for the life of the mine, the Department considers that the proposed modification is in the public interest, and recommends that it should be approved, subject to the revised conditions.



7. Recommendation

It is recommended that the Director, Resource Assessments, as delegate of the Minister for Planning and Public Spaces:

- **considers** the findings and recommendations of this report;
- **determines** that the application (DA 14/98 Modification 15) falls within the scope of section 4.55(1A) of the EP&A Act;
- **accepts and adopts** all of the findings and recommendations in this report as the reasons for making the decision to grant approval to the application;
- **modifies** the consent (DA 14/98); and
- **signs** the attached approval of the modification (**Attachment D**).

Recommended by:

 . 23/8/19.

Phillipa Duncan


Team leader

Resource Assessments



8. Determination

The recommendation is: **Adopted** / Not adopted by:

 23/8/19

Stephen O'Donoghue

Director

Resource Assessments



Appendices

Appendix A – List of Documents

The Department has utilised the following sources of information to undertake its assessment:

- the modification applications and supporting Modification Reports for Cowal Gold Mine’s previous 14 modifications;
- the Department’s preliminary and final Assessment Reports for Cowal Gold Mine’s previous 14 modifications;
- the existing conditions of development consent for Cowal Gold Mine;
- relevant Environmental Planning Instruments, policies and guidelines;
- relevant Management Plans, environmental monitoring reports and Independent Environmental Audits regarding Cowal Gold mine; and
- relevant requirements of the EP&A Act.

Appendix B – Modification Report

See the Department’s website - <https://www.planningportal.nsw.gov.au/major-projects/project/16666>.

Appendix C – Consolidated Consent

See the Department’s website - <https://www.planningportal.nsw.gov.au/major-projects/project/16666>.

Appendix D– Notice of Modification

See the Department’s website - <https://www.planningportal.nsw.gov.au/major-projects/project/16666>.