



8 December 2011

Our file ref: 10/14922

Mr Howard Reed
Manager Mining Projects
NSW Department of Planning and Infrastructure
GPO Box 39
SYDNEY NSW 2001

Dear Mr Reed,

**HERA GOLD PROJECT – EXHIBITION OF ENVIRONMENTAL ASSESSMENT
MAJOR PROJECT APPLICATION NO. 10_0191
LOCATED WITHIN LOT 664 DP 761702 (WESTERN LANDS LEASE 2455)**

I refer to the subject proposal and the letter sent from your Office dated 8 November 2011, requesting the Catchments and Lands Division of the Department of Primary Industries (DPI) to comment on the Environmental Assessment (EA) during the exhibition period.

Overall, the DPI has no substantial concerns with the level of information provided in the Environment Assessment for the Hera Project. However, additional comments and conditions of approval are listed below for consideration:

Contaminated Water

In Section 1.7.14.2 (Page 1-19) and Section 2.2.5.1 (Page 2-13), it is stated that water stored in the settling ponds adjacent to Three Gates Tank pond will be derived from groundwater dewatered from the decline as well as storm water run-off. Consequently, the water stored in the settling ponds should be considered as being contaminated rather than dirty. Contaminated water could potentially flow from the settling ponds to Three Gates Tank pond as well as groundwater resources.

Figure 2.4 (Page 2-14) does not show the location of the decant pond or the route of the pipeline from the mill to the Tailings Storage Facility (TSF).

Dust Suppression

Water is to be sprayed on ore handling areas/stockpiles and roads according to Section 4.8.6.1 (Page 4-100); however, the type of water (i.e. clean, dirty, saline) to be used is not stated in the EA document. Contaminated and/or saline water must not be used to control dust on areas that are not designated/authorised to be exposed to contaminated materials, and which are appropriately bunded for storm water control.

Groundwater

According to Section 2.15.5.3 (Page 2-71), contaminated material is to be placed within underground workings. Section 6.2.2 (Page 6-20) states that the project is not expected to adversely impact on groundwater quality or groundwater dependant ecosystems within or surrounding the project site. However, it has not been defined how potentially contaminated waste rock and polluted materials will be sealed from groundwater flows after rehabilitation has been completed and the groundwater levels recover.

Recommended Additional Conditions of Approval

1. YTC Resources Limited must ensure the works are carried out consistently with the descriptions given in the Environmental Assessment (Hera Project, via Nymagee- Major Project Application No. 10_0191- Dated November 2011), especially in relation to all mitigation measures stated in the EA;
2. The Property Vegetation Plan (PVP) for "The Peak" (WLL 2455) to be negotiated with the Catchment Management Authority (CMA) under the *Native Vegetation Act 2003* must be submitted to the DPI for Owner's consent, prior to final approval from the CMA;
3. If the PVP for "The Peak" (WLL 2455) includes a biodiversity offset area, YTC Resources Limited must apply to the DPI for a 'Change of Lease Purpose' to incorporate "Conservation", in order to reflect the use being made of the land;
4. If separate Development Consents are required for infrastructure such as the proposed waste water treatment facility and construction of the car park, as outlined in Section 3.2.3.4 (Page 3-8) of the Environmental Assessment, all completed Development Consent applications required by Council will need to be submitted to the DPI for Owner's consent prior to lodgement with Council.

Thank you for allowing the DPI the opportunity to comment on the environmental assessment document.

If you require any further information in relation to this matter please contact Reuben Butler, Natural Resource Management Project Officer at the Department's Dubbo Office by email: reuben.butler@lands.nsw.gov.au or on (02) 6883 5416.

Yours Faithfully



Shaun Barker
Group Leader - Natural Resources and Property Services
West Region (Far West Area)
Catchments and Lands Division