



DIVISION OF RESOURCES & GEOSCIENCE ADVICE RESPONSE

Anthony Barnes
Energy & Resource Assessments - Planning & Assessment Division
Department of Planning, Industry and Environment
GPO Box 39
SYDNEY NSW 2001

anthony.barnes@planning.nsw.gov.au

Dear Anthony

Project: Wallerawang Quarry Modification 3
Stage: Review Statement of Environmental Effects
Development Application: DA344-11-2001-Mod-3

I refer to your correspondence dated 9 July 2019 inviting the Division of Resources & Geoscience (the Division) to provide comments on the *Wallerawang Quarry Modification 3* (the Project or Proposal) Statement of Environmental Effects (SEE) submitted by Walker Quarries Pty Ltd (the Proponent).

The relevant units of the Division have been consulted in generating this advice. The Department of Planning, Industry and Environment – Planning and Assessment Division and the Proponent should be aware that matters pertaining to rehabilitation, environmental impacts of final landform design, mine operator and safety are not assessed by the Division. Reference should be made to the response from the Resources Regulator on these matters.

Advice overview

The Division has determined that the Proposal will:

- ensure continued operations at Wallerawang Quarry until 2050 which will presently cease in July 2020.
- efficiently extract an additional 12 to 15 million tonnes (Mt) of resources.
- ensure an appropriate return to the state including \$7.7 million royalties (current dollars).
- ensure continued employment for 15 employees, including 10 operational staff.

Resource and Economic Assessment

In view of the constraints outlined in the Proponent's SEE, the Division considers the Project satisfies section 3A objects of the *Mining Act 1992* (NSW) (the Act) and the requirements of cl 15 of the State Environmental Planning Policy (Mining, Petroleum Production and Extractive Industries) 2007.

The Project represents an efficient development and utilisation of mineral resources which will foster significant social and economic benefits.

The Division is satisfied:

- the resource has been satisfactorily quantified to JORC standard;
- the proposed mine design and mining method submissions adequately recover mineral resources; and
- the Project will provide an appropriate return to the state.

The resource utilisation and economic benefits assessment undertaken by the Division is addressed in Attachment A.

The requirement for a mining authorisation and royalty liability

Quartzite is a prescribed mineral under the Act. The Proponent must obtain the appropriate mining title(s) over the Project area, such as a mining lease, from the Division allowing for mineral extraction to undertake mining.

The Division notes that this Project is located within the existing operations area of Mining Lease 1633 (Act 1992) and the project extension areas not currently held under title within Mining Lease Application 558 (Act 1992) and Mining Lease Application 570 (Act 1992) (see Attachment B).

Furthermore, the holder of a mining lease is also liable to pay royalty for both publicly and privately-owned minerals (refer to section 282-285 of the Act).

Opportunity for rationalisation of titles

Applying for additional mining title(s) provides an opportunity to rationalise the involved title areas within the Project boundary. Should the Project be approved there will be complexity emerge given the various surface exceptions and depth restrictions and reporting requirements that will be introduced as a result of the current mining applications being granted over the Project area. An option available to reduce the complexity may be to apply for a single mining lease over the current mining authorities and applications. The Division advises the Proponent to seek further advice in relation to this matter.

Application of section 65 of the *Mining Act 1992* – development consents under the *Environmental Planning and Assessment Act 1979*

A development application under the *Environmental Planning and Assessment Act 1979* must be approved before a mining lease can be granted. A mining lease will only be granted for activities specified in the development consent.

Section 65 states:

The Minister must not grant a mining lease over land if development consent is required for activities to be carried out under the lease unless an appropriate development consent is in force in respect of the carrying out of those activities on the land.

Biodiversity offset assessment

The Division notes that the SEE outlines the Project would directly impact biodiversity values through the clearing of up to 14.1 ha of native vegetation with biodiversity ecosystem credits required to offset the impacts.

The Division requests that the Proponent consider potential resource sterilisation in relation to any proposed biodiversity offset areas. Both the Geological Survey of NSW – Land Use Assessment team and holders of existing mining and exploration authorities that could be potentially affected by planned biodiversity offsets should be consulted. This will ensure there is no consequent reduction in access to prospective land for mineral exploration or potential for the sterilisation of mineral and extractive resources.

Summary of review

The Division has determined that should the Project be approved; efficient and optimised resource outcomes can be achieved, and any identified risks or opportunities can be effectively regulated through the conditions of mining authorities issued under the *Mining Act 1992*.

The Division requests to review the draft conditions of approval before finalisation and any granting of development consent.

For enquiries regarding this matter, contact Adam Banister, Senior Advisor Assessment Coordination on 02 4063 6534 or assessment.coordination@planning.nsw.gov.au.

Yours sincerely



Scott Anson
Manager Assessment Coordination
Resource Operations
Division of Resources & Geoscience
25 August 2019

for
Dr David Blackmore
A/Executive Director Resource Operations
Division of Resources & Geoscience

Encl.
Attachment A - Wallerawang Quarry - Modification 3 (DA344-11-2001-Mod-3) - Resource & Economic Assessment (DOC19/672901)
Attachment B - Wallerawang Quarry - Modification 3 (DA344-11-2001-Mod-3) - Diagram (DOC19/717933)