

MINING, EXPLORATION & GEOSCIENCE ADVICE RESPONSE

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Dear Rose-Anne

Project: Sunrise Nickle Cobalt Mine – MOD 7 (the Modification)
Stage: Advice on Modification Report
Development Application: DA374-11-00-Mod-7

I refer to your correspondence dated 22 July 2021 inviting the Department of Regional NSW – Mining, Exploration & Geoscience (MEG) to provide comments on the Sunrise Nickle Cobalt Mine – Modification 7 (the Modification) submitted by Sunrise Energy Metals Limited (the Proponent).

MEG has reviewed the Modification Report and additional information supplied by the Proponent for the Modification and provides the advice below.

Size and quality of the resource & resource recovery

The Modification is proposing no changes to the approved mining method, final design and extents of the open-cut pits, processing rate, mine life (21 years) or metal produced.

Minor changes to mining sequencing are being proposed. This will result in an increased mining rate during the initial years of mining operations and associated changes to mining and waste rock emplacement sequencing.

The proposal also includes additional exploration activities within the mining lease. The conditions on ML1770 require an annual exploration report to be submitted to the Department. Details of all exploration activities will be captured through this annual reporting.

Economic Benefits of the Resource

The Modification does not include any resource changes to the previously approved consent and/or subsequent modifications. As such there are no significant changes to the economic benefits resulting from Modification.

The following minor changes to the economic benefits would occur as a result of the Modification:

- minor changes to the mining rate during the initial operational years would result in only minor changes to the Net Present Value of the revenue and royalty generated from the project, noting that these calculations have not been conducted by MEG
- the expected increase in construction jobs of the Modification from around 1000 to 1900 full time equivalent roles would have positive economic benefits in the region for years 2 to 3 in the Project life
- expected capital expenditure incurred during the project life is now of the order of A\$2.4 billion
- total operational jobs have been revised from 335 to 340.

Summary of review

MEG considers that should the Modification be approved; efficient and optimised resource outcomes can be achieved.

MEG requests that it be provided with an opportunity to review the draft conditions of approval before finalisation and any granting of development consent.

For further advice concerning this matter, please contact the Mine Assessment Coordination Unit – Industry Development on 02 4063 6534 or assessment.coordination@planning.nsw.gov.au.

Yours sincerely



Scott Anson
Manager Assessment Coordination
Department of Regional NSW – Mining, Exploration & Geoscience
9 August 2021

for
Stephen Wills
Executive Director Assessment and Systems
Department of Regional NSW – Mining, Exploration & Geoscience

Agency update

Please note Mining, Exploration and Geoscience recently incorporated the Resources Regulator to form a larger agency. Advice will continue to be provided separately reflecting functional responsibilities. The Assessment and Systems Branch provides information and advice on mineral resource and mine development and mining title requirements. Matters relating to subsidence, subsidence management, mine operator, safety, rehabilitation and environmental impacts of final landform design should be referred to the Resources Regulator.