Mining, Exploration and Geoscience
Department of Regional NSW

RDOC24/58735

Clay Preshaw
Executive Director, Energy and Resource Assessments
Department of Planning, Housing and Infrastructure
4 Parramatta Square, 12 Darcy Street
Parramatta NSW 2124

ADVICE RESPONSE: Copi Mineral Sands Project (SSD-41294067) Advice on EIS and Resource and Economic Assessment Review

Dear Mr Preshaw,

I refer to Department of Planning, Housing and Infrastructure correspondence dated 16 May 2024 inviting the Department of Regional NSW – Mining, Exploration and Geoscience (MEG) to provide comments on the Copi Mineral Sands Project (the Project), submitted by RZ Resources Limited (the Proponent).

MEG position

MEG considers that the proposed Project could be an efficient use of resources and that it could provide an appropriate return to the NSW Government. MEG is of the view that, should the operational outcomes be achieved, the proposed mine design and mining method submissions could adequately recover resources and will provide an appropriate return to the state.

Executive summary

RZ Resources proposes to develop and operate the Copi Mineral Sands Project (the Project), a critical minerals mine and processing facility, located at Nulla Road, approximately 75km northwest of Wentworth and 180 km south-southwest of Broken Hill including a load out facility located at Holten Drive, Broken Hill NSW with a proposed life of mine of 26 years.

The project is estimated to generate significant socio-economic benefits in the regional economy including supporting up to 240 operational jobs and generating around $17 million in total annual royalties.

Table 1: MEG estimate of total royalties

Resource parameter	$m (2024 dollars)
Total royalties received	295
Net Present Value (NPV) royalties (5% discount rate, real)	177
Annual estimated royalties (average)	17

MEG considers the Project could provide an appropriate return to the NSW Government. MEG's royalty estimate appraisal for the Project is $34 million (NPV) more than the Proponent's estimate over the life of the mine.

If the Project does not proceed the economic and social benefits outlined above will not be realised.

The Project is estimated to generate:

- $4,235 million Net Present Value (NPV) terms of total economic benefits to the NSW economy.
- value of minerals produced by Copi Mineral Sands Project (SSD-41294067) of about $8,462 million in current dollars, with the NPV of this revenue stream at around $4,235 million.
- on average, 240 full-time equivalent (FTE) operational jobs (200 mining and 40 rehabilitation jobs) from the end of start year 2026 to 2043
- construction activities associated with the project estimated to create approximately 480 temporary employment opportunities over a three-year period
- significant economic benefits to the Wentworth Local Government Area and NSW.

Project strategic considerations

Resource and economic context

The project involves the mining of a range of rare earths and minerals, which would be transported for separation to a Mineral Separation Plant (MSP) at Pinkenba in Queensland, prior to being exported via the Port of Brisbane. A proportion of the products produced may be transported directly to port for export.

The Economic Impact Assessment (Synergies Economic Consulting, March 2024), prepared on behalf on the Proponent, states there is a significant and increasing strategic risk associated with

Australia's continued reliance on imports as its primary supply source for rare earths and minerals that are critical inputs for a variety of high-value applications.

Royalty return to the state

Royalty calculation

Assumptions

- Mineral sands products total sales of 6.43 Mt over the life of the Project.
- Products produced include; Ilmenite (3.64Mt), Rutile (0.40Mt), Titanium (0.48Mt), Zircon (1.82Mt) and Monazite (0.09Mt).
- Prices used were those provided by the Proponent as detailed in the previous Section.
- USD/AUD exchange rate of 0.70
- Real discount rate of 5%
- Deductions from total revenue averaging approximately $170/t and a royalty rate of 4%.

Resource Assessment

Resource recovery

The Proponent proposes to employ a wet dredge mining techniques due to the abundance of highly saline water in the area. A dredge floating in a pond extracts the ore and pumps it to the adjacent floating concentrator, whereas dry mining uses traditional earthmoving equipment such as dozers and trucks supplying a static processing plant. The floating dredge and concentrator mining and processing are expected to minimise the mining disturbance and allow progressive rehabilitation of the previous landform behind the pond.

JORC code considerations

The Proponent has completed resource and reserve estimations for the Project in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC code) produced by the Australasian Joint Ore Reserves Committee. The JORC Code is an industry-standard professional code of practice that sets minimum standards for public reporting of mineral exploration results, mineral resources and ore reserves. Reserves are the economically mineable portion of a resource. A JORC compliant reserves report assists in independently assessing the commercial viability of the Project and the proposed mining method.

In view of the opportunities and constraints outlined in the Proponent's Project and based on the information currently available, MEG is of the view that the Project would be consistent with the objects of the *Mining Act 1992*. In relation to clause 2.21 of the State Environmental Planning Policy (Resources and Energy) 2021, the project is expected to represent an efficient development and utilisation of minerals resources which will foster significant social and economic benefits.

MEG is of the view that, should the operational outcomes be achieved, the proposed mine design and mining method submissions could adequately recover resources and would provide an appropriate return to the state.

The resource utilisation, recovery and economic benefits assessment undertaken by MEG is addressed in **Attachment A**.

The requirement for a mining authority and royalty liability

The requirement for a mining lease

As Ilmenite, Leucoxene, Monazite (and associated Rare Earth Minerals), Rutile and Zircon are prescribed minerals under the Mining Regulation 2016, the Proponent must obtain relevant mining leases to allow mineral extraction for the project area.
MEG notes the existing exploration titles and applications over the project area held by RZ Resources Ltd include Exploration Licence 8312 (Act 1992) (EL 8312), EL 8385, EL 8769, EL 8865 for Group 10 Minerals and EL 9496 for Group 1 Minerals and Exploration Licence Application 6643 (Act 1992)(ELA 6643) for Group 1 and Group 10 minerals and ELA 6644 for Group 10 minerals. In addition to these exploration titles, RZ Resources Ltd has submitted Mining Lease Application 629 (Act 1992) (MLA 629) and MLA 646 for Ilmenite, Leucoxene, Rare Earth Minerals, Rutile, Zircon over the project area.

Monazite is a scheduled mineral in Schedule 1 of the Mining Regulation 2016. MEG notes the project description lists Monazite being recovered as a product, as part of the project. MEG notes that Monazite is not listed as a mineral on the Mining Lease Applications submitted by RZ Resources Ltd. Monazite has been considered as part of this Resource and Economic Assessment review.

Royalty liability

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

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

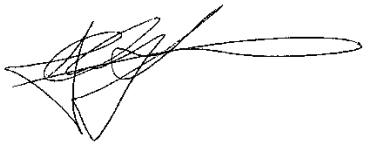
MEG requests that the Proponent consider potential resource sterilisation should any future biodiversity offset areas be considered. The Proponent must consult with MEG and any holders of existing mining or exploration authorities that could be potentially affected by the proposed creation of any such biodiversity offsets, prior to creation occurring. 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.

The Resources Regulator advice is provided in **Attachment B.**

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 enquiries and further information on this matter, please contact Scott Anson, Manager Industry Advisory and Mining Concierge Unit within the Industry Development Branch on 02 4063 6860 or mining.concierge@regional.nsw.gov.au.

Yours sincerely,



Tony Linnane
Executive Director Strategy, Performance and Industry Development
Mining, Exploration and Geoscience

25 June 2024

Encl. – Attachment A – Copi Mineral Sands Project – Resource and Economic Assessment (RDOC24/58397)
Attachment B – Resources Regulator – Copi Mineral Sands Project (RDOC24/78637)

Attachment A

MINING, EXPLORATION & GEOSCIENCE
Department of Regional NSW

Copi Mineral Sands Project SSD-41294067

Resource and Economic Assessment Review

June 2024

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Title: Copi Mineral Sands Project SSD-41294067

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More information

Industry Advisory & Mining Concierge Unit, Industry Development – Mining, Exploration & Geoscience

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Contents

Executive summary

Agency Advice

The Department of Regional NSW - Mining, Exploration and Geoscience (MEG) has reviewed the Copi Mineral Sands Project SSD-41294067 (the Project). This Resource and Economic Assessment (REA) review has been informed by MEG's Mine Development Panel Guideline, Secretary Environmental Assessment Requirements (SEARs), TPG23-08 NSW Government Guide to Cost-Benefit Analysis February 2023, Guidelines for the economic assessment of mining and coal seam gas proposals (DPE 2015), and the REA Guideline and engagement prior to the submission of the Environmental Impact Statement (EIS).

MEG is of the view the Project could provide an appropriate royalty return to the NSW Government including:

- around $295 million in total royalties (current dollars).

Parameter	$m (2024 dollars)
Base Year	2024
Life of Mine	17 years – (production) 26 years (construction, production, and rehabilitation)
Discount Rate	5%
Total Estimated Royalty	295
Net Present Value (NPV) Of Royalty	177
Estimated Annual Average Royalty	17

MEG's royalty estimate appraisal for the Project is $34 million (NPV) more than the Proponent's estimate over the life of the mine.

Parameter	Sum
Average full-time employees (FTE) equivalent Operational Jobs	240
FTE equivalent Construction Jobs	480

In addition, the Project is estimated to generate:

- $4,235 million Net Present Value (NPV) terms of total economic benefits to the NSW economy
- value of minerals produced by Copi Mineral Sands Project SSD-41294067 of about $8,462 million in current dollars, with the NPV of this revenue stream at about $4,235 million
- on average, 240 full time equivalent (FTE) jobs during operations from end of start year 2026 to 2043
- construction activities associated with the project areas which are estimated to create approximately 480 temporary employment opportunities over a three-year period
- capital investment of $889 million.

(Note: *Capital Investment Value* applies to this application. *Estimated Development Cost* applies to projects submitted after 4 March 2024).

The Project is estimated to provide positive economic benefits to the Wentworth Local Government Area and NSW.

MEG's Position

The Project proposal has addressed MEG's environmental assessment requirements submitted in May 2022.

MEG is of the view the Proponent has provided a report generally consistent with the Australasian Code for Reporting Exploration results, Mineral Resources and Ore Reserves - JORC Code. An ore reserve (Probable) of 428 Mt @1.7% Heavy Mineral (HM) was calculated in May 2023. Note that based on the latest available information from the 2023 submission, the reserve figures are not JORC-compliant (RZ Resources is not a publicly listed company). A primary recovery of 98% has been applied (MEG considers this is an optimistic assumption for recovery of HM).

If approved, the additional export income from the Project would contribute around A$498 million of mineral exports annually from NSW.

MEG is of the view that, should the operational outcomes be achieved, the proposed mine design and mining method submissions would adequately recover resources and was projected to provide an appropriate return to the state.

The Proponents royalties' estimates are consistent with the requirements of the Mining Regulation 2016.

If the Project does not proceed the economic benefits outlined above will not be realised.

The Project

RZ Resources Limited proposes to develop and operate the Copi Mineral Sands Project (the Project), a critical minerals mine and processing facility, located at Nulla Road, approximately 75km northwest of Wentworth and 180 km south-southwest of Broken Hill and a load out facility located at Holten Drive, Broken Hill NSW. The Project includes construction, mining, primary processing, and rehabilitation of a single deposit located approximately 75 kilometres northwest of Wentworth.

The Project will extract a range of minerals containing titanium, zirconium, and rare-earth elements, all of which are recognised by the NSW and Australian Governments as critical minerals.

Introduction

State significant development (SSD) is regulated under the *Environmental Planning and Assessment Act 1979*, which requires a proponent to apply to the Department of Planning, Housing and Infrastructure (DPHI) for development consent, supported by an Environmental Impact Statement (EIS).

Exploration for mineral resources in NSW is regulated under the *Mining Act 1992* and the Mining Regulation 2016. The Mining Act provides an integrated framework for the effective regulation of authorisation for prospecting and mining operations, while recognising the social and economic benefits to NSW from efficient development of mineral resources. MEG is involved where a project seeks to extract a mineral as defined in Schedule 1 of the Mining Regulation which will also require a Mining Lease under the Mining Act and are subject to royalty payments.

MEG assesses the assumptions and accuracy of the geological, mineral resource, mining and economic parameters of the proposed mining project as presented in the EIS as submitted by a Proponent.

Specifically, Section 3A of the Mining Act requires MEG to consider:

- the significant social and economic benefits to New South Wales that result from the efficient development of mineral resources,
- to ensure an appropriate return to the State from mineral resources, and
- to ensure mineral resources are identified and developed in ways that minimise impacts on the environment.

The relevant section of the State Environmental Planning Policy (Resources and Energy) 2021 (Resources SEPP) is Part 2.3, Clause 2.21 requires advice addressing if the proposed resource recovery project is efficient, optimised and minimises waste.

This REA review verifies the resource and economic project parameters including employment, royalty calculations, the mine plan and schedule, market commentary, and the resource itself, as assessed by a 'Competent Person' as defined in the JORC Code.

Resource and Economic Assessment review outline

This Resource and Economic Assessment (REA) review conducted for the Copi Mineral Sands Project SSD-41294067 by MEG assessed:

- the social and economic benefits to NSW including royalties, capital investment, revenues and jobs.
- the resource/reserve estimates stated in the proponent's EIS.
- if the Proposal is an efficient development of the resource, that resource recovery is optimised and waste minimised.
- if the Proposal will provide an appropriate return to NSW.

Project overview

The Project elements include:

- extraction of up to 28 million tonnes per annum (tpa) of heavy mineral sands ore via dredge mining for up to 20 years, to a total of approximately 2,540 million tonnes
- on-site processing of ore to produce an average of 450,000 tpa of heavy mineral product and non-magnetic concentrate
- initial out-of-pit tailings facility and overburden emplacement areas followed by in-pit disposal
- power supply using a combination of diesel power station, construction and operation of a solar farm and associated battery energy storage system, and a planned long-term connection to the existing 66 kV transmission line;
- water management infrastructure and other ancillary mining infrastructure, including a workers' accommodation facility
- road transport of concentrate to Broken Hill for rail load out
- public road upgrades, including the junction of Anabranch Mail Road and Silver City Highway, and temporary closure of Nulla Road; and
- progressively rehabilitating the site.

The target mineral sands deposits are hosted by the Loxton Sands. The Project site was covered by the ocean during the Tertiary Period (Murray Embayment) and the heavy mineral (HM) deposits were formed by wave and wind action. The ore bodies are a group of high-grade strandlines and lower-grade, higher-volume paleo dunes. Collectively, these ore bodies form deposits rich in ilmenite, rutile, zircon, leucoxene, monazite and xenotime.

The Project's mineral resource contains approximately 2,540Mt of ore with an average grade of 1.2% HM.

The Project's HM concentrate will be processed to produce a range of mine products. Under a separate approval, these products will be transported to the Broken Hill Rail Facility for onward transportation to RZ Resources' Pinkenba Mineral Separation Plant in Brisbane or directly to domestic or international customers.

The Applicant, RZ Resources Limited, is a wholly Australian-owned mining company that proposes to produce HM, including critical minerals.

MEG notes that this REA has been prepared using commercial-in-confidence resource and mine schedule data supplied by the Proponent.

Size and quality of the resource

The Proponent has completed resource and reserve estimation for the Project in accordance with the Australasian Code for Reporting Exploration results, Mineral Resources and Ore Reserves (the JORC Code). The proponent is a private entity so not beholden to the JORC code. Nonetheless, they have provided a lot of information similar to that required under JORC (including preparation by Competent Person). The JORC Code is an industry-standard professional code of practice that sets minimum standards for public reporting of mineral exploration results, mineral resources, and ore reserves.

The mineralisation at the Project is hosted by coarse-grained (shoreface) strandlines and finer-grained sediments that are thought to be aeolian (dunal) in origin. The Loxton Sand at the Project is underlain by the Geera clay, which is comprised of carbonaceous silts and minor carbonates, massive pyritic clays with minor sand and silt layers.

The HM grades are very low compared with deposits worldwide with HM grades typically averaging >3% HM.

A Mineral Resource for the Project has been reported in July 2023 in accordance with the JORC Code (2012). However, since the proponent is not subject to the JORC Code as they are a private entity, the statements would not necessarily satisfy all aspects thereof. The resource model used 1,962 vertical drillholes for a total of 101,341.4m which includes drilling by previous companies. A cut-off grade of 0.3% total HM was applied to the resource calculation.

Ore reserves

An ore reserve (Probable) of 428 Mt @1.7% HM was calculated in May 2023. Note that based on the latest available information from the 2023 submission, the reserve figures are not JORC-compliant (RZ Resources is a private entity).

Additional drilling (269 holes for a total of 20,069m) was conducted in late 2023-2024 which improved confidence for parts of the deposits including portions of the deposit to be mined in early years of development. However, the latest resource/reserve updates (expected mid 2024) based on this drilling are not yet available.

Resource recovery

The Proponent assessed several mine designs and determined the mine design in the Project the most appropriate. Many factors constrain a mine plan and extraction methodology and therefore the resource recovery at the Project. These include geological features, environmental constraints, and commercial viability.

Removal of overburden and dry rejects will be by dry mining – no sulphide content is identified. Three main mining scenarios were investigated for extraction of the underlying heavy mineral-bearing sand:

- Scenario A: Bulk mining method - Dredge and process all material below the water table (this includes low grade interburden material).
- Scenario B: Selective dredge surface mining with interburden - Dredge all material below the water table, however, only process material below a value surface (interburden/ore horizon).
- Scenario C: Fully selective dredge mining method - Dredge and process only ore material/high grade material.

The analysis showed that Scenario B selective surface mining would provide the optimal approach for the Project. Analogous mining strategies have been successfully employed in the region by other operators, albeit at higher overall HM grades. Based on the mining inventory, total production of valuable HM from the inventory 407 Mt @ 2.1% HM, equates to about 480,000 tpa (with a maximum of 511,000 tpa) of HM concentrate produced during the first, shallow and high-grade mining domains with total HM concentrate over the life of mine about 352,100 tpa for a total of about 6.69 Mt based on a mine life of 19 years. This compares with Ginkgo and Snapper which were together producing a maximum of 650,000 tpa of HM concentrate containing the valuable HMs (typically 300,00-500,000 Mtpa - from up to 16.5 Mtpa of ore - prior to 2015). Processing of low-grade ore of similar tenor (including <1% HM) has been conducted successfully. Value based diagrams supporting this approach have been presented in the Mining Definitive Feasibility Study (DFS). A primary recovery of 98% has been applied.

Some sterilisation of HM <0.5% is inevitable given the depth of parts of the ore body below the water table, with mining methods involving shallow batter angles at considerable water depths in the dredge ponds. The mining will involve a 1,000m wide mining path – significantly wider than most operations, aimed at recovering more of the low-grade ore.

A rare earth concentrate plant on site will process HM at a nominal rate of 55tph – Produce a primary ilmenite product, secondary ilmenite product, monazite product and non-magnetic concentrate.

The Project deposit is low-grade compared with other deposits being economically mined nationally and internationally – with grades typically >3% for deposits of this scale. However, the mineral assemblage is very good and the geological setting within the mineralised Loxton Sands at surface is favourable.

Economic benefits of the resource

The Proponent states that the Project will:

- on average produce 240 full-time equivalent (FTE) continuing jobs during operations from 2026 to 2043. The mine would also employ an additional 480 FTEs during the construction period and an additional 960 indirect jobs
- production value of around $8.46 billion in current dollars, with the NPV of this revenue stream at around $4.23 billion
- a life-of mine (production) of seventeen years to 2043.

The Project involves the mining of a range of rare earths and minerals which would be transported for separation to a Mineral Separation Plant (MSP) at Pinkenba in Queensland, prior to being exported via the Port of Brisbane. A proportion of the products produced may be transported directly to port for export.

MEG also notes from the Economic Assessment prepared by the Proponent's economic consultant (Synergies Economic Consulting) that the Project would deliver a net benefit to NSW in NPV terms of A$1,052 million to the NSW economy.

Resource and economic context

Strategic context

The Economic Impact Assessment, prepared on behalf on the Proponent, states that there is a strategic need for the Project as there is a significant and increasing strategic risk associated with Australia's continued reliance on imports as its primary supply source for rare earths and minerals that are critical inputs for a variety of high-value applications.

The Proponent's economic assessment was completed in May 2024 and used the following prices (real A$)/t over the life of the Project to calculate Project revenues and royalties:

- Ilmenite (primary) $364
- Ilmenite (secondary) $500
- Rutile $2,371,
- HiTi90 $1,914
- Zircon $2,914
- Zircon concentrate $831
- Monazite concentrate $11,429.

Prices for HM sands products are based on Consensus Economics forecasts and are considered conservative in comparison to current spot prices.

HM sand product price forecasting is inherently difficult and over the project life variations in the price of products are expected. Consensus Economics long-term price forecasts are A$287 per tonne for ilmenite products, A$1,751 per tonne for rutile and A$1,865 per tonne for zircon.

Using these parameters, MEG has projected that the Project would provide NSW with royalties of around A$295 million in real terms and around A$177 million in NPV terms using a 5 per cent discount rate. Average royalties payable to NSW Government from the Project would be around A$17 million a year in real terms.

These prices were derived by the Proponent with assistance from TZ Minerals International a global company specialising in minerals sands markets. MEG has examined these price

forecasts in detail. Consensus Economics also provide price forecasts to MEG for Ilmenite, Rutile and Zircon and these prices are in alignment with the Proponent's prices. MEG has concluded that the prices used by the Proponent are reasonable based on current conditions in mineral sands markets.

MEG notes that price forecasting of any mineral commodity is inherently difficult and is subject to potential changes in both supply and demand due to a variety of reasons; related to both global economic circumstances or more commodity specific issues.

Royalty calculation

Assumptions

Assumptions

- Mineral sands products total sales of 6.43 Mt over the life of the Project.
- Products produced include Ilmenite (3.64Mt), Rutile (0.40Mt), Titanium (0.48Mt), Zircon (1.82Mt) and Monazite (0.09Mt).
- Prices used were those provided by the Proponent as detailed in the previous Section.
- USD/AUD exchange rate of 0.70
- Real discount rate of 5%.
- Deductions from total revenue averaging approximately $170/t and a royalty rate of 4%.

Total royalties estimate

Using these assumptions and parameters, MEG has calculated that the State will receive:

Parameter	$m (2024 dollars)
Total royalties received	295
Net Present Value (NPV) royalties (7% discount rate, real)	177
Annual estimated royalties (average)	17 (Approximate)

MEG's royalty estimate appraisal for the Project is $34 million (NPV) more than the Proponent's estimate over the life of the mine.

MEG's Position

The Project proposal has adequately addressed MEG's environmental assessment requirements submitted in May 2022.

MEG is of the view the Proponent has provided a report generally consistent with the Australasian Code for Reporting Exploration results, Mineral Resources and Ore Reserves - JORC Code and notes the following variance an ore reserve (Probable) of 428 Mt @1.7% HM was calculated in May 2023. Note that based on the latest available information from the 2023 submission, the reserve figures are not JORC-compliant (RZ Resources is not a public listed company). A primary recovery of 98% has been applied (this is an optimistic assumption for recovery of heavy minerals).

If approved, the additional export income from the Project would contribute to around A$498 million (average per year over the life of mine) of mineral exports annually from NSW.

MEG is of the view that, should the operational outcomes be achieved, the proposed mine design and mining method submissions could adequately recover resources and was projected to provide an appropriate return to the state.

The Proponent's royalty estimates are consistent with the requirements of the Mining Regulation 2016.

If the Project does not proceed the economic benefits outlined above will not be realised.

Conflict of Interest Declaration

The staff conducting this Resource and Economic Assessment review do not have any perceived, potential, and actual conflict of interest to declare in relation to the project.

Departmental Assessment

Assessed by	Unit	Branch
Assessing Officer: Dr Dave Forster Senior Geologist	Resource Assessment	Geological Survey of NSW
Assessing Officer: Bryan Whitlock Senior Resource Economist	Resource Economics	Strategy, Performance & Industry Development
Assessing Officer: Elisa Paull Project Officer	Industry Development	Strategy Performance & Industry Development

Approvals

Approved by	Signature	Date
Approving Officer: Scott Anson Manager Industry Advisory and Mining Concierge Strategy Performance and Industry Development	Approved in CM10	24/6/2024
Approving Officer: Dr Kevin Ruming Director Assessment & Advice Geological Survey of NSW	Approved in CM10	24/06/2024
Approving Officer: Julie Robertson Director Strategy & Performance Strategy Performance and Industry Development	Approved in CM10	24/06/2024
Approving Officer: Yvette Lloyd Director Industry Development Strategy Performance and Industry Development	Approved in CM10	24/06/2024
Approving Officer: Tony Linnane Executive Director Strategy, Performance & Industry Development	Approved in CM10	25/06/2024

For further information concerning this Resource and Economic Assessment review please contact Mining Concierge mining.concierge@regional.nsw.gov.au

Resources Regulator
Department of Regional NSW

Monday, 17 June 2024

Mandana Mazaheri
Department of Planning, Housing and Infrastructure
Mandana.mazaheri@planning.nsw.gov.au

Via: Major Projects Portal

Dear Mandana,

I refer to the Copi Mineral Sands Project submitted to the Resources Regulator on 17 May 2024 (SSD-41294067). Based on the Regulator's review of the document, it is noted that Table 3.1.1 on page 3-5 of the EIS states there is no final void associated with the rehabilitated final landform. This is in contrast to page 3-94 where proposed rehabilitation objectives and completion criteria have been provided for a final void. As such, further clarification is required as to whether there is a void in the final landform and rehabilitation plan.

Furthermore, it is noted that the final landform will be undulating with areas subject to swell as well as depressions. As such, further detail will be required in the rehabilitation outcome documents to be approved by the Resources Regulator under Schedule 8A of the Mining Regulation 2016 in regards to the target species that will be suitable for establishment within the variable landform units. Noting that the species will need to be representative of locally occurring vegetation communities.

LIMITATIONS

It should be noted that the Resources Regulator does not provide any endorsement of the proposed rehabilitation methodologies presented in the plans provided. Under the conditions of a mining authorisation granted under the *Mining Act 1992*, the Resources Regulator requires the holder to adopt a risk-based approach to achieving the required rehabilitation outcomes.

The applicability of the controls to achieve effective and sustainable rehabilitation is to be determined based on site-specific risk assessments conducted by the authorisation holder. An authorisation holder may also be directed by the Resources Regulator to implement further risk control measures required to achieve effective rehabilitation outcomes during the life of the mine.

REGULATORY REQUIREMENTS IF APPROVED

The proponent will be required to comply with rehabilitation requirements under the mining authorisations prior to the commencement of the works associated with the proposal.

The Resources Regulator may undertake assessments of the mine operators' proposed mining activities under the *Work Health and Safety (Mines and Petroleum Sites) Act 2013* and Regulation as well as other WHS regulatory obligations.

BACKGROUND

The Mining Act Inspectorate within the Resources Regulator undertake risk-based compliance and enforcement activities in relation to obligations under the *Mining Act 1992*. This includes undertaking assessment and compliance activities in relation to mine rehabilitation activities and determination of security deposits. To ensure consistency, the Regulator requests the opportunity to review a copy of the draft development consent prior to any approval of the project.

The Mine Safety Inspectorate within the Resources Regulator is responsible for ensuring the mine operators' compliance with the Work Health and Safety (WHS) legislation, in particular the effective management of risks associated with the principal hazards as specified in the *Work Health and Safety (Mines and Petroleum Sites) Regulation 2014*.

CONTACT

Should you require any further information or clarification, please contact the Regulator on 1300 814 609 (Press Option 2 Press Option 5) or email nswresourcesregulator@service-now.com.

Yours sincerely,

Matthew Newton

Principal Inspector Environment & Rehabilitation Operations

Resources Regulator