26 April 2021



Ground floor, 20 Chandos Street St Leonards NSW 2065 PO Box 21 St Leonards NSW 1590

Mr Steve O'Donoghue Director Resource Assessments Department of Planning, Industry and Environment GPO Box 39 Sydney NSW 2001

T 02 9493 9500 E info@emmconsulting.com.au

www.emmconsulting.com.au

Re: SSD 10367 - CGO Underground Development Project & DA14/98 Mod 16 - response to request for additional information

Dear Steve,

I refer to your letter dated 26 March 2021 requesting additional information in relation to the CGO Underground Development Project and DA14/98 Modification 16. Your letter was referred to Evolution Mining (Evolution), which has asked EMM Consulting Pty Limited (EMM) to respond on its behalf.

1 Newell Highway/West Plains Road intersection

As you are aware, Transport for NSW (TfNSW) has asked that Evolution bears the full cost of the upgrade of the Newell Highway/West Plains Road intersection.

Since submitting the Submissions Report, Evolution met with Transport for NSW on 25 March 2021 to further discuss this issue. Evolution has carefully considered the matter in the context of the traffic assessment undertaken for the EIS and the additional work undertaken for the Submissions Report.

Evolution has written to TfNSW (attached letter dated 9 April 2021, provided to DPIE on 12 April 2021), which confirms:

- that there is an extremely low volume of mine-generated traffic (3 light vehicles and 1 shuttle bus) travelling from Forbes using the intersection during construction and operations compared to peak daily traffic volumes (ie a 7% increase). There will be no freight using the Intersection as all deliveries will access CGO via West Wyalong;
- the intersection is low risk, given low traffic volumes and the absence of crash history, and it is situated on a long straight section of road, with unobstructed sight to the left and right of the Intersection over three times the recommended sight distances for a road with a design speed of 120 km/h;
- TfNSW has indicated that approval of the Project may be dependent on Evolution funding the entire cost to upgrade the intersection to rectify a legacy issue that is not linked directly to the development of the Project, which is concerning to Evolution; and
- safety is a core value of Evolution and the safety of its workforce and the community is important. Whilst the additional traffic volumes that the Project will generate are minor and the Intersection is not currently a black spot due to accident history, Evolution has offered to contribute \$50,000 (or 25%) to the cost of upgrade. Evolution therefore considers that given the minor additional traffic contribution from the project, that TfNSW's request is unreasonable.

The above represents Evolution's current position on the matter. While TfNSW is yet to respond to Evolution's letter, Evolution would be happy to discuss the matter further if TfNSW wishes to do so.

2 Voluntary Planning Agreement

Evolution is prepared to enter into a Voluntary Planning Agreement with Bland Shire Council (Council) in order to offset the impacts of the project. In this regard, Evolution can report that:

- informal preliminary discussions between CGO and Council have occurred to explore VPA scope, participation, process and content;
- Council has engaged an external consultant for advice; and
- formal face to face good faith discussions are planned to commence in early May 2021.

Evolution will report back to DPIE the outcomes of its discussions with Council and will provide a timeframe for the completion of this matter at that time.

We trust that these responses satisfy your request. If you wish to discuss the above matters further, do not hesitate to contact me on 0407 102 898.

Yours sincerely

Paul Freeman Associate Director pfreeman@emmconsulting.com.au

Appendix A

Letter from Evolution to TfNSW dated 9 April 2021

9 April 2021

Mr Jonathan Tasker Acting Director South West Transport for NSW PO Box 484 Wagga Wagga NSW 2650

Attention: Maurice Morgan, Manager Land Use

Dear Mr Tasker,

RE: Cowal Gold Operations ("CGO"): Underground Development Project/Modification 16 ("the Project")

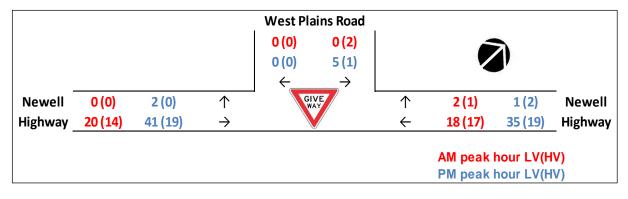
I refer to the CGO Underground Development application SSD 10367 and the associated modification application for DA14/98 Mod 16 which are currently under assessment by the Department of Planning, Industry and Environment ("DPIE").

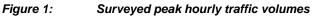
I also refer to the letter from Evolution Mining ("Evolution") to Transport for NSW ("TfNSW") dated 26 February 2021 and the meeting held on Thursday 25 March 2021 with TfNSW (Mr Maurice Morgan, Manager Land Use) in relation to the Newell Highway/West Plains Road intersection ("the Intersection").

Environmental Impact Statement ("EIS") Traffic Study

Evolution provided a comprehensive traffic assessment on the Intersection in the Submissions Report following an initial assessment included in the EIS for the Project.

A survey of traffic volumes for the two peak hours was undertaken and the predicted additional peak hourly traffic volumes during construction and operations are shown below in Figures 1, 2 and 3.





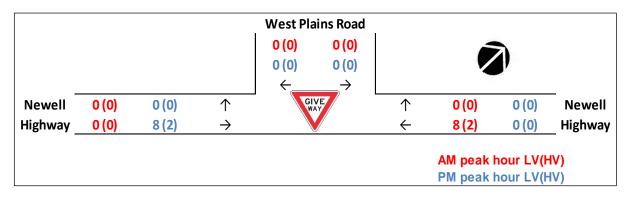


Figure 2: Additional peak hourly traffic volumes during construction

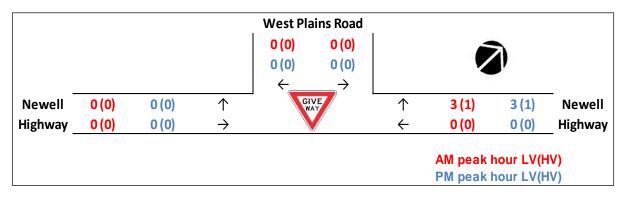


Figure 3: Additional peak hourly traffic volumes during operation

The result of this assessment is that there is an extremely low volume of mine-generated traffic travelling from Forbes using the Intersection during construction and operations compared to peak daily traffic volumes. The Evolution traffic that will use the Intersection is calculated to be three (3) light vehicles and one (1) heavy vehicle (shuttle bus) at each peak period, quantified by our engineer to be 7% of the total peak volume passing through the Intersection. There will be no freight using the Intersection as all deliveries will access CGO via West Wyalong.

Intersection analysis

The Intersection is considered to be low risk given low traffic volumes and the absence of crash history, which is a key trigger for prioritisation of funding capital works under both the Commonwealth Black Spots program and the NSW Safer Roads program. It is situated on a long straight section of road, with unobstructed sight to the left and right of the Intersection over three times the recommended sight distances for a road with a design speed of 120 km/h.

We understand that TfNSW is concerned with a legacy issue that the current passing lane does not meet the current Austroads standards in terms of its requisite length and pavement condition rather than increased traffic volumes or other Project-related impacts.

Evolution Proposal

Safety is a core value of Evolution and the safety of our workforce and our community is important. Whilst the additional traffic volumes that the Project will generate are minor and the Intersection is not currently a black spot due to accident history, Evolution offered to contribute \$50,000 to the cost of an upgrade. We understand that the total cost of the upgrade is approximately \$200,000.

Recent discussions with TfNSW have indicated that approval of the Project may be dependent on Evolution funding the entire cost to upgrade the Intersection to rectify a legacy issue that is not linked directly to the development of the Project, which is concerning for us.

It was suggested that Evolution seek additional contributors from various Government funding programs, but there is concern that these requests for contribution will not eventuate based on the absence of key drivers being traffic volumes and road safety risk. Neither of the Commonwealth or State programs referred to above advocate, recommend or rely on funding of State road upgrades from the private sector.

In summary, we are prepared to make a contribution of \$50,000 towards an upgrade of the Intersection but consider the requirement for Evolution to fund the entire upgrade to be unreasonable given the minor additional traffic that the Project generates at the Intersection.

Evolution appreciates the time TfNSW has taken to provide its views on the matter. I thank you for your consideration of this letter and look forward to your favourable response to this offer.

If you wish to discuss the matter further, do not hesitate to contact Simon Coates, Superintendent Environment, on 0437 371 886 or at simon.coates@evolutionmining.com

Yours sincerely

John Penhall General Manager Cowal Gold Operation