

14 November 2022

Stephen O'Donoghue
Director Resource Assessments
Department of Planning and Environment
12 Darcy Street
Parramatta NSW 2124

Re: McPhillamys Gold Project - Response to SIA Expert Review

Dear Steve,

This letter provides a response to the Department of Planning and Environment (DPE) SIA Expert Review letter (Review Letter), dated 3 November 2022 in relation to the *McPhillamys Gold Project Social Impact Assessment* (SIA) (Hansen Baily 2019) and the *McPhillamys Gold Project Addendum SIA* (Hansen Bailey 2020).

The timing of the Review Letter has been problematic for Regis. The Review Letter has been issued almost 12 months after the last correspondence between Regis and the DPE that related to the consideration of potential social impacts. The Review Letter has been issued at a time when DPE project determination and referral to the Independent Planning Commission (IPC) is imminent. The DPE has provided Regis with a limited time-frame in which to prepare an adequate response to a document that is poorly structured, introduces assumptions regarding impacts¹ which have no evidence base and which Regis must rebuke, and presents a discussion of social impacts that creates confusion regarding the spatial dimensions of the impact and the proposed mitigation measures.

Section 1.1 provides a summary of the issues raised in the Review Letter. Our detailed response to matters raised is provided in sections 1.2 – 1.5.

1.1 Summary of issues raised in the DPE SIA Expert Review Letter

In summary the Review letter:

- Acknowledges that the general approach and methodology undertaken for the SIA is acceptable;

1. ¹ Section 3.1.10 page 29 of the Review Letter identifies 'an increase in violence including domestic violence and increase in sex workers' as anticipated impacts of the influx of a temporary workforce into Blayney. There is no evidence to support these statements

- Includes a review of the social impacts of high concern and medium and high significance and suggests that two impacts related to the Kings Plains settlement have not been assessed (Table 1);
- Identifies potential inadequacies in the mitigation proposed for some social impacts accruing to the Kings Plains settlement and broader Blayney LGA (Table 1);
- Makes recommendations for potential mitigation measures to minimise social impacts or respond to adaptive change; and
- Makes general recommendations regarding conditions of consent for the project.

Table 1 **Summary of issues raised in DPE SIA Expert Review letter**

Theme	Item	Response Section Reference
Assessment of social impacts to Kings Plains settlement	Impacts of population outmigration from Kings Plains.	1.2.2
	Unintended or secondary impacts associated with specific mitigation measures, namely Landholder Mitigation and Compensation Agreements (Negotiated Agreements) and the Voluntary Planning Agreement (VPA),	1.2.3 and 1.2.4
Adequacy of mitigation measures for impacts affecting Kings Plains settlement	Social effects arising from potential population outmigration	1.2.2
	Loss of amenity	1.2.6 i
	Loss of Aboriginal cultural values	1.2.7
	A reduction in the aesthetic, cultural, spiritual and recreational value derived from the surrounding ecosystem	1.2.6 ii
	Loss of water supply and food provisioning ecosystem services accessed by residents	1.2.6 ii
	Loss of sense of place	1.2.6 iii
	Loss of rural way of life	1.2.6 iii
	Fears and anxiety related to noise, dust, air quality emissions	1.2.6 iv
Issues of procedural fairness and distributive equity in the development of mitigation measures	Procedural fairness in the development of the Voluntary Planning Agreement for the Project, and on impacts to decision-making systems and the equitable distribution of benefits to the Kings Plains settlement	1.2.4 and 1.2.5
Adequacy of mitigation proposed for social impacts affecting broader Blayney LGA	Housing availability and affordability	1.2.8
	Fear and anxiety related to health and safety concerns deriving from the transport, storage and handling of dangerous goods	1.2.9
	Distributive and intergenerational equity	1.2.5
	Labour draw from the non-mining sector	1.2.8
	Community cohesion, safety and wellbeing	1.2.11
General recommendations		

Social Impact Management Plan	1.4 and 1.5
Mine closure planning	1.2.12, 1.3, 1.4 and 1.5
Community sentiment surveys	1.3, 1.4

1.2 Regis Response to DPE SIA Expert Review Letter

Regis response to the matters raised in the Review letter are presented below and in summary address the following key issues:

- Key social impacts;
- Impacts associated with population outmigration from the Primary Assessment Area (PAA);
- Negotiated agreements;
- Voluntary Planning Agreement;
- Distributive and intergenerational inequity;
- Mitigation of social impacts accruing to Kings Plains settlement;
- Contamination and Dangerous Goods;
- Workforce accommodation;
- Local services and facilities;
- Labour draw;
- Community cohesion, safety and wellbeing; and
- Mine closure.

Further discussion regarding the recommended conditions of consent including the Social Impact Management Plan (SIMP) and community investment plan (CIP) for the project, the complaints and grievances framework and the findings of the latest community sentiment survey is provided in Sections 1.5 to 1.6.

1.2.1 Key Social Impacts

Section 3 of the Review Letter presents a list of 10 social impact themes identified by the SIA review team based on the findings of the expert review. The presentation of this list of social impacts suggests to the reader that there were serious short-comings to the identification of social impacts in the original SIA. Regis would like to clarify that the 10 social impact themes identified in the Review Letter are neither new social impacts or social impacts that were missed in the SIA. The list presented is a 'summary' of the social impacts identified in the SIA and serves to structure the narrative in the Review Letter.

1.2.2 Impacts associated with population outmigration from the PAA

The following discussion responds to issues raised in Section 3.1.1. of the Review Letter which considered the adequacy of the assessment and mitigation of potential impacts associated with out-migration of population from Kings Plains.

i Scale of impact

The Review Letter inflates the scale of any potential population outmigration from the Primary Assessment Area (PAA, defined in Section ii below) due to the project. Whilst correct that “within a two-kilometre radius of the proposed development, there are around 88 (exclusive of Regis owned residences) inhabited dwellings with an estimated population of 230 people (p8)”, there are currently 19 occupied private dwellings and an estimated 46 residents in the Kings Plains settlement, the closest settlement and the most affected settlement to the mine development area. Any outmigration attributable to the project more than likely will be associated with Kings Plains settlement given proximity to the project and assessed project effects.

The Review Letter conflates the PAA into Kings Plains, which is incorrect and misleading when discussing actual numbers of properties affected. This approach means the number of properties and population potentially significantly affected by the project is vastly overstated.

As described in the following sections, the Kings Plains settlement is a small component of the broader PAA. The settlement is predominantly ‘lifestyle blocks’. The settlement is a mix of longer-term residents (more than 10 years as residents, and in a few cases generational), medium term residents (moved in 5-10 years ago) and new residents. Medium-term residents make up the majority of the population of the Kings Plains settlement. There are no public or shared community facilities in Kings Plains settlement or Kings Plains Locality (defined in Section ii below) with the exception of the Kings Plains Rural Fire Brigade.

ii Spatial Dimensions

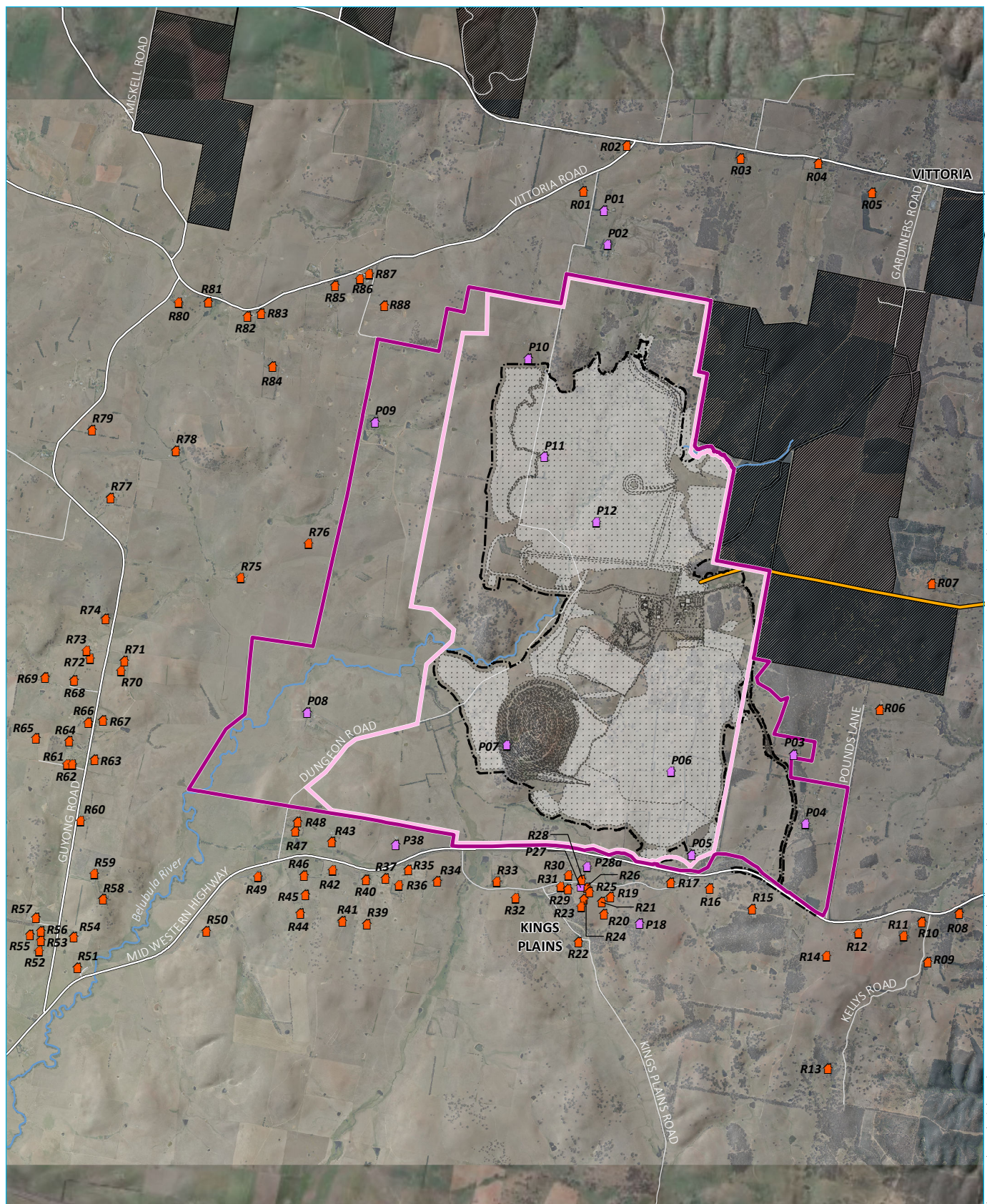
For the purpose of clarifying the narrative in the Review Letter, the applicable spatial boundaries and their component populations and dwelling numbers are provided below.

The SIA assessed the social impacts of the project at two spatial dimensions:

- Primary Area of Assessment (PAA) – The PAA includes all land within an approximate 2 km distance from the mine project area boundary and includes the Kings Plains settlement as well as properties to the north of the mine project area, and west of the mine project area along Guyong Road. The PAA is shown in Figure 1. In 2019 (at the time of SIA reporting) the PAA contained an estimated 88 private dwellings with an estimated total population of 230 people². Based on 2021 Australian Bureau of Statistics (ABS) census data the PAA contains an estimated 88 private dwellings and an estimated population of 202 people; and
- Secondary Area of Assessment (SAA) – Defined as Blayney LGA. Outside of the PAA, the primary area of influence of the project is the town of Blayney. The 2021 ABS Census population of Blayney LGA is 7,497 people with 3,241 occupied private dwellings. The 2021 ABS Census population of the town of Blayney (urban centre locality) is 2,997 people with 1,344 occupied private dwellings.

The PAA contains 6.5% of all occupied private dwelling in Blayney and less than 3% of the population.

² Refer to footnote to the Table 8 in Section 3.3.1 SIA Study Area SIA p 30 of the SIA (Hanse Bailey, 2019).



Source: EMM (2022); Regis Resources (2022); ESRI (2022); Survey Graphics (2019); DFSI (2017)

KEY

Project application area

Mine development project area

Extent of mining lease application areas
(Note: boundary offset for clarity)

Disturbance footprint

Mine development general arrangement

Pipeline

Existing environment

Major road

Minor road

Belubula River

Vittoria State Forest

Sensitive receptor

■ Private

■ Project related (Regis-owned)

SIA Primary Assessment Area

McPhillamys Gold Project

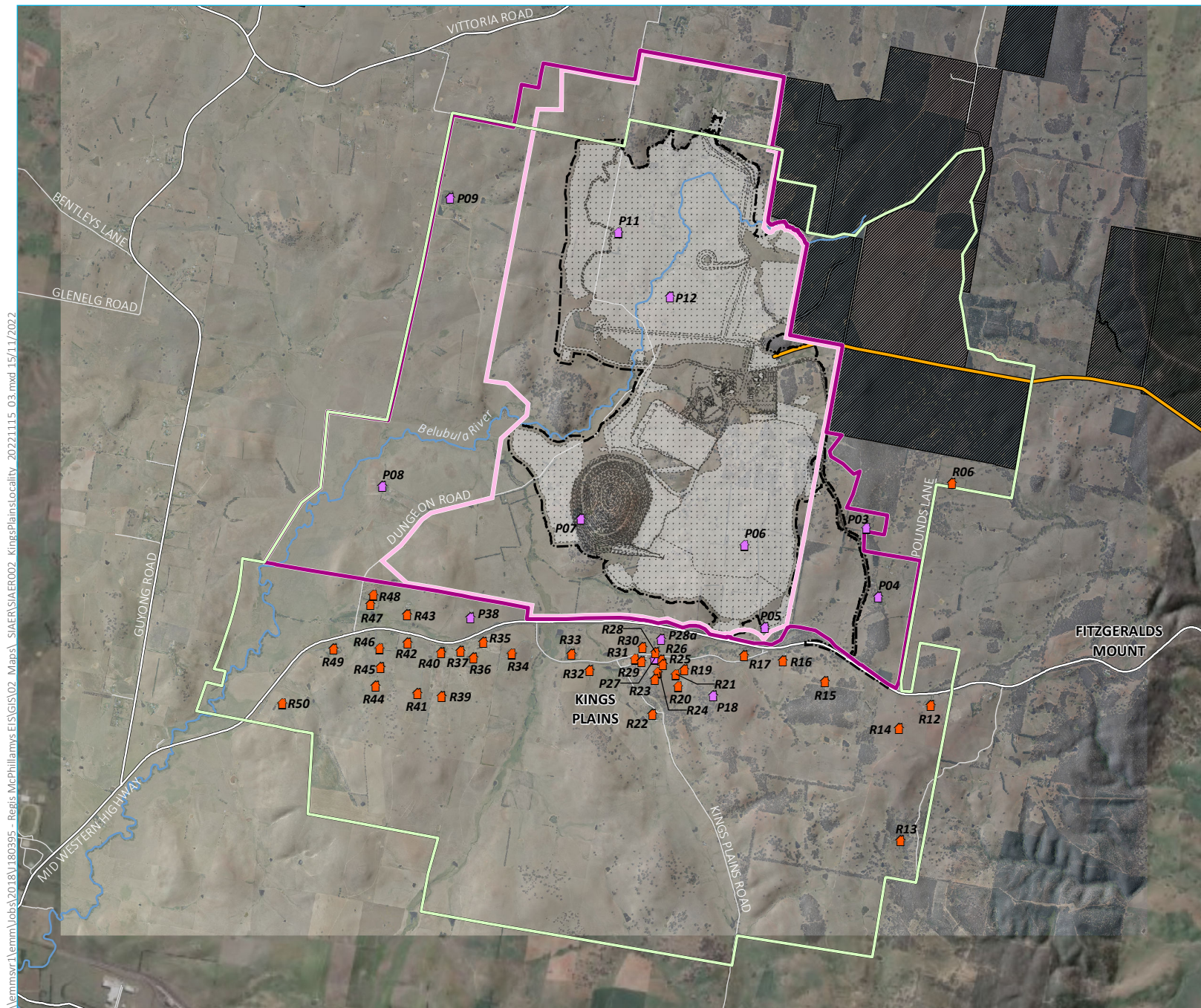
Figure 1

Primary Area of Assessment

For the purposes of disaggregating potential social impacts and opportunities further, the PAA was divided into a number of discrete geographic catchments called sub-components. Table 2 describes the sub-components of the PAA.

Table 2 Primary Assessment Area Sub-Components

Theme	Item
Kings Plains Locality	<p>Broadly defined as the geographic area that extends from <i>Lynfern</i> homestead on the Mid-Western High near Dungeon Road, east to Kellys Road and includes the Kings Plains settlement located on Walkom Road (refer Figure 2). The spatial dimensions of the Kings Plains Locality were verified through SIA consultation in 2018/2019. The Kings Plains Locality broadly aligns with the spatial boundaries of the Australian Bureau of Statistics (ABS) 2021 Census State Suburb (SS) of Kings Plains (SSC12151). Based on 2021 ABS census data, the Kings Plains Locality currently has a population of 121 people and an estimated 47 occupied private dwellings.</p>
Kings Plains Settlement	<p>The Kings Plains settlement, within the broader Kings Plains Locality, is the area immediately south of the southern boundary of the mine project area and is the closest settlement to the mine project area. The Kings Plains settlement is shown in Figure 3. The Kings Plains settlement is the primary spatial focus for the identification and assessment of project related social impacts and opportunities.</p> <p>In 2019, as assessed in the SIA and Addendum SIA, the Kings Plains settlement had a total of 20 landholdings (19 occupied private landholdings and one vacant block), and an estimated population of 45 people. At November 2022 the Kings Plains settlement has an estimated population of 46 people and includes:</p> <ul style="list-style-type: none">• Three landholdings owned by Regis (one vacant block, one tenanted residence, and one residence that does not comply with rental standards); and• 18 private occupied landholdings. <p>Of the 18 private occupied landholdings, an estimated seven were built in the last nine years, including two in the last three years (i.e. in the years since the original SIA was completed).</p> <p>Since the completion of the SIA and Addendum SIA, the spatial boundaries of the Kings Plains settlement, as referred to in discussions and correspondence around Negotiated Agreements, have changed. The area considered to be Kings Plains settlement has increased as a result of Regis moving the main mine entrance further to the east, in response to stakeholder and community feedback. Additional residences in the west were also added to due to the potential for amenity impacts on these residences.</p>
West and north of the mine project area	<p>Broadly defined as all area located outside the Kings Plains Locality but within a 2 km radius of the mine project area. This spatial area predominantly includes dwellings located along Guyong Road to the west of the mine project area and north along Vittoria Road and the Mitchell Highway.</p>



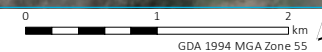
- KEY**
- Project application area
 - Mine development project area
 - Extent of mining lease application areas
(Note: boundary offset for clarity)
 - Disturbance footprint
 - Mine development general arrangement
 - Pipeline
 - Existing environment
 - Major road
 - Minor road
 - Belubula River
 - Vittoria State Forest
 - Kings Plains state suburb
 - Sensitive receptor
 - Private
 - Project related (Regis-owned)

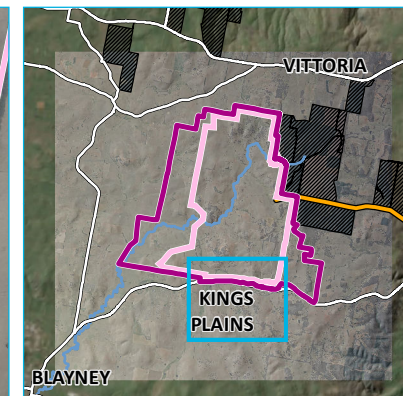
Kings Plains Locality

McPhillamys Gold Project

Figure 2

Source: EMM (2022); Regis Resources (2022); ESRI (2022); Survey Graphics (2019); DFSI (2017)





- KEY**
- Project application area
 - Mine development project area
 - Extent of mining lease application areas (Note: boundary offset for clarity)
 - Disturbance footprint
 - Mine development general arrangement
 - Existing environment
 - Major road
 - Minor road
 - Sensitive receptor
 - Private
 - Project related (Regis-owned)*

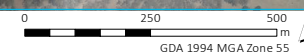
SIA 2019 Kings Plains Settlement

McPhillamys Gold Project

Figure 3

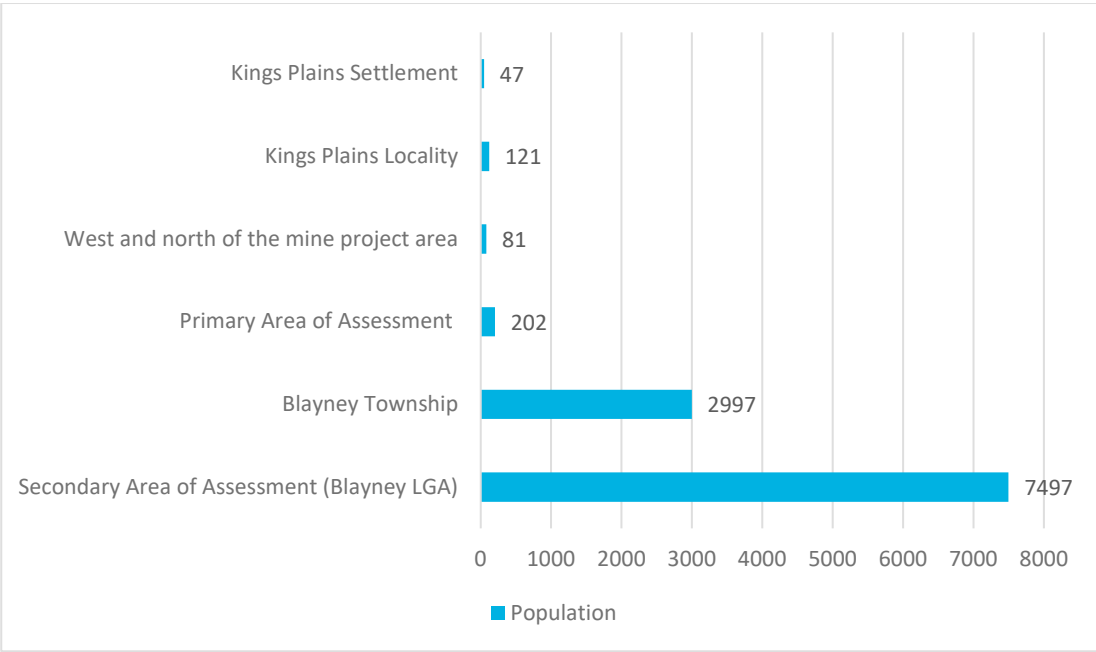
Source: EMM (2022); Regis Resources (2022); ESRI (2022); Survey Graphics (2019); DFSI (2017)

*Note: P28a is vacant land



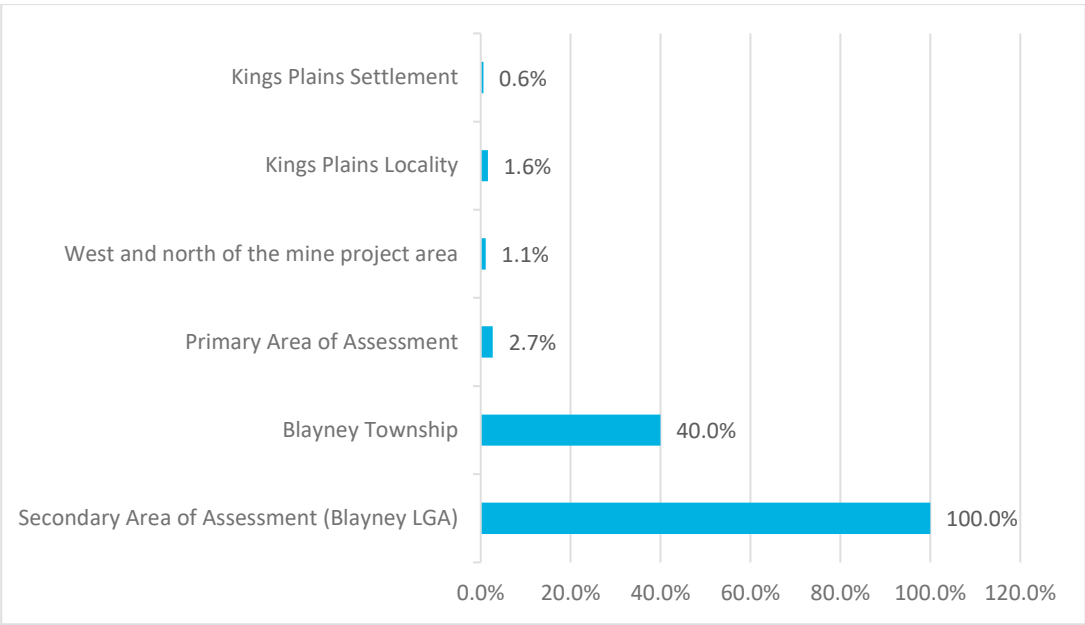
Component population

Figure 4 presents the estimated population of the Secondary Assessment Area as of November 2022 based on a combination of 2021 ABS census data and the findings of ongoing engagement. Figure 5 presents the population as a proportion of the total population.



Notes: 1. Source: 2021 ABS Census Data

Figure 4 Population distribution



Notes: 1. Source: 2021 ABS Census Data

Figure 5 Population Distribution (Percent)

iii Significance of outmigration impacts

The Review Letter suggests that *“if 18 of the 44 dwellings in the Kings Plains locality are acquired and the families relocate from the area, this would represent a loss of 41% of the households in the Kings Plains locality. If 18 of the 88 residences in the PAA(...) relocated this would represent a loss of 21%...”*

A 20% reduction in the number of community members, deriving from an adverse mutual experience is generally considered to have catastrophic consequence on the community...

Given that 18 landholders have been offered the Agreement, and some landholders in the Kings Plains locality have been offered and not signed the Agreement having communicated that they do not support the project, the likelihood of 20%+ of households relocating is possible. This means that the overall social risk to the Kings Plains Community of loss of community wellbeing and cohesions due to out-migration be assessed as extreme”

The Review Letter states that *“there is no prediction in the SIA as to how many people may move from Kings Plains as a result of the development”*. It also concludes that the social risk to the Kings Plains community of loss of community wellbeing and cohesion due to out-migration has not been assessed in the SIA, and hence no mitigation is proposed.

Contrary to the conclusions in the Review Letter, the potential for outmigration and resulting impacts on the Kings Plains community was discussed in Section 6.3.4 of the SIA. The social risk was assessed as a component of the social risk “fragmentation of Kings Plains community and potential changes to social cohesion”. Unmitigated the risk was assessed as Significant and the mitigated risk assessed as High, with an overall social risk significance rating of High. No scenario analysis of potential population outmigration from the Kings Plains settlement was undertaken.

It is Regis’ overall intention that there is no outmigration.

Following the completion of the SIA (Hansen Bailey, 2019) and ongoing engagement with landowners in the Kings Plains settlement, Regis introduced Negotiated Agreements. The ultimate intention of the Negotiated Agreements is to minimise or prevent outmigration. The Negotiated Agreements were initiated in good faith by Regis to enable collaborative planning with landowners regarding bespoke mitigation measures. Minimising or eliminating negative effects of the mine maximises the likelihood of people staying in their homes in the Kings Plains settlement.

Uncertainty regarding the magnitude and spatial extent of project effects, particular effects on amenity and property values were identified during EIS and SIA consultation as significant drivers of fear and anxiety across the population of the Kings Plains Locality and to a lesser extent the broader PAA. The inclusion of a voluntary acquisition clause in the Negotiated Agreements seeks to allay the fears expressed by affected Kings Plains property owners regarding potential property value depreciation and way of life impacts arising from project activities. If landowners exercise the purchase option, it allows them a cost-neutral relocation. There is no financial incentive to leave Kings Plains.

There are landowners in Kings Plains settlement who advised Regis at the time draft Negotiated Agreements were first offered, that they already intended to sell their properties. The decision to sell was made independently of the project being developed. Understandably, some landowners appear to be holding off selling until a determination is made about the project.

Regis continues to encourage unsigned landowners to work with Regis to develop a Negotiated Agreement that works for them. Regis has always been open with landowners regarding the final date on which landowners can sign a Negotiated Agreement. Regis has advised landowners in the Kings Plains settlement that the final date to sign a negotiated agreement is close of business, the day before the Regis board meeting where Final

Investment Decision is made to proceed with the project. Regis will advise all landowners with unsigned agreements of this exact date as it approaches.

To date, Regis has discussed Negotiated Agreements with 18 private landowners covering 19 receivers in Kings Plains (refer Figure 6). A number of landowners have already signed agreements.

Regis has made every effort to negotiate mitigations that will allow affected landowners in the Kings Plains settlement to stay in their homes. In total, Regis owns two residences and one block of vacant land located outside the mine project area and within the Kings Plains settlement. One residence is occupied by a local family. The second residence, which does not meet minimum rental standards has been offered to TAFE for use as an apprentice training project to upgrade it to the minimum rental standard, after which Regis will seek a tenant. Regis recognises that the local rental market is tight and has a very strong track record for making sure that properties we own are occupied.

Further, the commitment to ensure Regis owned properties are tenanted at all times means any out-migration of existing residents from the Kings Plains settlement would be offset by new incoming residents. Since the SIA was drafted two property owners (three people in total) have departed the Kings Plains settlement for reasons unrelated to the project. The outmigration of these property owners represents more than 10% of residences and approximately 10% of the population of Kings Plains settlement. The outmigration has been offset by the in-migration of a new family of five people who have taken up residency in a Regis owned property in Kings Plains. There is no indication from discussions with the community that the outmigration of the original three residents has had any noticeable effect on community-wellbeing of the population of Kings Plains settlement.

For the reasons described above it cannot and should not be assumed that the majority of property owners in the Kings Plains settlement would out-migrate in the event that the project is approved and further that outmigration, when matched with in-migration of new residents, would have a detrimental effect on the wellbeing of the population of the Kings Plains settlement.

iv Tenancy of Regis owned properties

The Review Letter suggests the following adaptive management measure be adopted in the event of out-migration “Minimise vacant properties and rent available properties to local residents who would actively and positively engage in activities that enhance community wellbeing and cohesion”

Firstly, this suggestion could be considered discriminatory. NSW Fair Trading tenancy information states, “...a landlord or agent cannot apply a rule, policy, practice or procedure that adversely affects a group of people.” Regis as a landlord would need to meet NSW Fair Trading tenancy requirements which may not satisfy the suggested measures.

Secondly Regis, as a major landowner in the PAA and in recognition of the tight housing market in the Central West Region, prioritises the tenancing of Regis owned unoccupied and habitable dwellings and has a track record to prove these actions.

v Mitigation

The Negotiated Agreements are the primary measure for minimising the potential for out migration of population from the Kings Plains settlement. In addition, the following mitigation measures are identified in the SIA to minimise out migration of population from the Kings Plains Locality and reduce the associated impacts on community cohesion, wellbeing and way of life:

- Engage in and maintain transparent, evidence-based and ongoing dialogue with concerned property owners and other community members, based on the results of the EIS;

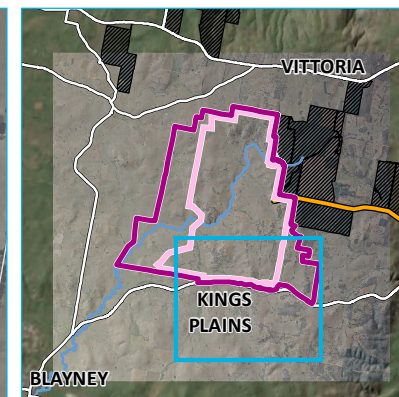
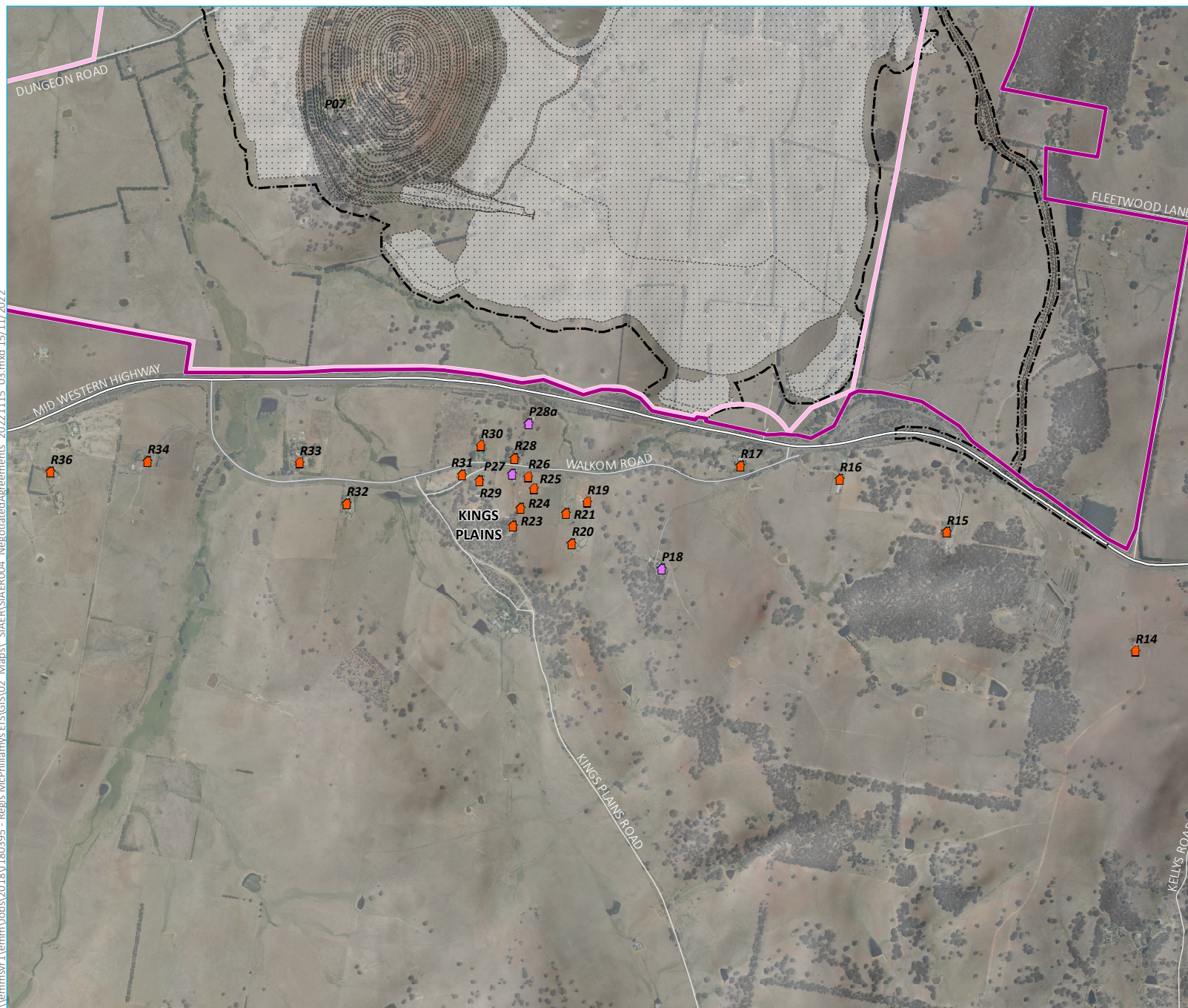
- Undertake tailored consultation with residents of the PAA to ensure all residents are informed of the nature and magnitude of predicted impacts at their private property; measures to manage and or mitigate predicted impacts; and opportunities for compensation or property acquisition;
- Develop property-specific management plans in agreement with individual landowners within the Kings Plains Locality. These management plans will incorporate tailored strategies e.g. installation of air-conditioning or double glazing, landscaping and screening to reduce amenity impacts of the project at private residences. These actions now form part of the Negotiated Agreement process;
- Demonstrate to the surrounding community, an ability to develop the mine and comply with all necessary regulatory requirements i.e. Regis demonstrating they are a good neighbour;
- Seek to make Regis owned housing, where located outside of the mine disturbance footprint, available for rent to existing residents of the Blayney LGA and the incoming workforce. As discussed above, Regis has a track record in tenanting Regis owned properties;
- Establish good neighbour relations and demonstrating through action that Regis is a good corporate citizen; and
- Implement a complaints and grievances framework to ensure that any unanticipated impacts on the neighbouring resident's rural way of life are identified and addressed. This framework will be developed as a component of the SIMP.

In addition to the above mitigation measures it is envisaged that service upgrades required for the project will extend project benefits to our near neighbours, in particular Kings Plains. This would benefit existing residents and make the location attractive to new residents should housing become available. Potential service upgrades include:

- Refuse collection – The Kings Plains community does not have a refuse collection service. There may be an opportunity to extend the mine site refuse disposal service to the Kings Plains settlement.
- Telecommunications – Regis will be installing fibre optics to the site. The benefits of this service installation can be extended to the Kings Plains settlement. Regis will engage with the telecommunications provider in relation to improving coverage for near neighbours.
- Mobile communications will also be improved as part of the project and the benefits would likely extend to the residents of the PAA.
- The mine development will strengthen community bushfire-fighting capabilities through the ability to apply mine resources in the event of local bushfires and ongoing participation in the Kings Plains Rural Fire Brigade.

Further, the SIMP to be prepared for the project (a commitment in the original SIA) will include a tailored sub-plan for the Kings Plains settlement and broader PAA. These sub-plans will be prepared through a co-design process with PAA residents. The sub-plan will articulate measures to mitigate, manage or offset the social dimensions of any identified residual risks accruing to the PAA. The sub-plan will inform investment planning through the Community Investment Plan (CIP) and will include a co-designed monitoring and implementation plan. Further information on the CIP and SIMP are provided in Sections 1.4 and 1.5 respectively.

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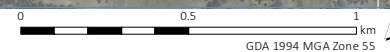
- KEY
- Project application area
 - Mine development project area
 - Extent of mining lease application areas (Note: boundary offset for clarity)
 - Disturbance footprint
 - Mine development general arrangement
 - Existing environment
 - Major road
 - Minor road
 - Sensitive receptor
 - Landowners offered negotiated agreements
 - Project related (Regis-owned)

Negotiated agreements

McPhillamys Gold Project

Figure 6

Source: EMM (2022); Regis Resources (2022); ESRI (2022); Survey Graphics (2019); DFSI (2017)



1.2.3 Negotiated Agreements

i Procedural Fairness

In Section 3.1.1 of the Review Letter, the SIA review team raises issues of procedural fairness and flow-on effects to community cohesion resulting from the use of Negotiated Agreements. The author argues that the following components of the Negotiated Agreements will lead to community division in Kings Plains between those that sign and those that don't, with flow-on implications for community cohesion and wellbeing:

- Restrictions on agreement holders 'speaking out' in respect of complaints regarding noise or air quality impacts of the Project; and
- Agreement holder acceptance that *'the Project may cause noise levels at the Residence to exceed the Project Noise Trigger Levels by up to 5dB'*.

The author is correct in noting in the Review Letter that agreement making is a private matter between the applicant and neighbouring landholder and is *'outside the scope of the Department'*. However, as the author has raised the issues in the Review Letter, Regis is compelled to clarify the issues raised.

As described in the *Voluntary Land Acquisition and Mitigation Policy for State Significant Mining, Petroleum and Extractive Industry Developments, September 2018* (DPE, 2018) (VLAMP):

"Negotiated agreements are private contracts between applicants and landowners, and are the preferred mechanism for managing any exceedances of the relevant assessment criteria, as they:

- *Can be specifically tailored to the individual circumstances of the landowner;*
- *Can be entered into at any stage of development – but usually prior to a development application being lodged; and*
- *Provide for the implementation of a broader suite of measures, such as financial compensation for impacts, acoustic treatments to buildings and the provision of alternative accommodation (particularly when the exceedances would only occur over short periods)"* (DPE, 2018 p 8)

With regards to complaints, the Negotiated Agreement requires that Regis be given the first opportunity to resolve the identified problem *before* it is escalated to regulators and media. This clause in the Negotiated Agreement simply commits the landowner to following standard complaint resolution processes – a process that will align with the complaints and grievances procedure committed to in the SIA to be developed as part of SIMP. It is noted, that Regis understands that the regulators encourage complaints being resolved by the parties concerned in the first instance. The approach to complaints and grievance management is discussed in Section 1.5.4.

There is no definition of "reasonable opportunity" in the Negotiated Agreement because what is reasonable is situation specific. Asking a building crew to turn their radio down is a 5-minute resolution. Investigating a drop in water level in a stock and domestic bore takes far longer. The use of the term in the Negotiated Agreement does not result in a tangible loss of procedural fairness.

As noted in the Submissions Report (EMM 2020a) and Amendment Report (EMM 2020b), the noise models developed for the project do not predict any properties will experience noise levels that trigger the requirement for acquisition set out in the Voluntary Land Acquisition and Mitigation Policy (VLAMP) (NSW Government 2018). Predicted noise is also below the triggers in the VLAMP for mitigation requirements at all privately owned properties.

ii Fair and reasonable negotiations

In Section 3.1.4 (p 20-21) of the Review Letter, the author argues that there is insufficient evidence to assess whether the Agreement between the applicant and landowners have or have not been consistently negotiated in a “fair and reasonable” manner and in line with the VLAMP expectations. The author has questioned the transparency of the process and resulting secondary social impacts.

The project does not trigger the VLAMP (DPE, 2018), however the Negotiated Agreements offered to landowners meet all VLAMP expectations including fair and reasonable negotiations. In 2021 Regis engaged the services of Gary West to facilitate a meeting with Mr Warwick Giblin of OzEnvironmental. Mr Warwick Giblin was engaged by a number of residents in Kings Plains to negotiate on their behalf in the process of negotiating agreements with Regis. The meeting between Mr Giblin and Regis was held at the Blayney Community Centre on 7 November 2021, once Covid-19 restrictions allowed. This meeting was facilitated by Mr West and attended by eight land owners. During the meeting, Mr West noted the difficulties around achieving a standard agreement across all land owners as the impacts at each landholder’s residence would vary. Notwithstanding, Mr West discussed key aspects of the draft agreements with the land owners present.

With regards to lack of evidence, the VLAMP clearly states that negotiated agreements are private contracts between applicants and landowners. However, Regis has detailed records of dealings with all landowners to whom a negotiated agreement has been offered. We are confident that our conduct has been fair and reasonable and that every effort has been made to reach a Negotiated Agreement that is acceptable to affected landowners. The exception is land owners who have chosen not to negotiate an agreement, Regis continues to respect the decision of these land owners while letting them know we are available if they would like to contact us.

VLAMP (2018) defines reasonable as “...(relating to) the application of judgement in arriving at a decision, taking into account: mitigation benefits, costs versus benefits provided and the nature and extent of potential improvements.”(p 26) No definition of fair is given.

Regis has met VLAMP requirements that applicants “...implement all reasonable and feasible avoidance and/or mitigation measures to minimise the impacts of a development” (p 5).

Despite not triggering VLAMP, Regis has met VLAMP expectations of “fair and reasonable” by:

- Implementing all reasonable and feasible avoidance and mitigation measures (p 6);
- Offering negotiated agreements that include voluntary mitigation and voluntary land acquisition (p 6) despite noise and dust impacts not being predicted to exceed limits;
- Meeting negotiated agreement expectations (p 8-9);
- Meeting voluntary mitigation expectations (p 10-11) and using the mitigation methods recommended in VLAMP (pp 20 & 23); and
- Meeting voluntary acquisition expectations (pp 12-15).

Further to the above, every landowner has access to independent legal advice, with Regis contributing to reasonable legal costs.

1.2.4 Voluntary Planning Agreement

In section 3.1.5 of the Review Letter the author raises an issue with the use of the project’s Voluntary Planning Agreement (VPA) as a mitigation measure for social impacts based on the premise that the negotiation process for the VPA has “diminished the impacted communities’ decision-making capacity as they have been unable to influence the VPA” (p 22).

“As the SIA identifies the VPA as the primary mechanism for managing socio-economic impacts associated with development and enhancing opportunities for the local area; and the VPA does not reference such a requirement, and the Environmental Planning and Assessment Act 1979 has strict criteria of projects that may be funded or delivered through the VPA, and project social impacts are not a criteria; it is recommended that the SIMP and CBP be prepared with community involvement (including Kings Plains residents, OALC and representatives of vulnerable and marginalised groups in Blayney) and that it be explicitly linked to the identified social (and economic) impacts.” (p22)

Resolving issues of procedural fairness in the VPA consultation process is a matter for the community and the Blayney Shire Council (BSC). The point of a VPA is that the funds are managed by the Council in the community's best interests. The VPA is in place to deliver distributive equity across the Blayney LGA. It would be improper for Regis to control, influence or mitigate this diminished decision-making impact deriving from Blayney Shire Council's adherence to the regulatory requirements but not appearing to incorporate community concerns into their decision making.

The VPA is presented and discussed in the SIA as one of several tools to be used to avoid, mitigate, manage, offset or enhance potential social impacts. Table 41 Summary of Key Actions in the SIA (Hansen Bailey, 2019) identifies a suite of other tools including the project's Community Consultative Committee, Local Content Plan, Recruitment and Training Strategy, SIMP and Complaints and Grievances Procedure.

The VPA provides the BSC with financial resources to implement prioritised actions from the BSC Community Strategic Plan 2022-2023 (CSP). This is a condition (Clause 6.1 Use of Monetary Contributions by the Council) of the VPA. The CSP is a community document with priorities and aspirations for the future of the Shire. The CSP is developed by the community, endorsed by Council and must address civic leadership, social environmental and economic issues. VPA investment consistent with the CSP objectives would assist in mitigating some identified potential social impacts likely to be experienced by the communities of the PAA and broader LGA. For example, the SIA highlights the limitations of the Blayney Multipurpose Health Service, residential land availability, and some BSC provided services and infrastructure. The CSP includes directives for enhancements to these and related services.

Further, the author of the Review Letter references the provisions of the 2021 DPE SIA Guideline Technical Supplement noting that the mitigation measures should be *“deliverable by the proponent”*.

The 2021 DPE SIA Guideline Technical Supplement is not relevant to the consideration of impacts or mitigation measures for this Project. The 2017 DPE SIA Guideline does identify factors that should be considered when developing mitigation measures including:

- *Whether the mitigation measure requires action by another party that the applicant is not responsible for funding or delivering. For instance, a response to potential increased demand for government services could be to notify the relevant agency and potentially collaborate to manage it.*

Section C4.2 of DPE 2017 notes that *“It may be appropriate to link certain enhancement (and mitigation) measures to a voluntary planning agreement.”*

1.2.5 Distributive and intergenerational inequity

Section 3.1.7 of the Review Letter raises issues of distribute and intergenerational inequity The author suggests that the SIA does not propose any mitigation measures to address issues of distributive and intergenerational equity.

The VPA and Regis' community investment programs (i.e. the CIP described in Section 1.4) are the primary mechanisms for ensuring the equitable distribution of project benefits. As described above, the VPA provides funding aligned with the objectives of the CSP, which in turn benefit all or part of the Blayney LGA community. Regis' community investment activities under the CIP provide benefits to different groups in the Blayney LGA community aligned with defined objectives and to meet desired outcomes.

Regis recognises intergenerational equity as fulfilling present rights to development while equitably meeting developmental and environmental needs of present and future generations.

Actions proposed to mitigate the social effects associated with construction workforce accommodation demands (SIA and Section 1.2.7 below) will seek to ensure vulnerable sectors of the community do not experience a greater social or economic burden as a result of the project. As discussed in the SIA and in Section 1.2.10 below, Regis will complete a mine closure planning process in consultation with the BSC, state government agencies, local service providers, key interest groups including the Orange Local Aboriginal Land Council (OLALC) and Wiradjuri people, and residents of the Blayney LGA. The mine closure planning process will include consideration of post mine land use options. The commitment to a comprehensive co-designed mine closure planning process also seeks to ensure different sectors of the community do not experience a greater social or economic burden as a result of mine closure.

Regis will demonstrate a strong commitment to the provision of community benefit in the form of increased local employment and skills and supporting improvements in local business capability and capacity. Regis has committed to establishing partnerships and building collaboration with education service providers and training organisations in the Blayney LGA and broader Central West NSW, to improve local access to training and apprenticeship opportunities and mitigate the potential effects of labour draw. Investment in training and skilling will not only improve the distribution of project benefits, but also support intergenerational equity. The SIMP (Section 1.5) will include an education and training sub-plan which will document Regis' key actions to supporting skill development across the local labour force. These actions create share-value with the community and strengthen corporate social responsibility.

Further examples of Regis commitment to shared-value and the equitable distribution of benefits is evident in the commitment to the preparation and implementation of an Indigenous Participation Plan (IPP) (Section 6.2.9 p 136 of the SIA). Regis, through the SIMP and IPP will define specific objectives to support and encourage the development, growth and enhancement of relationships with Aboriginal People, and in particular the OLALC. Identified objectives, which will include objectives related to employment, education and training and cultural values, will be implemented through the IPP to be prepared for the project as part of the SIMP.

It is Regis' intention to engage local businesses in the delivery of construction phase activities and long-term operational services by embedding local business in site operations. For example a local business may operate a light vehicle tyre repair service on site. Regis, through the CIP will support activities that enhance the capability and capacity of local business to deliver services to the project and the LGA (refer Section 1.4).

1.2.6 Mitigation of social impacts accruing to Kings Plains settlement

i Loss of amenity

In relation to the mitigation of project effects on amenity, the author concludes in the Review Letter that *'the SIA and Amended SIA does not include discussion in relation to any mitigation measures; and therefore, the likely effectiveness of any proposed measure can only be assessed by the review; and it is unknown to what extent the proposed mitigation measures are acceptable to the people affected by the impacts.'* (p12).

To be clear, the key result of refinements in the mine design, including approach to construction, is a reduction in noise effects from the project to a level that does not necessitate application of the VLAMP. Enabling all landowners in the Kings Plains settlement an opportunity to negotiate bespoke private property treatments with Regis as part of the Negotiated Agreements seeks to offset the residual effects of changes in amenity.

The inclusion of a property acquisition clause in the Negotiated Agreements gives those landowners who determine that their way of life is detrimentally affected by residual project effects on residential amenity, a fair economic opportunity to move from the Kings Plains settlement.

Existing commitments Regis has already made in the EIS to minimise residual project effects on residential amenity include:

- A commitment from Regis to be a good neighbour;
- Conduct mine operations in compliance with regulatory conditions;
- Progressive rehabilitation of the site;
- Public reporting of noise and air quality monitoring results through the project website, CCC and other forums agreed with Kings Plains residents through the preparation of the SIMP; and
- A commitment to ongoing, open transparent and accountable communication with near neighbours. For clarification this would include engagement with near-neighbours regarding likelihood, magnitude and extent of residual social risks (i.e. adopt risk communication principles).

Photograph 1 and Photograph 2 Illustrate before and after tree planting on a private property in Kings Plains settlement. Tree planting at this residence formed a component of the bespoke mitigation measures agreed with the land owner through the negotiated agreement process.

Impacts on collective amenity have been managed through extensive tree-planting that commenced in 2016 and has included plantings on Regis-owned land and Council-owned land. Between 2016 and 2022 an estimated 10,000 trees have been planted (refer Photograph 3 and Photograph 4). Native trees have been planted in corridors around the mine development project area as part of the longer-term plan to provide visual screening and create wildlife corridors around the site. Once established these areas will also be a new source of vegetation for local bees to forage.

Additional actions Regis will commit to that offset the loss of residential amenity include:

- Where possible applying appropriate landscape treatment to areas of rural vistas (as described in the EIS Visual Impact Assessment Report); and
- Involvement of residents of Kings Plains Locality in rehabilitation planning (within the boundaries of regulatory rehabilitation compliance requirements) and mine closure planning.



Photograph 1 Before planting vegetation screening visual mitigation at a Kings Plains residence



Photograph 2 Progress of vegetation screening visual mitigation at a Kings Plains residence



Photograph 3 **Tree corridor along southern boundary of the project area – August 2020**



Photograph 4 **Tree corridor along southern boundary of the project area – 2022**

ii Ecosystem Services

The SIA described the various benefits, referred to in the SIA as ecosystem services (ES), residents of the Kings Plains Locality derive from the surrounding natural environment with reference to:

- Spiritual enrichment, reflection, recreation and aesthetics generally associated with rural vistas. These are referred to in the SIA as cultural ecosystem services (Cultural ES). This impact is considered separately to impacts to Aboriginal cultural values, as described above.
- Access to water provided from the environment e.g. natural springs, Belubula River, groundwater, for agricultural purposes. This is referred to in the SIA as provisioning ecosystem services (Provisioning ES)

The potential of the mine development to impact the ES accessed by residents of the Kings Plains Locality was assessed as a mitigated moderate impact of medium overall significance.

The Review Letter suggests that the mitigation measures proposed in the EIS focus on the environmental dimensions of the ES impacts and do not address the social dimensions.

a Aesthetic, cultural, spiritual and recreational

Managing the environmental dimension of the impact indirectly mitigates the social dimensions. The following existing commitments seek to minimise the magnitude of project impacts on the cultural ES residents derive from the surrounding environment:

- A commitment from Regis to be a good neighbour;
- Mine operations in in compliance with regulatory conditions;
- Purchase of a future stewardship site approximately 3 km south-west pf Blayney. The property is approximately 388 hectares (ha) and contains some of the required ecosystem and species credits to offset habitat impacts. Revegetation of cleared areas within the offset property is proposed as a part of this offset strategy. It is Regis' intention to secure the property under a Biodiversity Stewardship Agreement with the Biodiversity Conservation Trust;
- Establishment of a aquatic ecology offset area on the Belubula River within Regis owned land;
- Progressive rehabilitation of the site;
- Progress tree-planting on Regis owned land as described in Section 1.2.6 i Native trees have been planted in corridors around the mine development project area as part of the longer-term plan to provide visual screening, create wildlife corridors and provide forage for bees around the site.
- Where possible incorporation of appropriate landscape treatment applied to areas of rural vistas (as described in the Visual Impact Assessment Report); and
- Bespoke mitigation measures to individual properties as part of the Negotiated Agreements (as described in Section 1.2.6 i).

In recognition of the landscape changes that will occur as a result of the project and the potential effects this may have on the Cultural ES residents of the PAA derive form the environment, Regis has already conducted tree plantings throughout the PAA including along Guyong Road, the Mid Western Highway and the southern and eastern boundaries of the mine project area.

Regis makes the following additional commitments to minimise, offset or respond through adaptive management to potential impacts on cultural ES:

- Ensuring an opportunity is provided for residents of the PAA to contribute to the preparation of the mine closure plan and rehabilitation of the mine site; and
- Identifying in consultation with the BSC and the broader Blayney community opportunities to support ecosystem enhancement across the Blayney LGA, but in particular along the Belubula River. Initiatives would be funded through the Regis CIP.

b Water supply and food provisioning

Most landholdings in the PAA are 'lifestyle blocks' with a small number of commercial agricultural businesses. Groundwater and surface water use in the PAA is predominantly confined to stock and domestic use. Potable water for domestic use across the PAA is sourced predominantly from rainwater, although some properties do have groundwater bores. The Kings Plains Locality is predominantly upstream of the project, hence surface water flows are unaffected by project activities.

With respect to groundwater the Review Letter indicates that neither the SIA nor the Amended SIA provides information as to the sensitivity of neighbours' groundwater bores and whether a 1 m drawdown would adversely impact them. The Groundwater Assessment (EMM 2019) and Addendum Groundwater Assessment (EMM 2020b) found that groundwater levels at existing third-party bores (i.e. bores located on land adjacent to the mine project area) will experience little to no change as a result of the project (refer Figure 7 below) and therefore the project will not impact on the availability of groundwater resources for land holders in the Kings Plains Locality.

Regis has monitored groundwater in the Kings Plains Locality since 2014. Currently 12 groundwater bores (predominately owned by third-parties) are sampled in the Kings Plains Locality (outside of the mine project area), as part of ongoing groundwater monitoring.

As part of the approved Groundwater Management Plan (GMP) for the mine development, the existing groundwater monitoring network will be reviewed and adjusted (as needed) to ensure adequate spatial coverage and collection of data to validate and update groundwater modelling predictions and to ensure that predicted impacts (in most cases no impact) can be measured at sensitive receptors.

The GWP will include groundwater performance criteria, including trigger levels for identifying and investigating any potentially adverse groundwater impacts associated with the development, including on groundwater supply for other water users such as licensed privately-owned groundwater bores. The GWP will also include a trigger action response plan to respond, in the unlikely event, to impacts on third-party bores, and to repair, mitigate and/or offset any adverse groundwater impacts of the project.

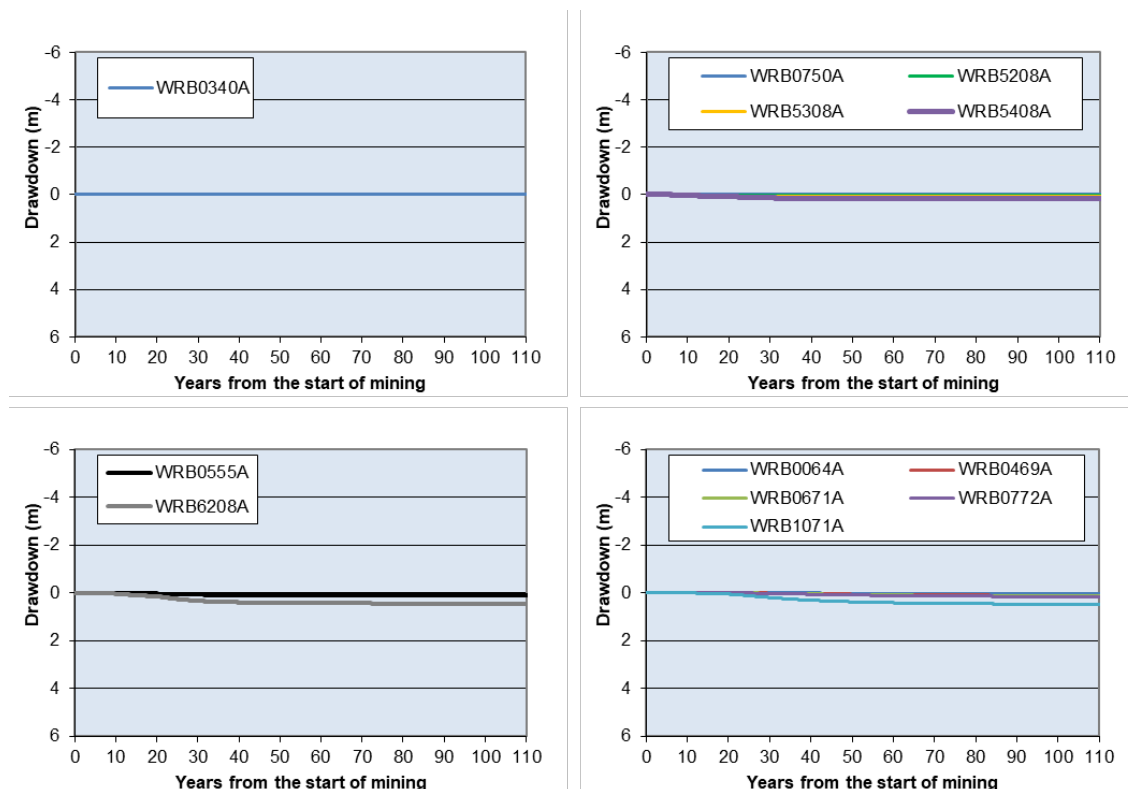


Figure 7 | Predicted drawdown at third-party bores (south and east of the pit area)

With respect to impact mitigation Regis has made a commitment to landowners that if there is a drawdown that can be attributed to the project, Regis will make good e.g. extend the bore or install a pump. As described in the SIA (Near Neighbours Impact Management Framework), Regis has also committed to the:

- Communicating to residents of the PAA the process for raising and investigating concerns in relation to off-site groundwater impacts and the related compensation arrangements. This includes the application of make good agreements such as the provision of compensatory water supply measures; and
- Ensuring the results of ongoing groundwater monitoring program are accessible to all bore holders in the PAA.

While as noted above, little to no change to existing groundwater levels or quality are predicted as a result of the project, these measures seek to mitigate the fears and anxiety landowners and agricultural operators may hold in relation to groundwater availability and the viability of existing agricultural activities.

A comprehensive surface water and ground water monitoring program will be developed and implemented for the project. The results of monitoring will be communicated to residents of the PAA through the Project Community Consultative Committee (CCC) which includes landowner representation from the PAA. In addition, and as a component of the SIMP development, Regis in collaboration with residents of the PAA will identify opportunities for landowner participation in the water quality monitoring program for the project. Further Regis will continue their current approach to engagement with nearby land owners which is based on open and transparent communication using risk communication techniques to ensure near neighbours understand *the likelihood and potential consequences of any risks, the impact of critical controls and Regis planned adaptive measures to address impacts*.

With respect to the impact on the apiarian industry in the PAA, Regis engaged enRisk during the response to submissions phase of the project to undertake a further review of the project's potential to impact on bees and the local honey industry (Bee Assessment). The Bee Assessment included consideration of the potential impacts on Bees from dust blown from the mine site directly onto plants that bees visit, as well as indirectly when bees

drink water that may be impacted by dust from the mine site. The assessment also considered the potential impact of Bees being exposed to water within the TSF. The assessment concluded that adverse impacts to bees as a result of exposure to metals in dust or via water in the TSF are not anticipated.

Regis has engaged in extensive discussions with potentially affected bee keepers since the SIA and Bee Assessment were completed. This engagement has been consistent with recommended approach outlined in the Review Letter, i.e. using risk communication techniques to ensure apiarists understand *the likelihood and potential consequences of any risks*.

Regis has offered bee keepers nearest the mine site access to the property where the proposed biodiversity stewardship site (ie adjacent to the proposed stewardship site to enable bees to forage in the stewardship site) will be established since 2019. The offer, while not accepted to date, remains open. Further, and as described in Section 1.2.6 i. Regis has commenced an extensive tree planting program across Regis owned land. Once established, these areas will be a new source of vegetation for local bees to forage.

iii Sense of place and loss of rural way of life

Impacts to sense of place and loss of rural way of life in the Kings Plains Locality is discussed in Section 6.3.4 of the SIA, Section 3.3.5 of the Amended SIA and in Regis' November response to the 2021 RFIs. The conclusion of the Review Letter is that measures proposed to mitigate the social dimensions of impacts to sense of place and loss of rural way of life are largely inadequate and disproportionate to the impacts. The Review Letter makes the following recommendation (p16):

"It is strongly recommended that the applicant involve the RAPs, OALC and the Kings Plains community in preparing a SIMP and CBP to identify mitigation measures that may be acceptable to them in addressing the cultural, spiritual or aesthetic loss of the ecosystem services; and the loss of culture, rural way of life or sense of place for the community. By involving them, there is the potential that the impacts could be reduced in terms of severity or extent; or the sensitivity of those who are impacted could be reduced. In preparing and implementing the SIMP and CBP it is recommended that the applicant focus on the following:

- *Reduce fears and concerns about the development that affect the health and wellbeing of the community, especially of vulnerable or marginalised people*
- *Over the life of the mine strive to more equitably distribute the social benefits and costs of the project spatially, socio-demographically and intergenerationally*
- *Enhance cultural values, rural way of life and sense of place in Kings Plains*
- *Involve the local Aboriginal community where the development affects their cultural values;"*

As previously noted, the original SIA included a commitment to prepare a SIMP for the project. The SIMP is described further in Section 1.5. Relevant to the consideration of the above impacts, the SIMP will include a series of sub-plans to reflect both the spatial distribution of impacts i.e. PAA and SAA, and key impact themes e.g. Community well-being, workforce accommodation management, local content, workforce recruitment, education and training. Regis confirms the following relevant matters will be addressed in the SIMP and through the involvement and participation of a range of different stakeholders and stakeholder groups:

- Actions to minimise fears and concerns about the development that affect the health and wellbeing of the community, specialist of vulnerable or marginalised people;
- Equitable distribution of social benefits and costs;
- Enhancement of cultural values, rural way of life and sense of place in the Kings Plains Locality; and

- The incorporation of Indigenous thinking and connection with Country into project delivery.

iv Fears and anxiety related to noise, dust, air quality emissions

In considering the anxiety and fears held by some near-neighbours in relation to the potential noise and air quality impacts and effects on way of life and health and well-being, the author of the Review Letter concludes *“The SIA does not report the extent of the fears, stress or anxiety. It is therefore not possible to understand the breadth (i.e., how many people are affected by this impact), or the depth of the impact to determine the consequence. However, based on other projects it would be reasonable to expect the impact to be widespread; and that it would not diminish if / when a decision is made on the development progressing.”* (p20)

Whilst the SIA does not provide quantitative information regarding the extent of fears, stress or anxiety; it does provide qualitative information that highlights the breadth of the issue within the PAA. In 2018 21 face-to-face semi-structured interviews were conducted with near neighbours to the mine project area, the majority of these near neighbours resided in Kings Plains Locality (SIA Section 3.5.3 SIA Consultation Scope). Additional face-to-face semi structured interviews and focus group discussions were held with Kings Plains Locality residents and residents of the broader PAA in October 2018 and May 2019. SIA Section 4.2 Experienced Impacts states that stress and anxiety was the most commonly experienced social impact identified by almost all residents in the PAA.

The following actions undertaken by Regis to date have specifically sought to address stress and anxiety related to uncertainty regarding potential effects:

- Offering Negotiated Agreements to all landowners in the Kings Plains Locality, that includes both a property acquisition clause and an opportunity for provision of bespoke at home mitigation.
- Maintaining open, transparent and accountable engagement directly with residents of Kings Plains Locality and through the project’s CCC in relation to the likelihood, extent and magnitude of project impacts including impacts that effect amenity. In addition to the above measures, Regis will commit to ensuring the process for preparing the SIMP, and in particular any sub-plans for the PAA reflects best practice in the area of risk communication. Regis will commit to the collaborative development of a participatory monitoring and reporting program for SIMP sub-plans applicable to the PAA.

1.2.7 Aboriginal cultural values

The SIA assessed the mitigated impact to the cultural values of Aboriginal people as moderate and the overall significance as medium. The SIA identified a number of mitigation measures to be progressed through the Cultural Heritage Management Plan including ongoing engagement with the OLALC. These measures responded to the potential disturbance and salvage of Aboriginal cultural heritage. To address residual concerns regarding the cumulative loss of connection to country for Aboriginal people, Regis makes the following new and additional commitments:

- The project’s SIMP and IPP will be prepared in consultation with representatives of the Aboriginal community including representatives of the OLALC and local Wiradjuri Elders.
- SIMP consultation with the Aboriginal community will seek to identify commercial and cultural opportunities for Regis to work with local Aboriginal organisations and businesses. Key themes to be explored during SIMP engagement and related to cultural values include:
 - Opportunities local Aboriginal and people to provide services for business as usual on-country activities;
 - Incorporation of Cultural Heritage training as a standard part of onboarding new employees;

- Incorporation of Indigenous knowledge into site activities e.g. rehabilitation and mine closure planning; and
- Opportunities for enhancing the intergenerational transfer of Indigenous knowledge.

1.2.8 Workforce accommodation

Section 3.1.7 of the Review Letter considers the assessed project impacts on housing availability and affordability. In assessing the impacts and mitigations associated with this impact the author has deemed that *‘the proposed mitigations are not tangible, deliverable and likely to be durably effective.*

The Review Letter quotes the objectives of the workforce and accommodation management framework from Page 77 of the Amended SIA and asks the applicant to *‘explain and justify the expected effectiveness of any proposed measures ”*

The quoted objectives of the workforce accommodation and management framework are incorrect. The correct objectives as described in Table 14 page 77 of the Amended SIA (and consistent with the original SIA) are:

- Project workforce arrangements avoid placing upward pressure on housing prices, rental costs and housing demand in the communities of the Blayney LGA;
- Project workforce accommodation arrangements avoid reducing access to tourism accommodation for visitors to the Blayney LGA and broader Local Area;
- Regis owned houses in the PAA are occupied by local tenants or the project workforce during the construction and operations phase;
- Project workforce accommodation arrangements benefit local accommodation providers; and
- Cumulative housing impacts are proactively managed in partnership with relevant stakeholders.

When the SIA was submitted in 2019, it anticipated movements that would happen in the housing market during a standard State Significant Project approval timeframe and without COVID-19. Decentralisation means that the housing market in regional NSW continues to evolve at a rapid pace. The social baseline conditions prevalent at the time of drafting the SIA and which informed workforce recruitment and accommodation planning, have changed considerably. and more than likely unforeseen global and local economic conditions will continue to change again from present conditions, until the time construction commences and beyond.

It is Regis' intention, given the current baseline housing conditions in the Blayney LGA, to ensure that the construction workforce does not draw on the private housing market as a source of accommodation for the temporary workforce. This approach would be re-evaluated if baseline monitoring of housing market conditions (an existing SIMP commitment (Section 7.4.1 p 203 of the SIA)) highlights a significant softening of the housing market. Further Regis is seeking to minimise project workforce accommodation demands on short-term accommodation providers, acknowledging the growing demand for beds in short-term accommodation for tourists to the local and regional area. At a cumulative level, growth in the renewable energy sector in NSW in the past two years has noticeably increased demand for beds in private housing and in short-term accommodation establishments. There is a pipeline of renewable development projects in Central West NSW that will likely generate sustained demand for accommodation in parallel with the project.

Regis is currently consulting with local accommodation providers to understand their capacity to supply rooms during the construction phase (estimated mid 2023-mid 2025) and how that may affect the tourism market. The findings of this consultation will build on the consultation conducted to inform the original SIA and workforce accommodation strategy.

The intention is to accommodate the construction workforce in a third-party provided demountable village located in or nearby the town of Blayney, maximising benefits to the town and minimising effects on the private rental market. Regis is in discussion with providers of demountable village-style accommodation. Overflow accommodation will be procured from approved local suppliers. Regis is considering accommodation options for the operational workforce (mid-2026 and beyond).

The original SIA demonstrates Regis commitment to managing the impacts of its workforce including impacts on vulnerable members of the community. The development of a detailed workforce accommodation strategy for construction and operations would be undertaken as part of the development of the SIMP and would be informed through an updated social baseline including targeted consultation with key stakeholders e.g., Housing Plus as described in the SIA. The objectives of this plan would be confirmed with key stakeholders during consultation to inform the preparation of the SIMP.

1.2.9 Contamination and Dangerous Goods

In considering the potential effects of the project on health and safety fears derived from the transport, storage and handling of dangerous good the Review Letter suggests Regis adopt the use of risk communication techniques. The author recommends Regis engages *“an independent third party to undertake an annual audit of the (community-focused) health and safety critical control factors including those associated the Australian Code for the transport of Dangerous Goods. This would provide community and company assurance of the “strict conformance”.*

Regis already adopts risk communication techniques in engagement with stakeholders, particularly residents of the PAA, in relation to the project. Regis engagement is based on principles of openness, trust and accountability. Regis, through engagement, has continuously sought to ensure near neighbours and the broader community understand the likelihood and potential consequence of any risks, the effectiveness of critical controls and responding to their reasonable concerns.

A fact sheet explaining the use and detoxification of cyanide – *Open Cut Gold Mining and Processing* - is available on the McPhillamys Gold Project website.

In NSW, the Environment Protection Agency (EPA) regulates the transport of dangerous goods under the *Dangerous goods Road and Rail Transport Regulation 2022*. On-site cyanide and other dangerous goods and combustible materials must comply with Australian Standards and EPA requirements. If the development is approved, approval conditions are expected to limit the maximum storage quantities of dangerous goods permitted to be stored onsite and require the following management plans to be prepared, approved by DPE and implemented:

- Transport of hazardous Materials Study;
- Operational Hazardous Materials Management Plan;
- Emergency Plan; and
- Safety Management System.

For the reasons described above Regis does not consider it necessary to engage a third-party to undertake an annual audit as described by the SIA review team in the Review Letter.

1.2.10 Labour draw

The Review Letter draws conclusions that that the mitigation measure proposed in the SIA to address the flow on effects of labour draw from the non-mining sector *“is not likely to be durably effective as it is a monitoring*

response, without any defined targets. In addition, the applicant proposed mitigation measures is not proportionate to the risk."

Not dissimilar to the housing market, the local and regional labour market continues to evolve at a rapid pace. The social baseline conditions prevalent at the time of drafting the SIA and which the identification and assessment of impacts related to workforce demand, and informed mitigation, have changed considerably.

As a component of the SIMP preparation, Regis will undertake a full assessment of existing labour market conditions to inform remodelling of the workforce recruitment and training strategy for the project, and to inform the local content plan. The labour market assessment will include consultation with local business owners and operators, recruitment agencies and labour hire organisations, as well as registered training providers and secondary education institutions in the Blayney LGA and neighbouring LGAs. Remodelling of the workforce recruitment and training strategy will also inform the workforce accommodation strategy. Under current labour market conditions i.e. low unemployment, the likelihood of the project drawing labour from the non-mining sector in the Blayney LGA for the construction phase of the project remains almost certain and the consequence is major. The project recruitment program will need to be adaptive to changes in labour market conditions.

Regis' intention is to use local businesses, where possible, to deliver construction activities and in doing so support capacity development across local businesses. Using local businesses will have the added benefit of reducing the number of non-local hires for the construction workforce. Regis will use the Industry Capability Network and networks promoted through the BSC to secure local business participation on the project.

It is Regis' intention to embed local business in site operations.

Regis will work with the Orange Local Aboriginal Land Council, Indigenous recruitment and training organisations in the Central West to identify suitable candidates from the Aboriginal employment and business community.

Additional mitigation measures will be co-designed with small business, education and training providers and other relevant stakeholders as a component of SIMP preparation.

The CIP for the project (Section 1.4) will support delivery of training and upskilling programs that support the workforce of the non-mining sector.

1.2.11 Community cohesion, safety and wellbeing

In the Review Letter the author makes assumptions regarding the anticipated impacts of temporary population increases associated with the project. These assumptions include an *"impact on population gender balance, community character and cohesion, increase or perceived increase in crime, an increase in violence including domestic violence and an increase in sex workers"* (p29). These assumed impacts have little evidence base. The author also questions the adequacy of the proposed mitigation measures.

Section 6.2.7 of the SIA assessed the potential social effects to community structure and cohesion arising from an influx of construction workers into Blayney. According to a number of participants in the SIA consultation, the following impacts could arise as a result of an influx of temporary workers to Blayney:

- Perceived reduction in personal safety;
- Perceived increase in anti-social behaviour; and
- Potential for tension between the temporary workforce and permanent residents due to a lack of social integration.

The workforce will be working 10-12 hours a day plus travel time. After meals and normal hours of sleep, and zero tolerance for substance abuse, there is little opportunity for the negative behaviours that affect community character and cohesion.

Regis committed to the following measures in the SIA to minimise the social risks associated with the construction workforce:

- Focus on securing local contractors during the construction phase, to reduce the size of the non-local hire workforce;
- Establish a strong expectation in the workforce regarding behaviour. This will include the implementation of a workforce code of conduct to support positive workforce behaviour both on and off the mine project area;
- Seek the support of key stakeholders in the Blayney community for the establishment of a Local Liquor Accord to support the safe and enjoyable use of licensed venues and entertainment venues in Blayney;
- Initiate and support community activities which provide opportunities for the non-local hires and residents to come together and experience rural values;
- Encourage all construction workers to volunteer in the Blayney LGA and neighbouring LGAs where they are temporarily residing;
- Plan regular toolbox talks with the workforce that focus on workforce behaviour in the community.

These measures would be incorporated into the SIMP, with appropriate performance indicators and targets identified.

Regis maintains a zero-tolerance approach to drug- and alcohol-affected personnel on any operational or corporate site. Every day, McPhillamys employees will be required to return a zero blood-alcohol reading before starting work. They will also have to pass random drug tests.

There is no evidence to suggest the project induced temporary population increase would result in an increase in sex workers. The prevalence of sex workers or issues with the presence of sex workers in the community was not identified during engagement.

Regis' Fit for Work Management Plan and Policy guide initiatives to ensure our workforce is safe, healthy and fit for work. We provide and encourage participation in a range of physical, recreational and social activities, particularly for people working away from home.

Regis will seek to secure a diverse workforce across all phases of the project. At twenty-two per cent female employees, Regis' gender diversity average exceeds the industry average of 19.8%. (Regis Resources Sustainability Report FY22 published October 2022).

1.2.12 Mine closure

The Review Letter states that the *"...applicant's SIA focused on construction and operation, but not closure or potentially other social impacting major change, such as change of operatorship, downturn in the market resulting in the mine suddenly being placed on care and maintenance, but not closed, etc."* (p31) This statement is incorrect.

Section 6.5 of the SIA discusses mine closure and potential impacts and opportunities. It references the preparation of a mine closure SIA and the development of social closure goals and impact management strategies in the McPhillamys Gold Mine Closure Plan. Mine closure would also be considered during activities undertaken to further characterise sense of place in Kings Plains (refer SIA Table 37).

Regis has committed to the establishment of a multi-stakeholder group to facilitate the most productive and innovate post mine land use options for the site.

The SIMP will include a sub-plan for permanent mine-closure planning and for closure due to care and maintenance. Regis will collaborate with a number of different stakeholders in relation to mine closure planning including residents of Kings Plains Locality and the Blayney Shire Council. The mine closure planning component of the SIMP will address the potential social risks of mine closure for the labour market, local business, service providers, housing provision etc.

1.3 General Recommendations

Section 4 of the Review Letter presents the authors recommendations regarding mitigation actions with respect to the following considerations:

- Monitoring and reporting;
- Mine closure planning; and
- Community sentiment surveys.

In addition, throughout the Review Letter the author identifies the preparation of a SIMP and the implementation of a Community Benefits Program as recommended management measures.

Regis has reviewed the general recommendations and confirms a commitment to:

- Prepare a SIMP including a monitoring, reporting and review program. The SIMP is discussed further in Section 1.5).
- Progress mine closure planning as a component of the SIMP and with the involvement of key stakeholders, residents of Kings Plains and the PAA, the broader Blayney LGA. Mine closure planning has already been discussed in Section 1.2.10.
- Continue to conduct independent community sentiment surveys every three years to inform monitoring and review of the SIMP and to evaluate the effectiveness of Regis community engagement program.
- Implement a CIP that seeks to support shared-value with the broader community of the Blayney LGA.

1.4 Community Investment Plan

In May 2021, Regis commissioned stakeholder sentiment research by SEC Newgate. The research asked in which areas the community thought Regis should invest. Health; environment and agriculture; education and training were the top three focus areas. When the research was repeated in October 2022 these areas were again the top three.

Since Regis bought the project in 2012, the company has made in-kind investments (supply of materials and labour for community projects) and invested over \$200,000 cash in community groups and projects.

Annual investments include all government schools in the Blayney LGA (particularly for environmentally-focussed projects), Can Assist Blayney, Meals on Wheels and local agricultural shows. Based on staff recommendations, Regis has bought equipment for the Blayney Multipurpose Health Service including recliner chairs for use in the aged- and palliative care areas.

Investments are made in community groups and projects that provide social contact – sports, hobbies and service groups.

As the project progresses the CIP will be informed through engagement to develop the SIMP and the associated monitoring, reporting and review program (Section 1.5).

1.5 Social Impact Management Plan

Regis has already committed to the preparation of a Project SIMP (refer SIA [Hansen Bailey, 2019]). The SIMP will be prepared in accordance with Section 5 of the 2021 NSW SIA Guideline. The overall objectives of the SIMP, consistent with the 2021 NSW SIA Guideline, will include to:

- Enhance and refine mitigation, enhancement, monitoring and management of social impacts over the life of the project, and explain how the unanticipated impacts will be addressed; and
- Set out how the community can provide feedback as part of adaptive management.

1.5.1 SIMP Structure and Core Content

The SIA (Hansen Bailey, 2019) included the following three management frameworks:

- Stakeholder engagement framework;
- Near neighbours impact management framework; and
- Workforce accommodation and workforce management framework.

The end structure of the SIMP will be informed through collaborative planning with key stakeholders including near-neighbours, Aboriginal People, local business, education and training providers, local service provides, local and state government.

The SIMP will include a series of plans and sub-plans targeting the following themes:

- Primary Assessment Area impact management;
 - Kings Plains Locality sub-plan;
- Workforce accommodation management;
- Workforce recruitment and training;
- Workforce management;
- Local employment and supply;
 - Indigenous participation;
 - Local business participation; and
 - Labour force training and skill development;
- Community liveability, health and well-being;
 - Infrastructure and local service provision
- Community investment and shared value; and
- Mine closure.

The SIMP will also include:

- An up-to-date social baseline for the local and regional area including longitudinal trend analysis;
- A list of potential social risks and opportunities aligned with the findings of the SIA;
- Monitoring and reporting framework (Section 1.5.2 below);
- Stakeholder engagement plan; and
- Complaints and grievances procedure.

The SIMP will describe the roles and responsibilities for implementation of the SIMP monitoring and reporting framework.

1.5.2 Engagement to prepare the SIMP

Regis will undertake comprehensive engagement with stakeholders to inform the SIMP. Stakeholders will include:

- Local and state government departments;
- Communities of the PAA and in particular residents of the Kings Plains Locality;
- Local service providers including providers of emergency services, health including mental health services, services to vulnerable groups, social housing providers;
- Local business community including accommodation providers;
- Education and training service providers including secondary schools, registered training providers, labour hire groups and recruitment agencies;
- Representatives from the Aboriginal community including the OLALC and Wiradjuri Elders; and
- Broader Blayney LGA community.

1.5.3 Monitoring, Reporting and Review Program

Regis is committed to the development and implementation of a Monitoring Reporting and Review Program (MRRP) as a component of the SIMP. The MMRP will incorporate procedures for the:

- Review and update of the social baseline of the PAA and SAA over the life of the project, including mine closure;
- Tracking the progress of implementation of the identified management and enhancement actions;
- Inform the identification of new impacts and opportunities across the project life;
- Assessing actual project impacts against predicted impacts;
- Measure the effectiveness or otherwise of the proposed management measures in addressing identified risks; and
- Identifying how information will be captured for reporting to impacted stakeholders including near-neighbours, communities and government on progress and achievements.

The MRRP will:

- Include performance indicators and incorporate a trigger-action-response-plan;
- Identify a process including timing for both internal and external review of the SIMP, and procedures for communicating the findings of the review process with key stakeholders and the community; and
- Include the conduct of a three-yearly independent survey of the attitudes of the community about the development.

1.5.4 Complaint Management Procedure

A complaint is defined as *A statement of dissatisfaction about Regis where a response is requested, reasonably expected or required under legislation or regulation.*

Regis complaint management for McPhillamys Gold Project reflects our values – respect, integrity, teamwork, ownership and courage. Complaints management is customer focussed, prompt and aims to provide a durable resolution that is satisfactory to both parties. Complaints are managed objectively and at no disadvantage to the complainant.

The complaint management process is (or will):

1. Acknowledge the complaint or feedback within 24 hours;
2. Investigate the complaint;
3. Develop a preliminary resolution plan, working with technical specialists if required;
4. Return to the complainant with the suggested solution and a timeframe for delivery;
5. Maintain regular, situation-appropriate contact with the complainant; and
6. Deliver a satisfactory and durable resolution.

Complaints are (or will be) recorded and reported internally and externally, and used to continually improve the resolution process. They are classified as:

1. Level 1: Early resolution (resolved at first point of contact, complainant is satisfied)
2. Level 2: Escalated (complaint is complex and needs to be escalated within the business for resolution)
3. Level 3: External (complainant and business unable to agree on resolution, complaint escalated to a regulator or external party for resolution)

Complaints will be able to be made via the community 1800 line, after hours on the 24-hour site phone line or by email through the website. Key stakeholders in the PAA and other affected stakeholders will have assigned relationship managers to contact direct.

1.6 Closing

Please do not hesitate to contact the undersigned should you require further information or wish to discuss the information provided.

Yours sincerely

A handwritten signature in black ink that reads "Wayne Taylor". The script is cursive and fluid.

Wayne Taylor
Project Delivery Director
wtaylor@regisresources.com