MID-WESTERN REGIONAL COUNCIL
PO Box 156, MUDGEE NSW 2850
86 Market Street, Mudgee | 109 Herbert Street, Gulgong | 77 Louee Street, Rylstone
T 1300 765 002 or 02 6378 2850 | F 02 6378 2815
E council@midwestern.nsw.gov.au

JR:CA:SSD5765

27 July 2020

Attention: Rose-Anne Hawkeswood
NSW Department of Planning & Environment
GPO Box 39
SYDNEY NSW 2001

Dear Rose,

RE: SSD 5765 ENVIRONMENTAL IMPACT STATEMENT

Thank you for providing Mid-Western Regional Council (Council) with the opportunity to provide input into the proposed Bowdens Silver Project. Council has reviewed the Environmental Impact Assessment (EIS) and wishes to provide the following comments for consideration.

WATER SUPPLY

The significant and long-term water usage for the project remains a serious ongoing concern for Council, particularly in light of the recent drought conditions and rural hardship experienced across the Region. The recent drought has demonstrated water is a highly valuable resource and Council does not support any potential threat to the existing town water supplies or the amount of water available for rural property owners for domestic and agricultural purposes.

Whilst the EIS identifies a range of potential water sources for the project, it does not consider the contingencies available for the project during prolonged periods of drought. If water is not available in the volumes required, the EIS does not consider the implications this will have on the project and the associated environmental impacts.

The proponent has also recognised that water security continues to be a critical issue for this project and the broader community, and has proposed to obtain excess water from either the Ulan or Moolarben Coal mines via a 59km water pipeline.

The EIS states that up to 5ML of water per day may be transferred via the water pipeline but formal agreements have not been established with either Ulan or Moolarben Coal mines in relation to water access and sharing. Given the significant amount of water required for the viability of this project, details of a guaranteed water supply and evidence of formal agreements should be provided before the project can be determined.

Council understands that under the Ulan and Moolarben SSD approvals, any excess water must be treated and returned to the Goulburn River. It is unclear how this transfer of water would impact water users along the Goulburn River and how any loss in flows in the Goulburn River may threaten significant natural features such as The Drip. An assessment should be undertaken of the potential impacts of transferring water from the Goulburn River catchment.

The transfer of water from the mines to the project site would result in a transfer from the Goulburn River/Hunter Catchment to the Macquarie Catchment. The water would be used and retained on site in the tailings dam and would not be returned to the environment. Council questions whether this is possible under the relevant water sharing plans. Further explanation of the proposed mechanism for effecting the transfer of water should be provided to ensure relevant stakeholders and the community are well informed of the impact on existing water access and supply agreements.

WATER QUALITY

As with water supply, the potential impacts of the project on water quality is also an ongoing concern for Council. Council considers the issue of water contamination to be of upmost importance, and requests the Department be meticulous in their assessment for the following reasons.

The EIS indicates there will be no water quality issues for other water users (such as agriculture, town water, groundwater). However, Council cannot be satisfied that the mitigation measures proposed are sufficient to entirely eliminate the risk of contamination that may have irreversible impacts on the community's health, agricultural production and natural resources. Given the significant risks to the community, there should be multiple lines of defence for a potential incident occurring.

The EIS does not provide sufficient detail of how acid forming material may impact the Lawson Creek and Cudgegong River systems. Council understands the technology of containing acid forming material is relatively new and has not been tested over long periods, nor has it been used for such a large area as is being proposed for this project. Given acid waste could potentially remain active for hundreds of years, it is critical to understand how this will be monitored and maintained for such a long period, and what the consequences are should there be any failure in containment measures.

A thorough assessment of the risks and implications of acid forming material leaching out of containment areas or being placed on the non-acid forming material stockpile in error should be undertaken. Given the irreversible damage that could occur, the proponent should also demonstrate how they will maintain the waste stockpiles in the short and long-term under various scenarios, including post mining or where the company is dissolved.

A detailed risk assessment for the construction of the tailings dam should also be undertaken. The tailings dam will contain lead, zinc and silver, as well as other chemicals used in processing, such as cyanide. If the tailings dam is not adequately constructed or there is a failure of the dam wall system, contaminated leachates entering the downstream environment would compromise the significant number of domestic and residential activities in the Region that are dependent on good quality clean water. The design and construction of the tailings dam should be independently tested under various scenarios, to eliminate the risk of a contamination incident occurring and provide multiple lines of defence should an incident occur.

As failure of the dam wall would have catastrophic consequences for the community, it is considered essential that a Disaster Management Plan be prepared and maintained to address the response to potential disasters for incidents such as failure of the tailings dam or a flood event that might cause the over-topping of the dam and result in toxic flows into the downstream environment.

CONSTRUCTION OF WATER PIPELINE

Council previously requested the proponent to provide a detailed survey for the length of the pipeline corridor, and to address any expected impacts on Council's road network and associated infrastructure, during construction and the ongoing operation of the pipeline. This includes the management of traffic impacts, scope of physical works required, location and timing of works. This information has not been provided in the EIS and is required in order to fully assess the proposed impacts of the pipeline on Council's road infrastructure.

The scoping report for water supply indicates that the width of the pipeline corridor would be 12 – 15 metres wide. At this width, it would mean that the majority of any road reserve would be occupied by what is essentially a private water pipe. Further consideration of how this will impact the ability of Council to maintain its existing road infrastructure and undertake future activities within the road reserve is required. Alternatively, consideration should be given to locating the pipeline outside the road reserve as much as possible, particularly along Ulan Road.

All costs associated with the construction and maintenance of the pipeline corridor are to be borne by the developer. This includes establishing easements with individual property owners, obtaining relevant approvals, ongoing maintenance and any works or repairs required to Council infrastructure.

All water supply infrastructure should be compliant with the WSAA Water Supply Code of Australia. Where the pipeline and corridor crosses any road reserve, installation must be in accordance with specifications determined by Council.

It is unclear what is proposed for the pipeline corridor at the end of the project. It is assumed all water supply infrastructure will remain the property of the proponent during operations, but the EIS does not discuss ownership and future use of the pipeline corridor beyond the life of the project. Council would require all water supply infrastructure to be removed at the end of the project life at the cost of the proponent, unless a suitable future use is agreed to.

CONSTRUCTION WORKFORCE

The EIS indicates that during the 18 month site establishment and construction stage, the project would employ an average of approximately 150 people based at the project site, with a peak of 248 workers during Month 13 of construction. A peak of 124 workers would be present at the project site, prior to commissioning of the relocated Maloneys Road.

The EIS indicates that there may be an impact on housing and accommodation in the Region as a result of the need for the construction workforce to utilise rental properties and local temporary accommodation. The extent of these impacts and accommodation availability will be influenced by the timing of construction, overlapping with other major developments and tourism activities.

In order to minimise these impacts, it is requested that the proponent submit an Accommodation and Workforce Strategy considering the total accommodation required under various workforce scenarios, assuming construction period overlaps with other major projects and considering peak tourism activity. This should include detailed information regarding the number of beds and types of accommodation to be utilised on a monthly basis for the period of construction.

The Accommodation and Workforce Strategy should also outline the proponent's proposed strategy to maximise local employment opportunities during construction. Council strongly encourages the proponent to employ as many locals as possible during the construction period. Not only will this maximise local economic benefits, but it will also alleviate pressures on accommodation availability.

Additionally, the EIS states that a bus service will operate to transport employees to and from the project site. It is requested that the proponent liaise with Council to develop a suitable arrangement for parking in urban areas during construction in order to minimise parking congestion for other local traffic. The agreed parking arrangements should be included as part of the Construction Management Plan including the bus pick-up and drop-off areas and the numbers of passengers utilising the service.

TRANSPORT ROUTES

The EIS has provided details of the proposed transport routes for the project in three stages.

In the first 0-6 months of site establishment and construction, the proposed transport route is via the existing road network utilising Pyangle Road and Maloneys Road. The proposed activities are beyond what would normally be accepted as initial site establishment with up to 124 workers on site and 178 daily traffic movements. Council does not support use of the existing network during this period, as it will result in a significant amount of additional traffic through the village of Lue. The relocation of Maloneys Road should occur prior to any on site construction commencing.

During the remainder of the construction period (ie. 7-18 months), the proposed transport route is via the newly constructed Maloneys Road. Council supports the use of this route, subject to the road being constructed in accordance with Council requirements, as outlined below.

It is noted that the transportation of concentrate from the project site will occur via road utilising B-double transport. It is important that the proponent confirm the suitability of the entire transport route for B-double transport, as some roads may not be suitable. For example, one of the proposed transport routes indicates the use of Renshaw McGirr Way to Parkes prior to rail transport to Port Pirie in South Australia. Council understands that Renshaw McGirr Way is not considered suitable for B-double transport, as it includes lengthy sections of narrow pavement winding through hilly terrain with tight curves and steep grades.

ROAD UPGRADES

The traffic assessment indicates a significant increase in traffic and loads on a number of roads in the local network, particularly Lue Road and Ulan Road. Council considers that the proposed traffic volumes will trigger a requirement for upgrades of the road network in relation to pavement design and intersections.

It is noted that Council's response to SEARs in December 2016 advised that the project will require upgrade to local roads at the full cost to the developer. To ascertain the required road upgrades, a road dilapidation report was requested, which has not been discussed in the EIS.

A key concern for Council is the increased traffic along Lue Road during construction and operations. Lue Road is an important transport link for the local community and vital to the local tourism industry. Council and local tourism groups have spent many years developing Lue Road as a popular tourism route, travelling from Mudgee through to Rylstone and Kandos on the return trip to Sydney. The route is regularly used by cyclists and motorbikes, and any negative traffic impacts would significantly undermine the work by tourism stakeholders to date on developing this tourism route in order to share the economic benefits of tourism with the smaller communities across the Region.

A Transport for NSW Road Safety Audit should be conducted to identify particular areas of concern which require upgrade or treatment including, but not limited to intersection treatments, pavement widening, bridge widening, realignment of tight corners, dedicated bike lane, signage and other features.

Council requests that any required road upgrades be completed prior to the commencement of any on site activity or construction. All upgrades must be designed in accordance with appropriate and applicable road standards.

RELOCATION OF MALONEYS ROAD

The proponent has proposed the relocation of Maloneys Road, which will connect with Bara Lue Road and provide access to the project site. Council supports this route as it reduces the volume of traffic through the Lue village.

The proponent has had initial discussions with Council's property team regarding relocation of the road and understands the formal process and relevant legal requirements that need to be completed in order to negotiate and acquire the road corridor from land owners. All of the costs associated with the relocation and construction of the new Maloneys Road will be at the full cost of the proponent.

Construction of the new road and upgrade of part of Bara Lue Road must be carried out to an acceptable standard and require:

- Appropriate intersection treatment and upgrade for Lue Road/Bara Lue Road;
- Any necessary railway level crossing treatment as determined by the Rail Authority;
- All road pavements to be of an acceptable Council standard;
- A new bridge crossing over Lawson Creek in accordance with a Controlled Activity Approval issued by NSW Water; and
- Appropriate intersection for the 'Relocated Maloneys Road' and Bara Lue Road.

It is noted that the NSW Road Safety Audit should inform the required intersection treatments and any other upgrades necessary to ensure safety during both construction and operational stages of the project.

Prior to the commencement of road construction, fully detailed design and specification documentation must be submitted to and approved by Council. Pavement design must be generally in accordance with Austroads standards and meet the following characteristics:

- Bitumen Sealed traffic lanes (2 x 3.5 metres wide);
- Shoulders 2 x 1 metre wide;
- Pavement designed to provide for no less than a 20 year lifespan based on mine traffic volumes and vehicle characteristics with particular emphasis on vehicle numbers required to transport extracted and processed material; and
- Signage requirements as determined by a certified Road Safety Audit.

The road access works detailed above must be completed prior to the commencement of any on site works.

The railway crossing is to meet the requirements of Transport for NSW as the rail authority and Council. The proponent will also need to be a party to any necessary Interface Agreement required by Transport for NSW.

ROAD MAINTENANCE

The traffic assessment indicates a significant increase in traffic and loads on a number of roads within the local network. Council expects that the proponent will make an annual contribution to roads maintenance for the project life based on projected traffic movements, as requested in Council's response to SEARs. This has not been discussed in the EIS.

The proponent should approach Council to enter into a Road Maintenance Agreement and to determine an appropriate maintenance contribution for all ongoing maintenance requirements for the duration of mining operations, including Lue Road and Bara Lue Road.

REHABILITATION

The EIS states that the majority of land within the project site is currently used for the grazing of livestock on approximately 910ha of land. This grazing land comprises approximately 427ha of heavily vegetated and/or steeply sloping land with low agricultural capability.

Beyond the end of the project life, it is anticipated that approximately 170ha of land within the site would be either retained or returned to agricultural production. The total amount of land that would be permanently removed from agricultural production after rehabilitation would be approximately 865ha, or 0.17% of the total land used for agriculture within the Region.

Council requests that the Rehabilitation Plan sufficiently demonstrates how stockpiles of toxic waste material will be maintained over the long term, and indicates the safeguards that will be in place in perpetuity to ensure that no acid forming material leachates into the Lawsons Creek. The Rehabilitation Plan must also specifically address decontamination of the proposed tailing dam, which is located in an upper catchment from which runoff directly feeds into Lawsons Creek.

Council requests confirmation as to the long term impacts to the Region's water supply, and impacts downstream resulting from the open cut pit lake, which will require 133ML/year to fill over 200 years, post mining.

In light of this extensive rehabilitation period, Council requests that the proponent provide details of the ongoing maintenance schedule of the mine site for the entire period, including a scenario where the company is dissolved.

HEALTH IMPACTS

The Lue community has expressed serious concerns to Council regarding adverse environmental and health impacts associated with the project. The EIS states that Water Supply and Contamination, Air Quality, Noise and Blasting are all within acceptable levels. However, there are also a range of opposing technical opinions from experts on the various health risks and potential long term impacts. These impacts are amplified given the close proximity of the mine to the Lue village.

For example, the Lue village relies on drinking water captured via roof catchment and rainwater tanks. Despite the EIS stating that the impacts on water supply and the potential for water contamination are within acceptable levels, this cannot be guaranteed and will remain an ongoing concern for residents. During the recent drought, the Region experienced dust storms which originated hundreds of kilometres away. It is difficult for local residents to believe that dust from the project site will not travel 2 kilometres to the Lue village.

The village of Lue represents a vibrant community and is a popular stop on the tourism trail connecting the towns of Mudgee, Rylstone and Kandos. Council has concerns for the future viability of the Lue village and the local primary school if any of the project impacts outlined above exceed acceptable levels for local residents and contribute to a decline in liveability. Any loss of community would result in irreversible economic and social consequences for the Lue village and the wider Region.

Council requests that the Department ensure that all health risks are adequately considered and sufficient management safeguards are implemented to address community concerns. A rigorous monitoring program should be implemented and made publicly available on a real time basis.

AIR QUALITY

The EIS states that no impacts are predicted at project-related or private residences for metal dust concentrations, respirable crystalline silica or HCN.

Notwithstanding this, given the significant contamination impacts associated with lead dust, and the close proximity of sensitive residential receptors in the village of Lue, Council requests that the Department ensure that the water supply and dust mitigation measures are sufficient, particularly in periods of low rainfall.

As dust suppression relies on access to a guaranteed water supply, the terms of the water sharing arrangement with Ulan and Moolarben Mines should be confirmed.

NOISE

Noise associated with construction activities and mining operations remains an area of concern given the proximity of the project to the Lue village and the existing quiet noise environment. The EIS outlines the assessment undertaken in accordance with the Interim Construction Noise Guideline and the Noise Policy for Industry, and provides noise mitigation measures which include development of a Noise Management Plan, real time monitoring and implementation of the Voluntary Land Acquisition Management Policy.

It is imperative that noise during construction and operations does not impact on the amenity of residents or visitors to the Lue village, particularly at night when there is a risk of sleep disturbance. Council requests that the Noise Management Plan strictly implements a procedure to cease mining activities immediately should real time monitoring reveal an exceedance of any noise trigger levels.

The EIS has identified a number of residences which will be captured under the Voluntary Land Acquisition Management Policy. Council requests that access to this policy should remain open to any residents who may be impacted by noise in the future, where actual noise levels are greater than predicted noise levels.

The EIS states that traffic noise levels will be in accordance with the maximum allowable noise levels specified in the NSW Road Noise Policy. The Department should ensure that the proposed mitigation measures are satisfactory to protect affected parties from offensive noise along all transport routes.

Council requests that the EIS demonstrate that the trucks used for the application of sufficient water to suppress dust, do not conflict with the noise modelling.

BIODIVERSITY

The EIS has provided details of the Biodiversity Assessment Report (BAR) footprint of the pipeline, however given the uncertainty of the location of the pipeline corridor, these figures will likely be inaccurate. The BAR should be amended once the pipeline corridor has been finalised.

FLORA AND FAUNA

The EIS states that there is potential for cyanide to impact on fauna, and that a Cyanide Management Plan (CMP) would be prepared. Council requests that the plan be prepared and approved by the appropriate regulatory authority, prior to works commencing. The plan should also demonstrate that acid forming material and waste deposits remaining on site during operations and post mining will not cause any ongoing problems for flora and fauna.

VOLUNTARY PLANNING AGREEMENT

The EIS states that the proponent intends on entering into a Voluntary Planning Agreement (VPA) with Council. The general requirements for SEARs required the terms of any proposed planning agreement with Council to be included in the EIS. These details have not been provided. Council requests that the proponent engage with Council and provide details of any proposed VPA.

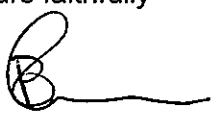
It should be noted that Council expects that all road upgrades would be required as a condition of approval, and are not included in any VPA.

COMPLAINTS REGISTER

The EIS states that the applicant intends to develop a formal complaints register, however details of this are yet to be provided. Council requests that a comprehensive complaints process is prepared and considered by the Department prior to a determination being made. This should include a 24 hour hotline, and demonstrate how community concerns will be recorded and responded to.

Should you have any further enquiries in relation to this matter, please contact Council on (02) 6378 2850.

Yours faithfully



BRAD CAM
GENERAL MANAGER