

BARRICK (COWAL) LIMITED

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22 November 2010

Minister for Planning c/- Director-General Department of Planning The Western Gallery Level 4, 23-33 Bridge Street SYDNEY NSW 2000

Attention: Mr Sam Haddad

Dear Mr Haddad.

RE: COWAL GOLD MINE - DEVELOPMENT CONSENT MODIFICATION APPLICATION

The development consent for the Cowal Gold Mine (CGM) was originally granted on 26 February 1999 by the then Minister for Urban Affairs and Planning and has been subsequently been modified on eight occasions (the Development Consent).

As you are aware, the most recent modification to the CGM Development Consent was the *E42 Modification – Modified Request*, which was approved by the NSW Minister for Planning on 10 March 2010 pursuant to Section 75W of the *Environmental Planning and Assessment Act, 1979* (EP&A Act).

Condition 1.2(i) in Schedule 2 of the CGM Development Consent (as modified by the approved *E42 Modification – Modified Request*) prescribes the period of approval for "mining operations" at the CGM as follows:

1.2 Period of Approval/Project Commencement

(i) Mining operations may take place until 30 June 2024.

Note: Under this approval, the Applicant is required to rehabilitate the site and perform additional undertakings to the satisfaction of the Director-General and DII (Minerals). Consequently this approval will continue to apply in all other respects other than the right to conduct mining operations until the site has been properly rehabilitated.

The operational mine life (namely, extraction and ore processing activities) described and assessed in the *E42 Modification – Modified Request* Environmental Assessment dated October 2009 (EA) comprised a two year extension to the then approved operational mine life of the CGM – namely, an extension from 13 years to approximately 15 years. Given that mining operations commenced at the CGM in 2005 (i.e. Year 1 of the Cowal Gold Project), an approved 15 year operational mine life results in mining operations taking place up until the end of 2019.

Accordingly, Barrick (Cowal) Limited (Barrick) is seeking to modify the Development Consent to reflect the extension to the CGM operational mine life described and assessed in the *E42 Modification – Modified Request* EA and approved by the Minister for Planning on 10 March 2010.

Approvals Pathway

Barrick is requesting the Minister for Planning to modify the Development Consent under Section 75W of the EP&A Act.

Section 75W of the EP&A Act relevantly states:

75W Modification of Minister's approval

(1) In this section:

Minister's approval means an approval to carry out a project under this Part, and includes an approval of a concept plan.

modification of approval means changing the terms of a Minister's approval, including:

- (a) revoking or varying a condition of the approval or imposing an additional condition of the approval, and
- (b) changing the terms of any determination made by the Minister under Division 3 in connection with the approval.
- (2) The proponent may request the Minister to modify the Minister's approval for a project. The Minister's approval for a modification is not required if the project as modified will be consistent with the existing approval under this Part.
- (3) The request for the Minister's approval is to be lodged with the Director-General. The Director-General may notify the proponent of environmental assessment requirements with respect to the proposed modification that the proponent must comply with before the matter will be considered by the Minister.
- (4) The Minister may modify the approval (with or without conditions) or disapprove of the modification.

. . . .

Clause 8J(8) of the *Environmental Planning and Assessment Act Regulation*, 2000 (EP&A Regulation) prescribes which development consents are to be modified under Section 75W of the EP&A Act. The CGM Development Consent is a consent that is to be modified under Section 75W in Part 3A of the EP&A Act because it falls within Clause 8J(8)(a) and Clause 8J(8)(b) of the EP&A Regulation, which state:

- (8) For the purposes only of modification, the following development consents are taken to be approvals under Part 3A of the Act and section 75W of the Act applies to any modification of such a consent:
 - (a) a development consent granted by the Minister under section 100A or 101 of the Act,
 - (b) a development consent granted by the Minister under State Environmental Planning Policy No 34 – Major Employment-Generating Industrial Development,

. . .

Proposed Modification to the Development Consent

Barrick seeks to modify the Development Consent by:

• a variation to Condition 1.2(i) in Schedule 2 of the Development Consent as follows:

1.2 Period of Approval/Project Commencement

(i) Mining operations may take place until 30 June 2024 31 December 2019.

Note: Under this approval, the Applicant is required to rehabilitate the site and perform additional undertakings to the satisfaction of the Director-General and DII (Minerals). Consequently this approval will continue to apply in all other respects other than the right to conduct mining operations until the site has been properly rehabilitated.

This variation would result in a deadline for mining operations of end 2019, which is consistent with what was sought and assessed in the *E42 Modification – Modified Request* EA.

• a variation to the definition of "Mining Operations" in the Development Consent as follows:

Mining Operations – Includes all means ore extraction, and processing and transportation activities carried out on site.

This variation removes the ambiguity created by the inclusive definition and makes it clear that, for example, transportation activities associated with the rehabilitation phase may occur after 2019.

Barrick requests that the Minister for Planning approve the proposed modification under Section 75W(4) of the EP&A Act.

Please do not hesitate to contact the undersigned on (02) 6975 4707 if you should have any queries.

Yours faithfully,

BRIAN GREBENC

General Manager Cowal Gold Mine Barrick (Cowal) Limited