



ASSESSMENT REPORT

PROPOSED MODIFICATION SYERSTON NICKEL COBALT PROJECT

1. BACKGROUND

On 23 May 2001, the then Minister for Urban Affairs and Planning approved a development application (DA) from Black Range Minerals Limited for an open cut nickel cobalt mine and associated facilities, known as the Syerston Nickel Cobalt Project (the Project). Construction of the Project is yet to commence.

The Project as approved includes:

- An open cut mine and processing facility (MPF) that will produce up to 2.3 million tonnes of nickel cobalt ore a year;
- A limestone quarry and processing facility that will produce up to 600,000 tonnes of limestone a year for the MPF;
- A rail loading and unloading facility;
- A natural gas pipeline, two borefields and two water supply pipelines; and
- Associated transport and infrastructure.

The Project is spread out over the Lachlan, Forbes and Parkes local government areas of Central Western NSW (see Figure 1). The MPF is located approximately 4.5 kilometres north-west of the village of Fifield and 45 kilometres north-east of Condobolin.

The Project will provide significant socio-economic benefits to the Central West, including the generation of up to 1,000 jobs during construction and up to 400 full time jobs during operation, and a capital investment of at least \$340 million.

In July 2004, Ivanplats Syerston Pty Limited acquired the Project from Black Range Minerals. Following detailed planning and risk assessment, Ivanplats Syerston (the Applicant) is now seeking to modify the development.

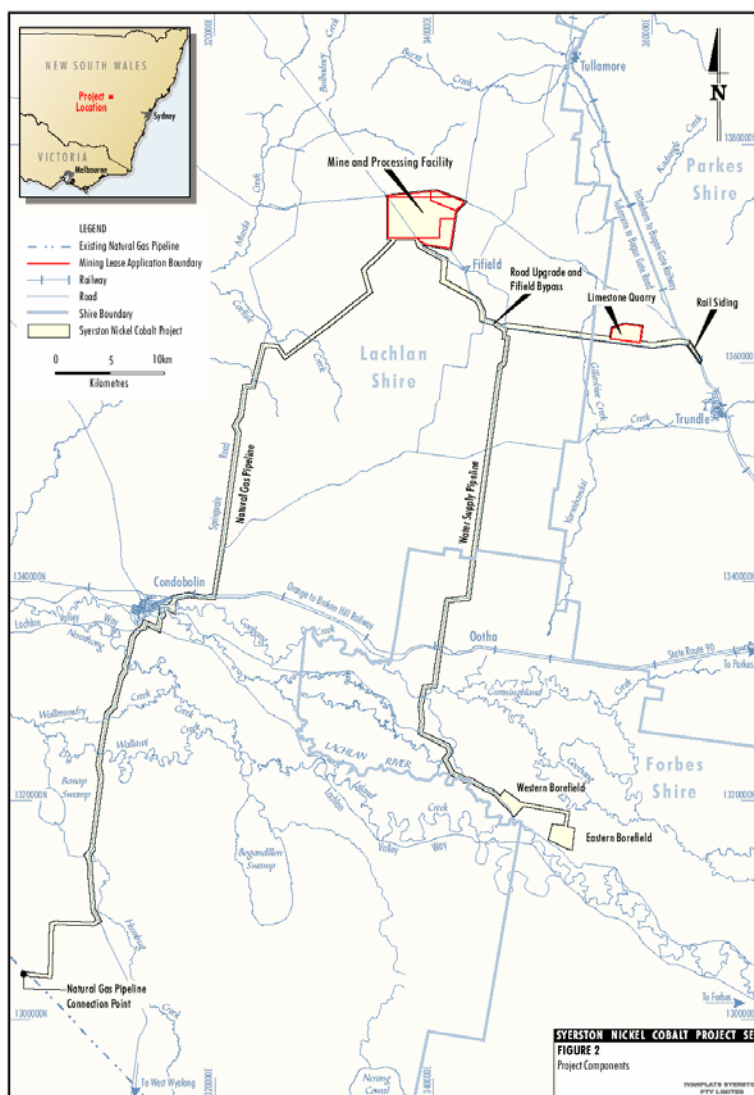


Figure 1: Location and Project Components

2. PROPOSED MODIFICATION

The Applicant is seeking to modify its consent for the Project as follows:

Table 1: Main Components of Proposed Modification

Modification	Reason for Modification
Increase the nickel cobalt ore processing rate from 2.3 Mtpa to 2.5 Mtpa	To improve the financial viability of the Project, following reassessment of ore cut-off grades
Remove the metals refinery from the mine's processing facility	To reduce the complexity of the Project
Increase the limestone quarry's extraction rate from 600,000 tpa to 790,000 tpa	To satisfy the increased ore processing rate

Mine and Processing Facility Changes

The removal of the metals refinery from the MPF would change the product mix from metals and metal sulphides to only metal sulphides, and the inputs and outputs of the processing facility. The changes are shown in the following table.

Table 2: Process Consumables and Reagents Production

Component	Approved Project	Modified Project
Product	42,000 tonnes per annum (tpa) of mixed sulphide precipitate or up to 20,000 tpa of nickel and 5,000 tpa of cobalt	53,000 tpa of mixed sulphide precipitate
Process Consumables		
Sulphur	210,000 tpa	260,000 tpa
Limestone	600,000 tpa	790,000 tpa
Flocculant	900 tpa	1,100 tpa
Magnesium oxide	21,000 tpa	0
Caustic soda	10,000 tpa	100 tpa
Extractant	3,000 Lpa	0
Modifier	1,500 Lpa	0
Diluent	15,000 Lpa	0
Minor reagents (hydrated lime, mill balls, coagulant, diatomaceous earth, hydrochloric acid)	Used in ore preparation, thickening and tailings neutralisation, solution neutralisation, sulphuric acid plant, water treatment plant	25% increase in consumption of hydrated lime, mill balls, coagulant 35% reduction in consumption of diatomaceous earth
Production of Reagents		
Sulphuric acid	620,000 tpa	700,000 tpa
Hydrogen sulphide	64 tonnes per day (tpd)	88 tpd
Hydrogen	4.5 tpd	5 tpd
Nitrogen	Nitrogen for plant purge air	10% increase prod. of nitrogen
Oxygen	44,000 tpa	0 tpa

The removal of the refinery would reduce the Project's operational employment levels from 400 to 300. The proposal does not involve any significant changes to the footprint or layout of the MPF, apart from the removal of the metals refinery. The amended layout is shown on Figure 2.

Limestone Quarry Changes

Commensurate with the proposed increase in limestone extraction, the proposed modification involves:

- An increase in the lateral area of the open pit from 46 hectares to 61 hectares; and
- An increase in the lateral area of the waste emplacements from 56 hectares to 110 hectares, and a change to the general layout of the emplacements.

The changes to the layout of the quarry are shown on Figure 3.

Other Project Components

The proposal does not involve any changes to the Project's rail loading and unloading facility, natural gas pipeline, borefields or water supply pipelines.

The Applicant does propose to modify (slightly) the timing for preparation and submission of the various environmental management plans, studies and reports required by the development consent. The Department has reviewed these suggested amendments and is satisfied that the amendments:

- are minor in nature;
- predominantly relate to clarification of the Department's intended timing for the various reports; and
- would not result in any increase in environmental risk associated with the project.



Figure 2: Modified Processing Facility Layout

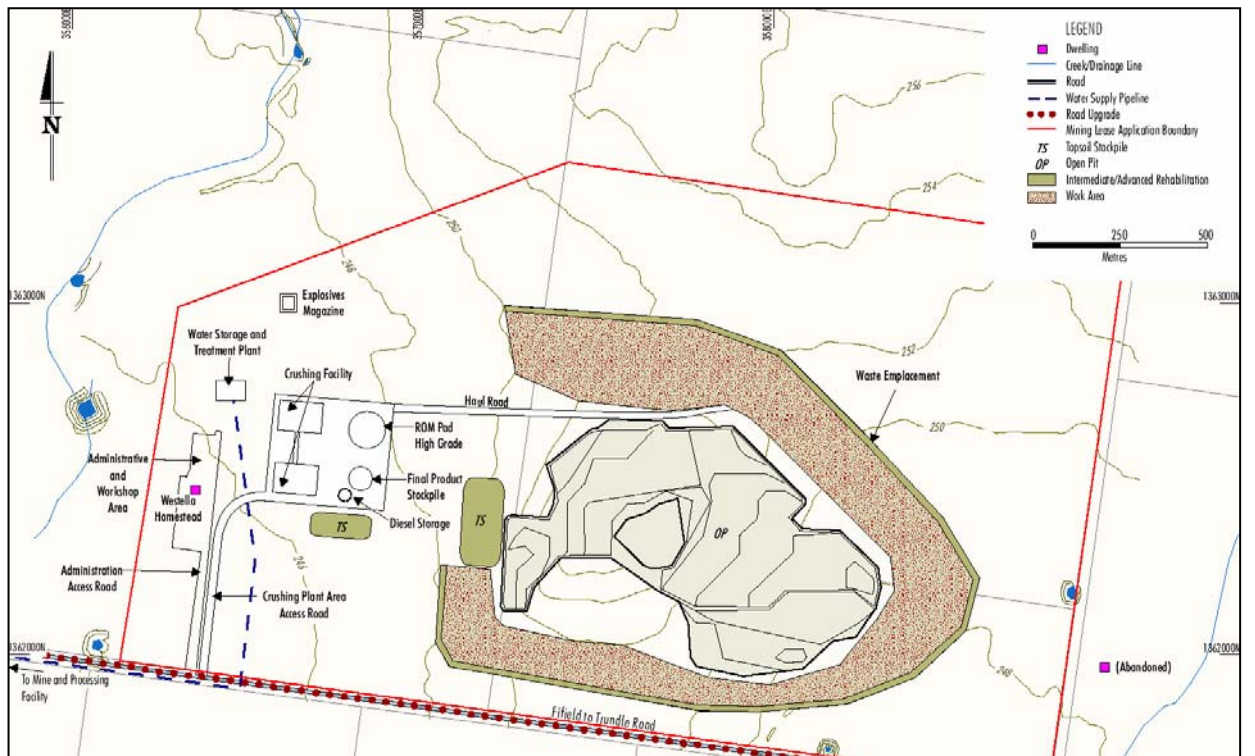


Figure 3: Approved Quarry Layout

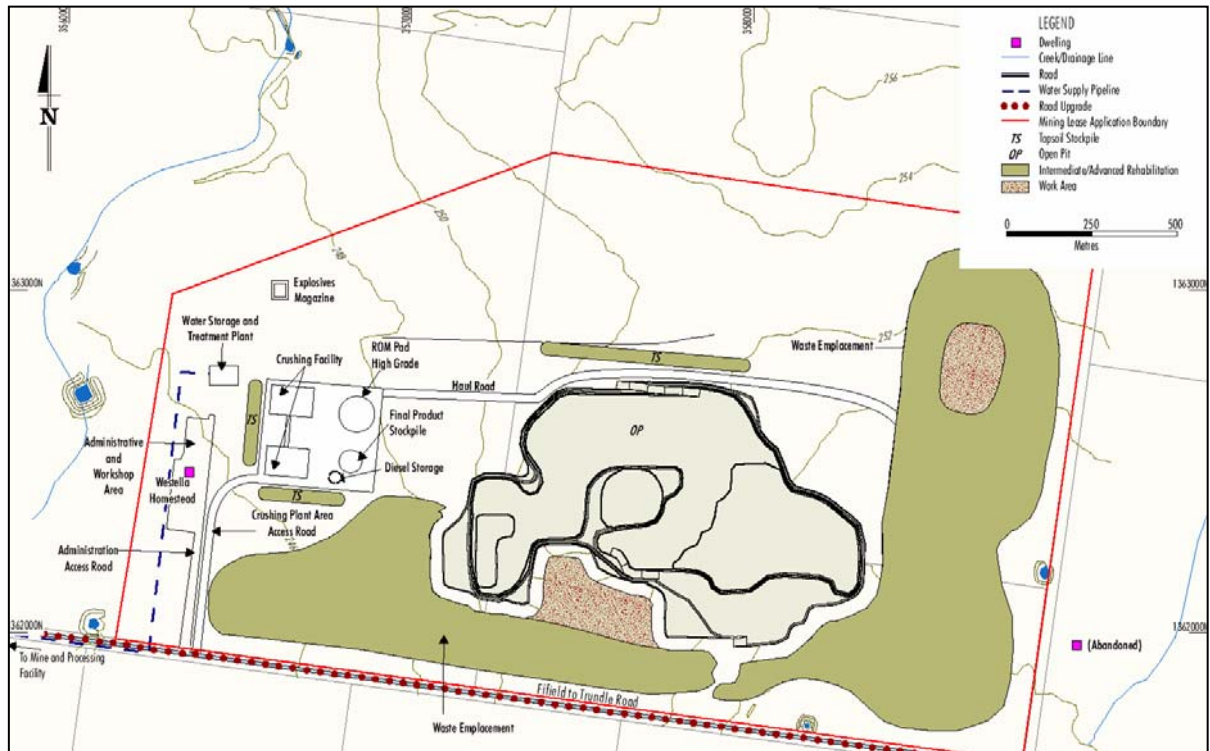


Figure 4: Modified Quarry Layout

3. STATUTORY FRAMEWORK

Consent Authority

The Minister was the consent authority for the original DA, and is consequently the consent authority for this modification application.

In accordance with the Minister's Instrument of Delegation dated 12 September 2005, the A\Deputy Director-General may determine this application under delegated authority.

Section 96(2)

Under section 96(2) of the EP&A Act, a consent authority may modify a development consent if:

- (a) *it is satisfied that the development to which the consent as modified relates is substantially the same development as the development for which consent was originally granted and before that consent as originally granted was modified (if at all).*

The Department is satisfied that the proposed modification is substantially the same development for which consent was originally granted, as the changes:

- do not affect any of the uses of the approved development;
- are confined to the area of the approved development; and
- would not significantly alter the nature of the environmental impacts of the approved development.

4. CONSULTATION

On 20 May 2005, the Applicant submitted an application under section 96(2) of the EP&A Act with the Department for the proposed modification. The application was accompanied by a Statement of Environmental Effects (SEE) in support of the proposal.

The Department subsequently:

- Notified all objectors to the original development application;
- Notified Lachlan, Forbes and Parkes Councils and the relevant State government agencies;
- Advertised the exhibition of the application and SEE in the Forbes Advocate, Parkes Champion Post and the Condobolin Lachlander; and
- Exhibited the application and SEE from 24 May 2005 until 13 June 2005.

This satisfies the requirements for public participation in the EP&A Regulation.

During the exhibition period, the Department received 8 submissions on the application: 5 from public authorities (DPI, DSC, RTA, NSW Heritage Office and the Greater Western Area Health Service), and 3 from the general public (one of which included 6 signatories). One public submission made an objection to the proposal.

Department of Primary Industries

The DPI supported the proposed modification and the Project as an appropriate and effective development of a valuable resource.

Dam Safety Committee

The DSC raised no objection to the proposal, but noted that the DSC's endorsement of the detailed design for all three of the proposed dams would be required prior to commencement of construction.

Roads and Traffic Authority

The RTA raised no objection to the proposal, as the changes to traffic and transport would not have a significant impact on the approved development.

NSW Heritage Office

The Heritage Office raised no objection to the proposal, but made a number of comments and recommendations relating to items of potential heritage significance on the site.

Greater Western Area Health Service

The GWAHS referred to its comments made in relation to the original DA, which included potential water, air and traffic safety impacts. The Department is satisfied that these comments were adequately addressed during the assessment of the original DA, and that the proposed modification would not significantly impact these issues.

Public Submissions

The three public submissions were from local residents. Issues raised in the submissions included:

- Air quality impacts associated with the MPF (including sulphur dioxide, nitrogen dioxide, sulphur trioxide, hydrogen sulphide, carbon dioxide);
- Reduction in surface water flows to lands adjacent and downstream the MPF;
- Impact on water quality associated with the MPF;
- Impact on groundwater quality associated with the MPF;
- Visual impacts associated with the mine's waste emplacements; and
- Traffic safety (for humans and stock), associated with increased traffic movements and transport of dangerous goods.

The Department has assessed all of the issues raised in the various submissions in Section 5 of this report.

5. SECTION 79C CONSIDERATION

Section 96 of the EP&A Act requires a consent authority to consider the matters under section 79C when it determines a modification application. The Department's consideration of these matters is presented below.

5.1 Environmental Planning Instruments

The following environmental planning instruments are relevant to the proposed modification:

- *State Environmental Planning Policy No. 11 – Traffic Generating Developments;*
- *State Environmental Planning Policy No. 33 – Hazardous and Offensive Development;*
- *State Environmental Planning Policy No. 44 – Koala Habitat Protection;*
- *State Environmental Planning Policy No. 55 – Remediation of Land;*
- *Lachlan Local Environmental Plan 1991;*
- *Forbes Local Environmental Plan 1986; and*
- *Parkes Local Environmental Plan 1990.*

The Department is satisfied that the development as modified by the proposal can be conducted in a manner that is broadly consistent with the aims, objectives and provisions of the applicable environmental planning instruments.

5.2 Environmental Impacts

The Department believes that the key environmental issues associated with the proposed modification are:

- Air quality;
- Noise; and
- Traffic.

The Department's assessment of these key issues, as well as other issues associated with the proposal, is presented in the following sections.

5.2.1 Air Quality

The SEE included an air quality assessment for the modified development, undertaken by Heggies Australia Pty Ltd. This assessment was supplemented and amended by additional technical information provided by the Applicant following a request from the DEC.

The air quality assessment and additional information indicates that the development as modified would comply with all applicable air quality criteria, as summarised in the following table.

Table 3: Air Quality Impact Predictions (at worst case receiver)

Source	Approved Development	Modified Development	Change	Applicable Criteria
Open Cut Mine				
Particulate matter (24hr PM ₁₀ , µg/m ³)	44	No change	0	50
Dust deposition (g/m ² /month)	0.5	No change	0	2.0
Limestone Quarry				
Particulate matter (24hr PM ₁₀ , µg/m ³)	38	48	+ 10	50
Dust deposition (g/m ² /month)	0.2	0.25	+ 0.05	2.0
Processing Facility				
Sulphur dioxide (g/m ³)	1.51	No change	0	2.8
Hydrogen sulphide (mg/m ³)	0.07	No change	0	5.0
Oxides of nitrogen (g/m ³)*				
Flare Stack	0.21	No change	0	2.0
Hydrogen Reformer Stack	0.10	No change	0	2.0
Power Plant HRSG	0.11	No change	0	0.07

* The SEE states that NO_x emissions from the development consist primarily of NO (nitric oxide) and a small amount of NO₂. Hence the air quality assessment considers that the Power Plant HRSG would comply with the applicable criteria, which are expressed as NO₂.

The Department notes that the SEE predicted an increase in emissions from the mine, associated with a perceived increase in ore extraction. The Applicant subsequently issued a clarifying statement stating that the SEE was incorrect and that the modification would not involve any increase in the mining rate, noting that the increase in processing rate (see Section 2) is attributable to a reassessment of ore grades, not an intensification of mining activities. In other words, the ore grade reassessment means that more mined material would be sent to the processing facility and less to the low grade stockpiles. As such, the modification would not involve any significant increase in dust emissions from the mine.

With regard to the processing facility emissions, the Department notes that although the proposal would involve an increase in the total volume of air pollutant emissions (associated with the proposed increase in production of reagents - see Section 2), the continuous emissions of pollutants would not increase due to a corresponding increase in volumetric flow rates from the stacks. In other words, the increased flow rates would increase the dispersion of the pollutant emissions over a larger area – however levels at all receivers would be within applicable health and amenity based air quality criteria.

One of the public submissions raised concerns about the increase in [volume of] air pollutants from the processing facility. However, the Department and the DEC are satisfied that the continuous pollutant emissions, and the resultant ground level concentrations at the worst case receivers, would not increase significantly and would be well within the applicable air quality criteria.

With regard to the limestone quarry, the air quality assessment indicates that although the proposed modification would result in an increase in dust emissions near the quarry, the emissions would be within applicable criteria at all non-project related sensitive receivers. It is noted that the two closest residences, 'Westella' and 'The Troffs', are located on land required for the quarry and are optioned to be purchased by the Applicant.

The Department and the DEC are satisfied that the proposed modification would not result in any significant additional air quality impacts. The Department believes that air quality impacts of the development as modified would be adequately managed through conditions of the existing consent, which include requirements to:

- Comply with strict dust and air quality criteria, including volumetric flow rates (these flow rates have been updated for the modification);
- Comply with minimum stack heights and stack diameters;
- Provide manufacturers performance guarantees for installation of applicable plant and equipment;
- Maintain a Dust Management Plan, including dust monitoring;

- Maintain a Gaseous Emissions Management Plan, including monitoring;
- Maintain an Energy Management Plan, to minimise energy consumption and CO₂ emissions; and
- Undertake independent investigations and implement mitigation strategies and/or land acquisition in the event of any identified exceedance of air quality criteria.

5.2.2 Noise and Blasting

The SEE included a noise impact assessment for the modified development, undertaken by Heggies Australia Pty Ltd. The assessment indicates that noise impacts associated with the proposed modification would be similar to the approved development.

Operational noise associated with the MPF is expected to be similar or less than the approved development, given the removal of the refinery. Predicted operational noise emissions are within applicable criteria at all receivers, with the exception of 'Currajong Park', where exceedances of up to 5dB(A) were predicted in the EIS.

Operational noise associated with the quarry is expected to be similar to the approved development, with a marginal increase of less than 1dB(A) predicted in the SEE. Predicted operational noise emissions are within applicable criteria at all non-project related receivers, with the exception of 'Lesbina' and 'Eastbourne', where exceedances of 2 dB(A) were predicted in the EIS, and at 'Moorelands' where an exceedance of 5dB(A) was predicted in the EIS.

To manage predicted operational exceedances, the existing consent includes requirements to monitor noise emissions in accordance with a Noise Management Plan, and to investigate and mitigate noise impacts and/or acquire affected properties.

Rail traffic noise would not change as the proposal does not involve any change to daily train movements. Predicted rail traffic noise emissions are within applicable criteria at all receivers.

Road traffic noise at most receivers would not change, except at 'Reas Falls' and 'Glen Rock', where a marginal 1dB(A) increase is predicted. Predicted road traffic noise emissions are within applicable DEC goals at all receivers.

Blast noise and vibration emissions at the quarry would not change, although it is noted that the number of blasts would increase from 13 to 19 per year. Predicted blast emissions are within ANZECC guidelines (1990) for the minimisation of annoyance due to blasting overpressure and ground vibration.

The Department and the DEC are satisfied that the proposed modification would not result in any significant additional noise impacts. The Department believes that the noise impacts of the development as modified would be adequately managed through conditions of the existing consent, which include requirements to:

- Comply with strict noise and blasting criteria (it is noted that a small number of the noise criteria have been amended in accordance with current DEC policy);
- Comply with set hours of operation, including restricting blasting to daytime hours only, and restricting quarry operations to daytime and early evening hours;
- Maintain a Noise Management and Monitoring Plan, Construction Noise Management Plan/s and a Traffic Noise Management Plan;
- Maintain a Blast Management Plan, including landowner notification and monitoring of all blasts; and
- Undertake independent investigations and implement mitigation strategies and/or land acquisition in the event of any identified exceedance of noise criteria.

5.2.3 Traffic

The SEE included a traffic impact assessment for the proposed modification, undertaken by Masson Wilson Twiney Pty Ltd.

The report indicates that the proposed modification would increase daily truck movements associated with development by about 18 movements per day, to a total of about 169 per day. The changes include:

- An increase in movements between the rail siding and the processing facility from 30 to 34;
- An increase in movements between the quarry and the processing facility from 72 to 90; and
- A decrease in movements between Young (magnesia-supply) and the processing facility from 4 to zero.

The traffic report concludes that the additional truck movements, which amount to a worst case increase (on Main Road 57) of about 2-3 movements per hour, are very low and would not result in any additional traffic impact.

The report indicates that the modification would decrease employee-related passenger vehicle movements from 294 to 225 vehicle movements per day, and other road traffic movements (eg. visitors, daily consumables) from 100 to 75 small vehicle movements per day.

The traffic report indicates that the modification would not change rail traffic movements associated with the development (approximately 6 per week).

The Department and the RTA are satisfied that the proposed modification would not result in any significant additional traffic impacts, and that the traffic impacts of the development as modified would be adequately managed through conditions of the existing consent.

One public submission, signed by 6 local residents, raised concerns about the potential conflicts between mine-related traffic and the movement of stock and farm machinery along public roads. However, the Department is satisfied that the proposal would not significantly alter traffic movements, and is satisfied that this issue is adequately managed through existing conditions, including a requirement for the Applicant to develop a Stock Crossing Management Plan in consultation with the relevant Councils, the Rural Lands Protection Board and the community.

Other conditions of the existing consent require the Applicant to:

- Develop a Traffic Code of Conduct for the development;
- Undertake significant road and intersection upgrade works; and
- Enter into Road Maintenance Agreement/s with the Councils.

5.2.4 Water Resources

The proposed modification does not involve any significant change to the footprint or layout of the MPF. The SEE states that the removal of the refinery from the development would not alter the tailings geochemistry. As such, the modification is not expected to result in any additional impact on surface water or groundwater flows at the MPF.

One public submission from an adjacent landowner to the MPF raised concerns about the potential for the proposal to affect water resources. The specific concerns, and the Department's consideration of each, include:

- *That the original EIS underestimated flood volumes* – In light of the anecdotal evidence provided by the landowner, the Applicant's hydrological consultant, Golder Associates, revisited its hydrological design and subsequently re-confirmed that the preliminary design would be adequate to cope with flood flows in the catchment. The Department is satisfied that the proposal has been designed in accordance with appropriate floodwater standards, which includes storage in the tailings storage facilities (TSFs) of at least the 1 in 100 year 72 hour ARI storm event;
- *That the development would reduce flows to downstream agricultural landusers* – The landowner is concerned that the location of the TSFs would cut off the drainage line that feeds their properties. However, the Department is satisfied that the development provides for the diversion of drainage lines around the TSFs and mine facilities, and that this diverted clean water would continue to be available to downstream landusers;
- *That the TSFs entail a significant risk of water pollution to adjacent properties (associated with the perceived underestimation of floodwater volumes)* – Following the Applicant's hydrological review of flood flows, the Department is satisfied that the TSFs would do not lead to a significant risk of surface water or groundwater pollution to downstream landusers.

With regard to the limestone quarry, the Department notes that the proposal involves a change to the footprint and layout of the waste emplacements and the open pit. These changes would not affect any drainage lines and the Department is satisfied that the impacts on surface water and groundwater resources would be similar to the approved development. The Department notes that, as the quarry will intercept the groundwater table, the development will require a licence from the Department under the *Water Act 1912*.

The Department and the DEC are satisfied that the proposed modification would not result in any significant additional surface or groundwater impacts. The Department believes that water resources would be adequately managed through conditions of the existing consent, which include requirements to:

- Maintain Surface and Ground Water Management Plans, including monitoring programs and a Tailings Water Reuse Program;
- Design and construct TSFs with appropriate lining to ensure minimal infiltration;
- Maintain a Borefields Environmental Management Plan, including continuous monitoring;
- Maintain Erosion and Sediment Control Plan/s; and
- Undertake independent investigations and implement mitigation and/or contingency supply strategies in the event of identified impacts.

5.2.5 Flora and Fauna

The proposed modification does not involve any significant change to the footprint of the MPF, and as such is not expected to present any additional impact to flora and fauna of the area.

The proposed modification does involve a change to the footprint of the limestone quarry's waste emplacements and open pit, resulting in disturbance to an additional 69 hectares of cleared pastoral land at the quarry. The EIS for the approved development states that this area comprises intensively managed farmland paddocks used for cropping and grazing, and that clearing and ploughing has removed almost all of the natural vegetation across the quarry site. This is confirmed in recent aerial photography provided by the Applicant, which shows that the modified quarry footprint would affect only a small number of isolated trees (see Figure 5).

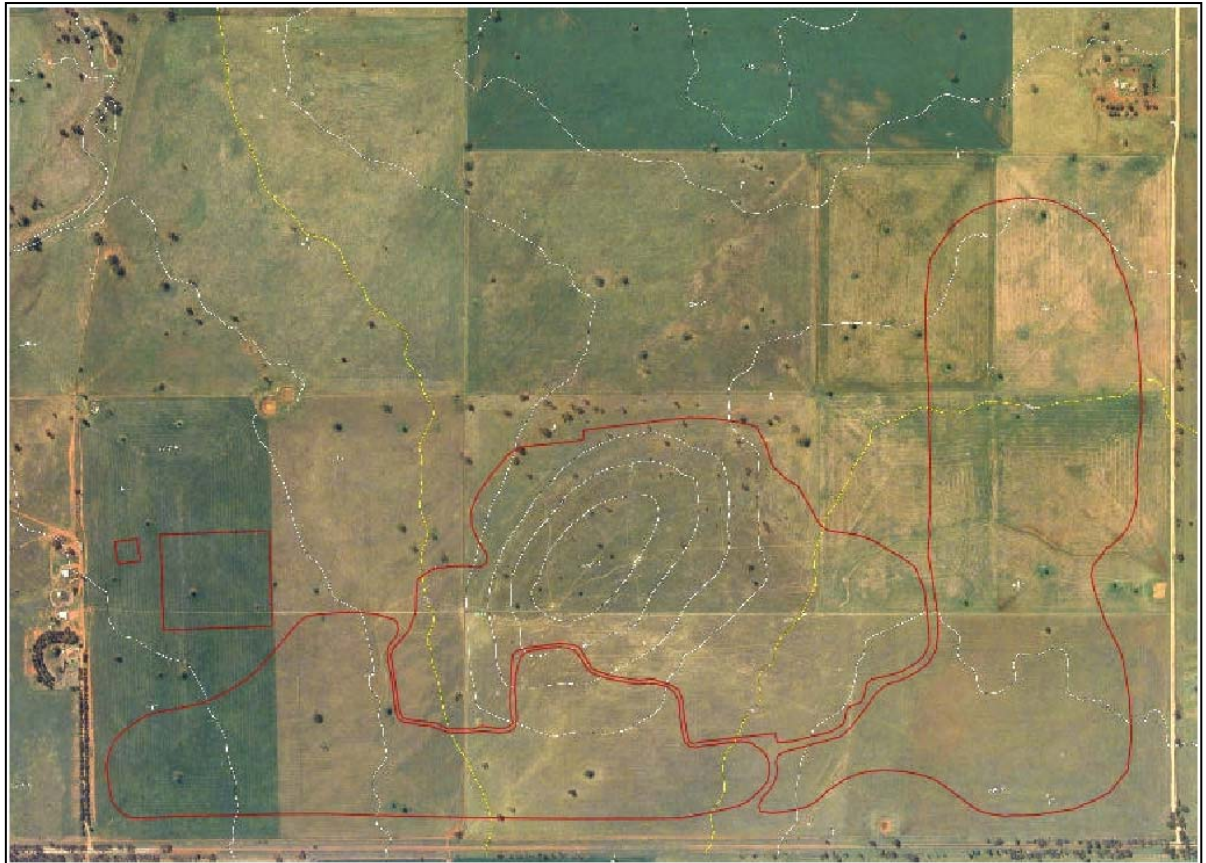


Figure 5: Aerial Photograph of Limestone Quarry

The SEE notes that 6 relevant bird species and 2 endangered ecological communities (Fuzzy Box Woodland and White Box, Yellow Box, Blakely's Red Gum Woodland) have been listed under the *Threatened Species Conservation Act 1995* since approval of the development. The SEE included 8-part tests of significance for these threatened species/communities, concluding that the project would not result in any significant impact on the species/communities.

The Department is satisfied that the proposed modification is unlikely to have any significant additional impact on flora and fauna, and that the flora and fauna impacts of the development as modified would be adequately managed through conditions of the existing consent, which include requirements to:

- Maintain a comprehensive Flora and Fauna Management Plan; and
- Provide compensatory revegetation at a rate of 2 hectares for every 1 hectare of native vegetation cleared.

5.2.6 Archaeology and Heritage

The proposed modification does not involve any significant change to the footprint of the MPF, and as such is not expected to present any additional heritage impact in this area.

The proposed changes to the footprint of the waste emplacements and open pit at the limestone quarry would result in disturbance to an additional 69 hectares of cleared pastoral land at the quarry. The EIS for the approved development included an Archaeological investigation of the entire quarry site, undertaken in consultation with the Wiradjuri Local Aboriginal Land Council. The investigation found no Aboriginal sites or

areas of archaeological significance on the quarry site. The EIS also included a non-indigenous heritage assessment which found no sites of heritage significance on the quarry site.

Accordingly, the Department is satisfied that the proposal is unlikely to have any significant additional impact on items of archaeological or heritage significance.

The NSW Heritage Office noted a number of items of potential heritage significance identified in the SEE, and recommended a number of conditions to manage these and other heritage items. However, the Department is satisfied that these items would not be affected by the proposed modification, and that these and other heritage items would be adequately managed through existing conditions of consent. These conditions include a requirement for the Applicant to prepare and implement an Archaeology and Cultural Heritage Management Plan for the development.

5.2.7 Visual Amenity

The proposed modification does not involve any significant changes to the visual aspects of the MPF. The SEE states that the removal of the refinery would only have a minor improvement on visual amenity, as other components of the processing facility and the larger emissions stacks would remain.

One public submission raised concerns about the visual impacts of the mine's waste emplacements. However, the Department notes that the proposed modification does not require or involve any change to the approved mine waste emplacements or tailings storage facilities.

The proposed modification would change the footprint and layout of the waste emplacements at the limestone quarry. The SEE states that the waste emplacements would be modelled to encircle the open pit and provide a screen for the quarry operations. The emplacements would be constructed progressively with the batters closest to the Fifield-Trundle Road developed first in order to screen the operations. The batters would be graded to no steeper than 1V:4H, with the final height not exceeding the existing topographical maximum within the site.

The Department is satisfied that the proposed modification would not result in any significant additional visual impact, and that the visual impacts of the development as modified would be adequately managed through existing conditions of consent, which include a requirement for the Applicant to prepare and implement a Landscape and Revegetation Management Plan for the development.

5.2.8 Hazards and Risk

The EIS for the approved development included a Preliminary Hazard Analysis (PHA) which concluded that the development posed a low level of risk to surrounding landusers, largely due to the large distance (at least 1km) between the processing facility and the MPF boundary. Similarly, the PHA concluded that transport of dangerous goods and hazardous materials associated with the development would not pose any unacceptable risk subject to proper management.

Although the proposed modification would increase the use of some consumables and reagents, as outlined in Table 2, the Department is satisfied that the changes would not significantly increase the risk associated with the Project. The Department is satisfied that the hazards and risks associated with the development as modified would be adequately managed through existing conditions of consent, which include requirements to:

- Develop an Emergency Services Cooperation Agreement in consultation with State Emergency Services;
- Prepare a Fire Safety Study for the development;
- Prepare a Hazard and Operability Study for the development;
- Prepare a Final Hazard Analysis for the development;
- Prepare a Construction Safety Study for the development;
- Prepare a Transport of Hazardous Materials Study for the development;
- Develop an Emergency Plan for the development;
- Develop a Safety Management System for the development; and
- Carry out regular Hazard Audits of the Project.

5.2.9 Other Issues

Other issues raised in the SEE, by government agencies or by way of public submission are considered to be minor issues, components of key issues or of minor environmental impact.

5.3 Suitability of the Site

The Department is satisfied that the environmental impacts associated with the proposed modification would essentially be similar to the approved development. As such, the Department is satisfied that the site is suitable for the proposal.

5.4 Submissions on the Proposal and the Public Interest

In consideration of the submissions received on the proposed modification, the Department believes that there is no significant public opposition to the proposal.

Further, the Department believes that the proposal is broadly in the public interest, given:

- The ability of the proposal to be conducted generally in accordance with applicable environmental criteria, and in a manner similar to the approved development; and
- That the proposal will increase the financial viability of the Project, thereby facilitating significant socio-economic benefits to the Central West, including a capital investment in the Project of at least \$340 million, and the generation of up to 1,000 jobs during construction and at least 300 full time jobs during operation.

The Department notes that the existing consent requires the Applicant to develop a Community Enhancement Plan for the Project, which amongst other things will require the Applicant to provide a minimum of \$300,000 in community contributions funding per year for the first 15 years of the Project.

7. RECOMMENDED CONDITIONS

The Department is satisfied that the existing conditions of consent provide a very comprehensive environmental and socio-economic management regime for the Project, and that these conditions are generally adequate to manage the development as modified by the application. The Department has recommended minor changes to some noise and air quality criteria to accommodate the proposed modification. The Department has also recommended a change to the lapsing date of the consent to reflect the fact that the Project has not yet commenced, and has also clarified the timing of the various management plans required by the consent.

The Applicant does not object to these recommended conditions

8. CONCLUSION

Following its assessment of the proposal the Department considers that:

- The impacts associated with the proposed modification would be similar to those of the existing approved development;
- The impacts can be effectively managed, mitigated and/or compensated; and
- The proposed modification is in the public interest because it would provide greater certainty of the economic viability of the Project thus facilitating the significant socio-economic benefits to the people of Central Western NSW, which includes the generation of at least 300 jobs in the region.

For these reasons, the Department believes that the Minister's delegate should approve the proposed modification, subject to conditions.

9. RECOMMENDATION

It is RECOMMENDED that the A\Deputy Director-General exercise the powers and functions delegated to him in the Instrument of Delegation from Minister Sartor, dated 12 September 2005, and:

- Consider the findings and recommendations of this report;
- Determine that the development consent, as modified, would relate to substantially the same development to which consent was originally granted;
- Approve the proposed modification under section 96(2) of the EP&A Act; and
- Sign the attached notice of modification.

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Chris Wilson
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