



Our reference: EF13/2664
Contact: Sandie Jones (02) 6229 7002

Phillipa Duncan
NSW Department of Planning and Environment
GPO Box 39
Sydney NSW 2001

Dear Ms Duncan,

Modification Application (MP 10_0054 MOD 3) Dargues Gold Mine, Environment Protection Licence 20095

I refer to your email of 10 July 2015 advising that Unity Mining Ltd (Unity) had submitted an application to modify the Dargues Gold Mine project approval and that this application and associated Environmental Assessment (EA) was on public exhibition until 26 August 2015. I also refer to a request on 2 March 2015 for agency comment on an earlier draft of the EA, the EPA's response to this request dated 20 March 2015 and the response of the proponent provided to the EPA on 15 June 2015.

The EPA has carefully considered the modification proposal and reviewed the supporting documentation in line with its role as environmental regulator of the premises. The proposed use of cyanide in on site processing will result in an enlarged Tailings Storage Facility (TSF) being required. As a result of on-site processing, the tailings that will be disposed of in the TSF will contain heavy metals, will be acid generating and will contain residual cyanide. This TSF is proposed to be placed in a gully located at the top of the upper Deua River catchment and will remain in place after the mine has finished its operations.

The EPA consider that the placement and operation of a large tailings storage facility containing heavy metal tailings and residual cyanide at the top of a water catchment poses significant environmental and community risk that cannot be effectively mitigated. In forming this opinion, the EPA note that the upper Deua River supplies drinking water for the people of the Eurobodalla, water for agricultural irrigation, stock and domestic use and feeds through the Majors Creek State Conservation Area.

The EPA therefore does not support the proposed modification of Dargues Gold Mine as proposed in (MP10_0054 MOD 3).

If you have any queries or wish to discuss this matter further, please contact Sandie Jones, (02) 62297002 or queanbeyan@epa.nsw.gov.au

Yours sincerely

A handwritten signature in black ink, appearing to read 'Sandie Jones', followed by the date '26/8/15'.

DR SANDIE JONES
Head of Operations, South East Region
Environment Protection Authority