

Guanda - from Helou Page No 52D

3) Road Dedication Application (1-0-31-12) (Town Planner)

Council acquired as a condition of approval of Development Application No 57/95 that:-

"Arrangements satisfactory to Council have been made with the Department of Conservation and Land Management (Crown Land Service) relative to the construction of the reserved road and subsequent dedication to the public."

Council is now required by the Roads Act to make the necessary applications to the Crown for the transfer of control of Crown roads to public roads. In this regard all associated costs are attributable to the developer/s. A requirement of the application is the fixing of Councils Common Seal.

RECOMMENDED: That the Common Seal of Council be affixed to the Road Dedication Application associated with Development Application No 57/95.

4) Development Application - Cadia Gold Mine Project (112-209035-5/6-24)
(General Manager)

INTRODUCTION

A development application with an accompanying Environmental Impact Statement has been submitted to the Department of Urban Affairs and Planning for the Cadia Gold Project. The assessment of the project for development consideration is the responsibility of the Department under the provisions of State Environmental Planning Policy No. 34, Major Employment - Generating Industrial Development. While it is the role of the Minister to give the determination, Council is invited to make a submission to assist in the assessment process.

Council will be aware that a sub committee of the Councils of Orange, Cabonne and Blayney was formed to assist the Company and the Department through the planning process and to advise the Company on issues which needed to be addressed in the EIS which had an impact on each Council area. That committee process has worked extremely well as evidenced by the quality of the EIS itself.

At the outset, it was agreed between the Councils that a joint submission would be made to the Minister to ensure that each Council had the support of, and agreed with, its neighbour. All issues where there has been a differing view, I am happy to say, have been resolved to the benefit of the region.

The Development Application and the Environmental Impact Statement are on exhibition until 22nd December, 1995. There has been discussion of the advisability for conducting a Commission of Enquiry given that there are a number of sensitive environmental issues. An announcement is likely prior to Christmas that an enquiry will be held and that enquiry will probably be held in January. With a Commission of Enquiry, any person can apply to appear before the enquiry to put their view and there is a right of reply should that view be challenged. The Commissioner then makes his or her recommendation to the Minister. If approved, the conditions of consent will be administered by the three Councils in their respective areas.

4) continued (112-209035-5/6-24)**2. THE PROJECT****2.1 Outline of the Project**

Newcrest Mining Limited propose to develop a gold/copper mining operation at Cadia, 25kms south west of Orange and approximately 32kms north west of Blayney. The Cadia project will consist of an open pit, associated mining activity and an ore processing plant producing gold/copper concentrate. There is a comprehensive water management proposal which will see urban and industrial effluent from Orange and Blayney pumped to the site together with local water management program involving weirs, dams and bore water, and a slurry pipeline to carry concentrate to Blayney for rail shipment to Newcastle and export to Japan.

The following schedule summarises the mine statistics:

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|---------------------------------------|--|
| Mine Life | 12 years with an additional 2 years required for construction |
| Mining Lease Application Area | 3100 ha |
| Average Annual Production | 293,000 ounces of gold per year |
| Total Production | 3.53 million ounces of gold and 273,000 tonnes of copper over the 12 year life of the mine |
| Total Value of Minerals | \$3 billion |
| Investment | \$400 million establishment \$120 million annual operation cost |
| Employment | Construction 600 Operation 300 |
| Ultimate Pit Depth | 457 metres |
| Total Ore | 230 million tonnes |
| Waste Rock | 270 million tonnes |
| Tailings Dam | 17 M + pa of solids Surface area of 535ha |
| Total Daily Water used in the process | 86.6 ML per day (Orange City uses 18 ML per day) |
| Total Recycled Water | 47.8 ML per day (from Tailings dam) |

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Mayor

General Manager

4) continued (112-209035-5/6-24)

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| Total Make-up Water Required | 38.8 ML per day 15.4 ML/day Tailings Dam & Management Structures 11.4 ML/day Cadiangullong Creek Dam & Cadia/Flyers Creek weirs 10 ML/day Orange Sewerage Treatment Works 2 ML/day Local ground water 3 ML/day Blayney waste water |
| Cadiangullong Dam | 3500 ML capacity surface area of 28ha |
| Power requirement | 65 MW (Ophir's current demand for the total county District is 73 MW) |
| Slurry Pipeline | 32.7kms long |
| Slurry flow rate | 91 000 tonnes per annum 2600 t pw or 96 containers by rail each week. |

2.2 Mining Operation

The ore body will be mined by open cut operation on a 24 hour per day 365 days per year. Excavation is by drill and blast with rock transported to the crushing and process mill by dump trucks.

Approximately 270 Mt of Waste rock will be dumped in two sites. In addition, there will be a stockpile of lowgrade ore for future blending.

The ore process involves crushing, grinding in two autogenous grinding mills followed by further grinding in four ball mills. Mineral concentrate is produced in flotation cells using sulphide mineral collector (S701), frothers being Methyl Isobutyl Carbonyl and Interfroth 56, quicklime and a flocculant called Magnafloc 155.

2.3 Tailing Dam

The tailings dam will be located in the Rodds Creek Valley. The dam will be an earthen bank wall progressively raised over the life of the project. The wall and floor of the dam will be clay sealed. The tailings will be dewatered for reuse in the ore process plant. Seepage from the tailings dam is proposed to be controlled by clay blanketing, a network of underground collection drains and a down stream drainage facility to collect any seepage through the wall. A series of bores will also be constructed below the wall to act as monitoring points and collection wells.

The dam has a capacity to contain a 1 in 100 year storm of 72 hours duration.

At its deepest point, the wall is 91 M high.

4) continued (112-209035-5/6-24)

On one occasion, the Mayor and I spoke with the Flyers Creek Water Users Group and, in a follow-up meeting 10 days ago, three Councillors and myself listened to the concerns of the same group with the request there concerns be taken to Council. The recommendations from that meeting were:

1. That a scour valve be provided in the Flyers Creek Weir.
2. That a pipe sufficient to maintain an environmental flow be provided in the Flyers Creek and Cadia Creek weirs.
3. That the Cadia Creek and Flyers Creek weirs be removed at the end of the project.
4. That an independent assessor be employed for environmental monitoring.
5. There is a concern that there is significant variation in rainfall between the lower end of the catchment and the upper end. Will the rain fall figures used give a false impression of creek flow in Cadiangullong and Flyers Creek.
6. The Company abandon its proposal to take Cadiangullong, Cadia and Flyers Creek water for the project.
7. That the Company pump directly from the Belubula River due to the impact on down stream water users on Flyers, Cadia and Cadiangullong Creek.
8. That it would be acceptable to retain the Cadiangullong Creek dam only as a reservoir and not retain the normal flow of the creek.
9. Reassurance is required there will be no offensive odours from the tailings dam.
10. That the Company charge its construction procedure to make the first lift of the tailing dam to RL 721 with rehabilitation to commence on the downstream face immediately.
11. The Company convene a meeting of landowners and residents impacted by the development at 3 monthly intervals within the first year of consent and thereafter at 6 monthly intervals to address environmental issues and that where Council or the EPA receives a complaint in exceptional circumstances, a special meeting be convened.

The issues raised have been incorporated in the recommended report from the three Councils to the Department of Urban Affairs and Planning. The proposal from the Flyers Creek Group that water should only be pumped from the Belubula River requires further investigation. There is no information in the EIS which allows for the conclusion that pumping from the Belubula River can be achieved without generating its own environmental difficulties. For this reason, it is recommended the Company provide a detailed analysis of pumping from the Belubula and contrast the conclusions with the submitted scheme, prior to the Minister giving his determination.

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Mayor

General Manager