

24 June 2016

**The NSW Department of Planning and Environment
GPO Box 39
SYDNEY NSW 2001**

Attention:- Phillipa Duncan

Dear Phillipa

Bogan Shire Council Submission Response to the Proposed Nyngan Scandium Project (State Significant Development Application Number SSD-5157)

Reference is made to above-mentioned State Significant Development Application currently on public exhibition.

Bogan Shire Council ('Council') appreciates the opportunity to provide comment on the application which will have various significant impacts for our Local Government Area.

Project Understanding

Council understands that the applicant seeks a 26 year development consent from the Department of Planning and Environment for the mining and processing of ore (with associated site infrastructure) to produce 45 tonnes of scandium oxide per year, up to 21 years, having an estimated Capital Investment Value of \$124.4 Million.

The project is proposed to be located upon rural land legally identified as Lots 1, 6, 7 and 20 DP 752879 and also Lot 7300 DP 1156652, located South West of the Nyngan Township accessed via the Barrier Highway and Gilgai Road in the Bogan Shire Local Government Area. A Voluntary Planning Agreement with Council is proposed by the applicant.

Extraction of the ore via bulldozer and front end loader is understood to occur within two (2) open cut pits and a borrow pit covering 38.2ha of the site (total disturbance of 145ha of native and exotic vegetation with a 64ha onsite Biodiversity Offset proposed), penetrating down to a maximum depth of 50 metres below ground level. With this, it is

stated that annual ore production will be in the vicinity of 175,000 tonnes per year of both high and low grade ore.

Once the ore is extracted via contractors on a campaign of up to three (3) times per year, it is understood that the processing of ore to produce scandium oxide will occur via the processing plant requiring, on average, 46ML of water per year pumped from the Nyngan to Cobar pipeline under a proposed High Security Water Licence separately sought for up to 170ML per year. The processing operation to produce the scandium oxide is understood to also require Hydrochloric Acid and Sulphuric Acid to be transported via truck to the site in order to produce the scandium. Once processed it is understood that the scandium oxide product will be moved on truck from the site via containers of up to 100L in capacity.

In association with the development works, it is proposed to undertake intersection upgrades to Gilgai Road to cater for heavy vehicle movements. No upgrades are however proposed to the railway crossing located 40 metres off the Barrier Highway on Gilgai Road.

It is also understood that mining undertaken on each occasion will occur 7 days per week for up to 5 weeks, between 6am to 6pm however the processing of ore is proposed to occur 24 hours a day, 7 days per week.

Lastly, it is understood that decommissioning of the project will entail removal of all mining and processing infrastructure in order to revert the land use to agricultural or conservation purposes, with voids proposed in the final landform are to be used in water storage or replanted with native species, rather than backfilled.

On the basis of the above project understanding, Council submits the following submission response in respect of the proposal.

Submission response

1. Lot 7300 DP 1156652

Lot 7300 is identified as Crown Land utilised as a travelling stock route with a separate lease over a section of this land granted by the Crown.

Council wishes to ensure that legal access over this allotment as proposed is undertaken via an approved easement or similar prior to construction works occurring onsite.

2. Road Upgrades and Access to the Site

Council wishes to ensure that as a result of the traffic generated by the proposal that the road infrastructure achieves the Austroads – Guide for Road Design Standard with plans subject to approval by RMS and Council prior to construction works commencing onsite.

3. Groundwater Impacts

To mitigate impacts on groundwater quality, Council wishes to ensure the applicant provides suitable management and mitigation measures, particularly in preventing the leaching of acid and metals from exposed soil and rock within the project site and open cut areas. This should include regular monitoring of inflows and at each groundwater bore, at a minimum of monthly with any non-compliance reported to NSW EPA and Council shall also be notified.

4. Building Requirements

Council confirms that all buildings and associated infrastructure such as onsite effluent management systems (that are not capable of achieving exempt development under the State Environmental Planning Policy) is required to obtain the relevant approvals / Construction Certificates. All documentation and plans including the issue of Occupation Certificates, and if issued by Private Certifier, must be submitted to Council for our records.

5. Transportation of Hazardous Goods via Nyngan township

Council wishes to confirm that the transportation of hazardous goods via the Nyngan main street is not available and B-Double access is only available via the Mitchell Highway.

6. Water Resources and Access via Pipeline– HWAL

Confirmation is sought from the applicant that the Cobar Water Board have been consulted or the application for the proposed 170ML High Security Water Licence from the Nyngan to Cobar Pipeline has been made. Details regarding access / connection to the pipeline is also necessary to confirm impact on surrounding farmland.

7. Noise Monitoring

Council requests that noise monitoring devices be installed on all residential properties within a 5km radius of the site. It is requested that the devices be maintained regularly and non-compliance be reported and rectified immediately.

8. Dust Related Impacts on Residents

It is noted that the access road to the mine site from Gilgai Road is proposed to be an unsealed, gravel road with a water cart used for dust suppression. It is therefore noted that vehicle movements proposed over the life of the project may have impact on residential properties immediately located adjacent to the project site.

Council requests that the proposed access road be constructed of a minimum 150mm thick crushed rock with the preference of bitumen seal from the intersection of Gilgai Road and to a distance of 100m. This will reduce the

impact of mud and debris being carried from the site and onto the Barrier Highway during wet weather.

Additionally, the remaining length of the roadway must be suppressed via a concentrated dust solution. This will reduce dust impacts on adjoining residents with the regular movement of project vehicles from the site.

9. Socio- Economic Impacts

Council considers that the socio-economic impact assessment requires review should specifically include details on the following critical aspects which currently affect the community:

- a) What percentage of the construction and operational workforce will be sourced from the local area?
- b) What actions will the applicant take to employ local tradespeople and other workers in preference to drive-in, drive out or fly-in, fly-out workers?
- c) Is there enough short term accommodation in Nyngan to accommodate the construction workers and any contractors used (if any) during operations, given the current demands from the Tritton Copper Mine? Full details should be provided on the information used to determine the matter. If there are insufficiencies identified, how does the applicant propose to address the accommodation demands?
- d) What will be the impact generated by the workers on Council-related services and facilities?
- e) What is the cumulative impact on workforce supply and demand? What evidence is used to suggest that the existing workforce is at or near full employment?
- f) What workforce training programs will the applicant seek to develop over the life of the project, for example, apprenticeships or traineeships for local personnel?

10. Waste Management

Waste management associated with construction and mining operations shall be appropriately managed onsite and transported to a licenced waste disposal facility. This includes building materials, scrap metals, general refuse, office wastes, tyres, packaging and batteries. As the volumes of such waste have not been estimated within the EIS, additional details shall be provided to ensure the operations of the Nyngan Waste and Resource Recovery Facility is not negatively impacted upon by the proposal.

Overburden shall be managed appropriately onsite and shall be used to create an appropriately shaped final landform, managing runoff, which must be detailed within the Mine Closure Plan. Council does not support voids that are not backfilled appropriately to a sufficient final landform. Backfilling or revegetating the area to reduce the effects of erosion must be utilised.

In addition to overburden management, the management of the reject/waste material shall be appropriately managed onsite with details provided in the

Mining Operations Plan. Alternative uses for such reject material shall also be considered by the applicant.

11. Voluntary Planning Agreement (VPA) Negotiations

Voluntary Planning Agreement Negotiations must occur between Council and the applicant as a matter of urgency to ensure a reasonable outcome is achieved for the net benefit of the Bogan Shire community.

Council requests that VPA negotiations occur well before any project approval is granted, with the VPA outcome to be included as a specific condition within the notice of determination.

12. Final Landform

The final landform must ensure that the land is capable of retaining the previous agricultural land use and shall ensure that all areas are appropriately backfilled and shaped with ongoing revegetation and weed maintenance to prevent sediment and erosion issues occurring over the site.

13. Decommissioning of the site

Council confirms that all buildings including onsite effluent management system/s to be constructed on the land shall be removed from the site and a Project Decommission Report be provided, with a copy submitted to Council, to confirm all rehabilitation and decommissioning of the site has occurred as required by the approval.

In addition to the above comments, Council wishes to ensure that the Department provides Council with the opportunity to further address the applicants' response to submissions. Council would also request that draft conditions be provided for review and comment prior to determination of the application. As you can appreciate, Council wish to be kept fully informed and engaged in the planning decision process.

We thank you for your consideration towards the matters raised and we look forward to the incorporation of appropriate consent conditions being included in any development approval such that interests of Bogan Shire Council and its citizens and ratepayers are adequately protected and enhanced.

If you have any queries regarding the abovementioned matters please do not hesitate to contact the undersigned.

Yours sincerely



**Derek Francis
General Manager
Bogan Shire Council**