NSW GOVERNMENT | Department of Primary Industries

PCU037031

OUT12/20494

22 AUG 2012

Mr Matthew Riley
Mining and Industry Projects
NSW Department of Planning and Infrastructure
GPO Box 39
SYDNEY NSW 2001

Dear Mr Riley

Tasman Extension Project (SSD 4962)
Response to exhibition of EIS

I refer to your email of 26 June 2012 requesting advice from the Department of Primary Industries (DPI) in respect to the above project in response to exhibition of the Environmental Impact Statement.

Fisheries NSW advises it has no objections to the proposal from a fisheries conservation perspective on the basis that there is no key fish habitat directly impacted by the proposal due to its location under Mount Sugarloaf. However, Fisheries NSW also advises that the groundwater resources of the area have been affected by offsite impacts from previous mining and recommends that further impacts on groundwater dependent ecosystems and downstream water users be suitably managed within any consent. For further information contact Scott Carter, Senior Conservation Manager (Nelson Bay) on 02 4916 3931 or at: scott.carter@dpi.nsw.gov.au.

Forests NSW advises that exploration creates minimal surface disturbance and the subsequent mining will have little, if any, impact on the overlying State forest in the area. However the proponent should be required to consult with Forests NSW in respect to all future works likely to impact on Forests NSW land.

As previously advised, Forests NSW has issued a Permit for Exploration over the Heaton State Forest to the proponent. This permit is current to 30 July 2013. All permit conditions have been complied with to date and there is a satisfactory level of on-going liaison and reporting between the proponent and Forests NSW in relation to the proposed extension. For further information contact Jude Parr, Land Administration Officer - Central Region (Wauchope office) on 02 6586 9718 or at: judep@sf.nsw.gov.au.

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The EIS notes there has been consultation between the proponent and Lake Macquarie City Council and the Awabakal Local Aboriginal Land Council in respect to Crown land in the area that may be impacted by the proposal. Nevertheless, and as previously advised, the management of reserved Crown land must encourage multiple use and retention of public uses. As such, the following conditions are requested to be included on any approval:

1. The proponent consults with Lake Macquarie City Council (LMCC), as reserve trust manager, with regard to any works likely to impact on Lot 1 DP 338999, Lot 121 DP 755262, part lot 1 DP 551918, Lots 7022-7023 DP 1075973 and Lot 7021 DP 1075979 being Crown land Reserve 89127 for Public Recreation, Preservation of Native Flora and Fauna and Communication Facilities.

2. The proponent consults with Awabakal Local Aboriginal Land Council with regard to any works likely to impact on part Lot 2 DP 231108 being Crown land Reserve 755262 for Future Public Requirements and under Aboriginal Land Claim 23441 (lodged 9 December 2009) and on part Lot 1 DP 551918 being Crown land Reserve 89127 under Aboriginal Land Claim 6637 (lodged 7 December 2001).

For further information contact Stewart Veitch, Senior Manager Hunter Area North Region (East Maitland office), on 02 4937 9366 or at: stewart.veitch@lands.nsw.gov.au.

Agricultural issues in relation to State Significant Developments that comprise a mining project are covered by Agricultural Impact Statement requirements dealt with by the Office of Agriculture Sustainability and Food Security. In accord with those requirements that Office will provide its advice direct to your Department. For further information contact Liz Rogers (Orange office) on 02 6391 3642 or at: liz.rogers@dpi.nsw.gov.au.

NSW Office of Water advises that, given the project area is located within the Sugarloaf State Conservation Area and the Heaton State Forest, the primary groundwater user is the environment, with minimal use of groundwater by existing licensed users; and also that the mine has been designed to avoid significant impacts on environmental features including watercourses and groundwater dependent ecosystems. Detailed comments on the proposal including recommended conditions to be attached to any approval are provided in Attachment A.

Yours sincerely

Phil Anquetil
Executive Director Business Services

ATTACHMENT A

Tasman Extension Project (SSD 4962) - Response to exhibition of EIS

Comment by NSW Office of Water

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1. Baseline data

The EIS does not contain baseline data on groundwater quality for the project area. If the proposed project is approved, the Proponent must collect sufficient baseline data on groundwater quality in the project area prior to the commencement of mining operations to inform a Groundwater Monitoring Program.

The EIS does not contain baseline data on surface water flows in Surveyors Creek in the project area. If the proposed project is approved, the Proponent should establish the proposed flow gauging stations on Surveyors Creek and collect sufficient baseline data on surface water flows prior to the commencement of mining operations to inform a Surface Water Monitoring Program.

It is noted that the proposed timeline for the commencement of mining operations is mid 2014. On this basis, at least 18 months of baseline data on groundwater quality and surface water flows could be collected prior to the commencement of mining operations.

2. Subsidence impacts

The EIS provides that subsidence related impacts will be managed by the adoption of 'subsidence control zones' around watercourses and groundwater dependent ecosystems (GDEs) to achieve nominated subsidence performance measures. If the proposed project is approved, the subsidence performance measures for watercourses and GDEs should be included in the conditions of approval. Further, as a precautionary approach, the Proponent should not commence mining under any watercourse until a stability assessment of the watercourse has been undertaken.

3. Surface water storages

The EIS describes that surface water storages in the proposed pit top facility would collect dirty runoff and that their primary purpose is pollution control. Wherever possible the separation and diversion of clean water runoff from disturbed areas and dirty water storage structures should be implemented. Where clean water diversion is not possible, any clean water runoff captured by dirty water surface storages in excess of the *Maximum Harvestable Right Dam Capacity* must be authorised by a water access licence.

4. Recommended conditions of approval

If the proposed project is approved, the Office of Water recommends the following conditions of approval:

Water supply

- The Proponent shall ensure that it has sufficient water for all stages of the project and, if necessary, adjust the scale of operations to match its water supply.

Minimise Impacts

- The Proponent shall carry out the project in a way that prevents and/or minimises the potential surface and groundwater impacts of the project.

Subsidence Performance Criteria

- The proponent shall ensure the proposed subsidence performance criteria as set out in the Environmental Impact Statement are achieved. Should actual subsidence deviate from predicted levels, the proponent shall undertake an investigation to determine the

causes of such deviation, and measures to ensure the Subsidence Control Zones do not experience subsidence above predicted levels.

Stability Assessment

- The Proponent shall not commence mining under any watercourse until a stability assessment of the watercourse has been conducted.

Water Management Plan

- The Proponent shall prepare and implement a Water Management Plan. This Plan must be developed in consultation with the Office of Water and include:
  - a Site Water Balance,
  - a Groundwater Monitoring Program,
  - a Surface Water Monitoring Program,
  - an Erosion and Sediment Control Plan, and
  - a Surface and Groundwater Response Plan.
- The Site Water Balance must include details of:
  - sources and security of water supply,
  - water use on site,
  - water management on site, and
  - procedures for reporting to the Office of Water regarding site water balance inflows and outflows, including comparison of predicted and measured inflows and analysis of any correlation of mine inflows with rainfall.
- The Groundwater Monitoring Program must include:
  - detailed baseline data on groundwater levels and quality, based on statistical analysis,
  - groundwater impact assessment criteria, including trigger levels based on analysis of baseline data for investigating any potentially adverse groundwater impacts,
  - a program to monitor the rate and quality of groundwater inflows to the underground mine workings,
  - a program to monitor regional groundwater levels and quality, and verify the groundwater model predictions,
  - a program to monitor groundwater dependent ecosystems in the project area, and
  - a protocol for the investigation and mitigation of identified exceedences of the groundwater impact assessment criteria.
- The Surface Water Monitoring Program must include:
  - detailed baseline data of surface water flows and quality in Surveyors Creek,
  - surface water impact assessment criteria, including trigger levels for investigating any potentially adverse surface water impacts such as measureable loss of baseflows,
  - a program to monitor surface water flows and water quality in, and the geomorphic character of, Surveyors Creek, and
  - a protocol for the investigation and mitigation of identified exceedences of the surface water impact assessment criteria.

- The Surface and Groundwater Response Plan must include:
  - measures to mitigate any adverse impacts on water flows and water quality in Surveyors Creek, and
  - the procedures that would be followed if any surface or groundwater impacts are detected during the carrying out of the project.

End Attachment A
17 August 2012

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