

Our Ref: E10.4422

2 September 2013

Ms Alice Smith
Environmental Planning Officer – Mining Projects
Department of Planning and Infrastructure
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Dear Ms Smith

Proposed Dargues Gold Mine Project Modification 2

I refer to the Environmental Assessment report for a proposed modification to the Dargues Gold Mine project dated July 2013, in which the proponent is seeking approval to modify the Project Site Layout and to amend the conditions of the Project Approval.

In the report the proponent notes that "the proposed modification does not include any additional infrastructure, merely modification of the location of infrastructure that has already been approved". Council agrees that the proposed changes to the site layout are not in conflict with the intent of the Project Approval and has no objection.

I note that Condition 2(6)(d) instructs that "the proponent shall not use any cyanide or mercury on site to process or extract gold from the project". Whilst the proposed modification does not make reference to any such proposed on-site processing, to make our position absolutely clear, Council maintains that this is an essential condition for the protection of the local and wider environment, in particular the Deua River and its tributaries, being the primary source of the Eurobodalla Shire's water supply.

The Water Management Plan will need to be updated to reflect the amended site layout and to address previous inadequacies. Attention is drawn to Condition 3(26) which requires the proponent to consult a number of stakeholders in the preparation of the Water Management Plan, including Eurobodalla Shire Council.

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The proponent has also proposed a range of amendments to the conditions of the Project Approval "to further clarify the intent of the conditions". While most of the proposed amendments do provide clarification, the proposed amendment to Condition 2(2) - "the Proponent shall carry out the project *generally* in accordance the EA, Statement of Commitments and Conditions of this Approval" does not provide clarification, and is inconsistent with the stated objectives of the modification. Council is also of the opinion that the proposed amendment to Condition 2(2) would be contrary to the decision of the Land and Environment Court which ordered that approval is granted "subject to the conditions in Schedules 2 to 5".

This proposed amendment reduces the certainty that the conditions of approval will be complied with. Council therefore strongly objects to this proposed amendment.

As stated previously, Council does not object to site layout changes that are not in conflict with the intent of the Project Approval. If the intent of this proposed amendment is to allow further minor modifications to the site layout as the mine develops, I suggest that an exception clause be inserted into the Project Approval to accommodate this requirement.

Yours faithfully

Dr Catherine Dale

Catherine Dale

General Manager