

The Director-General
Department of Planning and Infrastructure
23-33 Bridge Street
SYDNEY NSW 2000

Attention: Mr David Kitto

Dear David

Northparkes Step Change Project: MP11_0060

We refer to the above application and the Director-General's requirements (**DGRs**) that have been issued in relation to the project.

As foreshadowed in the preliminary environmental assessment, as further studies concerning the project have progressed, we now write to amend the project application and seek a modification of the DGRs to reflect the amended application.

The application will now seek approval for:

- (a) Continued operations under the E48 project approval MP06_0026 (as modified);
- (b) Development of underground block caving in the E22 resource;
- (c) Campaign open cut mining through development of five open cut resources (E31, E31N, E28, E28NE and E26) including:
 - (i) Development of four small open cut pits E31, E31N, E28, E28NE (approximate surface areas of 6ha and depths of 60-80 metres); and
 - (ii) Proposed E26 open cut (approximate surface area of 50ha and depth 300 metres) which is located in an area of previous underground block cave subsidence (existing vertical extent of subsidence void is approximately 200 metres);
- (d) Amendments to the configuration of tailings storage facilities (TSFs) (refer to Figure 1);

- (e) Development of new dumps for the management of E28/E28NE and E26 open cut waste rock. (Waste rock from open cut mining areas (particularly E31 and E31N) will be utilised in the development of TSF 3); and
- (f) The extension of mine life by an additional 7 years.

All components of the project are located within land which is subject to both the existing project approval (PA06_0026) area and established mining leases (ML 1247, ML 1367 and ML 1641).

We also attach a table showing a summary of the key elements of the project which provides a general comparison between the proposed project and existing and approved operations.

Having regard to the scope of the modified application and the existing conditions of the E48 approval (which we assume would be reimposed on any new approval), we suggest the following modifications to the DGRs:

- (a) Removal of the requirement to undertake a stand-alone Aboriginal heritage assessment. The existing E48 approval and conditions relating to Aboriginal heritage are considered sufficient and applicable to the Step Change Project. The area has been substantially surveyed with one reported find within the slightly increased footprint. The existing ACHMP will be updated to reflect this find and also manage that artefact.
- (b) The removal of requirements regarding historic heritage. There are no additional known historic heritage features outside of those identified in the E48 heritage assessment.
- (c) Removal of the requirement to undertake or at least reduction in the scope of the socio-economic assessment – current requirements relate to increased workforce, but the current project maintains the approved workforce and therefore does not trigger additional accommodation, infrastructure or service needs related to additional mine employees and contractors.
- (d) Removal of requirement to undertake economic modelling or assessment as current requirements relate to increased workforce, but the current project maintains approved workforce and therefore does not trigger additional accommodation, infrastructure or service needs related to additional mine employees and contractors.
- (e) Insert at point 4 of the DGRs for “A detailed description of the Project including”

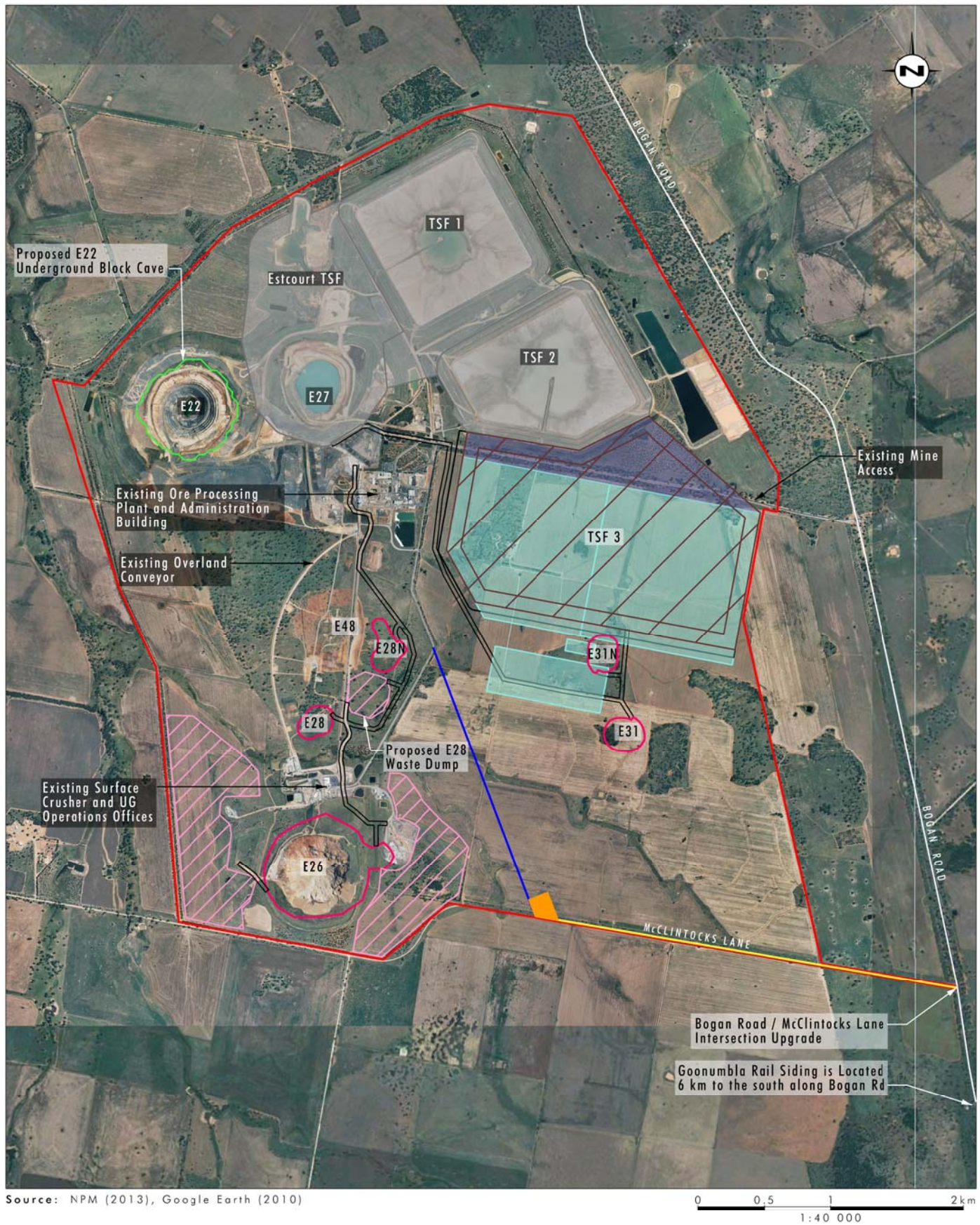
- (i) The likely inter-relationship between the proposed operations with existing or approved mining operations acknowledging the current approved operations remain unchanged from the existing approval;
- (f) Insert in the requirement for “a detailed assessment of key issues specified below and any other significant issues identified in the risk assessment (see above), which includes”
 - (i) Point 2 – an assessment of potential impact for a representative stage of the project detailing extent of additional project components. Requested as the current project requires a reduced level of change to existing and / or approved operations;
 - (ii) Point 3 - A description of the measures that would be implemented to avoid, minimise and if necessary offset the potential impacts of the project.
- (g) Reduced assessment requirements for process water sources based on continuation of existing water sourcing strategy (in accordance with water access licences and joint supply agreements) requiring an amendment / removal of point 2 under Soil and Water key issue.
- (h) Agricultural Productivity - Reduced level of detail in requirements acknowledging that guidelines have been developed to provide for the requirements for the preparation of an AIS since the issue of the original DGRs.
- (i) Biodiversity - Removal of detail on required biodiversity offset strategy as this is provided for by general requirements requesting a description of impact offsets, if required. The reduced extent of disturbance associated with the current project (less than 50ha mapped TECs) is significantly less than envisaged in the original application.

We look forward to receiving the modified DGRs as soon as possible.

Regards



Stefanie Loader
Managing Director



Legend

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| Project Area | Proposed Open Cut Areas |
| Approved Tailings Storage Facility | Proposed Upgrade to McClintocks Lane |
| Existing Tailings Storage Facility | Proposed Access Control and Visitor Car Park |
| Proposed Tailings Storage Facility Extension | Proposed Waste Dumps |
| Proposed TSF3 | Proposed Site Access Road |
| New Underground Block Cave Mining Area | Proposed Haul Road |

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FIGURE 2

Northparkes Mines Extension Project