

12 October 2020

Mr Steve O'Donoghue Team Leader Resource Assessments NSW Department of Planning, Industry and Environment GPO Box 39 Sydney NSW 2001

Originally sent by email to:

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Dear Steve

Re: Tomingley Gold Mine - Proposed Modification 5 to MP 09_0155

As discussed on Thursday 24 September 2020, Tomingley Gold Operations Pty Ltd (the Proponent) is proposing a fifth modification (MOD5) to MP09_0155 for the Tomingley Gold Mine (TGO). The proposed modification would seek approval for the following.

- Construction and use of Stages 1 and 2 of RSF2.
- An extension of Mine Life from 31 December 2022 to 31 December 2025.
- Extension of the Mine Site boundary to incorporate RSF2.

The modification application would be made under Section 4.55(2) of the *Environmental Planning* and Assessment Act 1979 (EP&A Act). The development, as modified, would remain substantially the same development as the approved development on 31 August 2018, the date on which the consent was declared to be a State Significant Development.

The purposes of this letter is to provide the Department with a range of background information on:

- why the Proposed Modification is required;
- a brief overview of the proposed activities;
- the statutory and approvals context;
- the matters requiring assessment in the *Modification Report*;
- the Proponent's proposed agency and community engagement;
- the interaction of the proposed MOD5 and Tomingley Gold Extension Project (TGEP) applications; and
- the next steps.

The letter concludes with a request for the Department's requirements for the Modification Report.

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Requirement for MOD5

Since the TGEP Scoping Meeting on 11 September 2020, the Proponent and its consultants have undertaken the following.

- Infill drilling of the Roswell and San Antonio Deposits, with the intention of preparing an updated Mineral Resource Statement in the coming months. Following release of the updated Mineral Resource, the Proponent will be in a position to review and potentially revise the proposed TGEP site layout.
- Review of laboratory soil results, confirming that soils consistent with the criteria for Biophysical Strategic Agricultural land (BSAL) occur within the proposed Mining Lease Application area. As a result, a BSAL Assessment Report and application for a Gateway Certificate are in preparation.
- Ongoing testing of the fractured rock aquifer, including construction of four monitoring bores and air lifting and packer testing of exploration drill holes.
- Ongoing detailed design of the Newell Highway realignment.
- Ongoing ecology and heritage field assessments.

The Proponent has also reviewed the production schedule for TGO, including the tailing deposition schedule for RSF1 (see **Table A**), In summary, the currently approved RSF1 will reach capacity by July 2022. Given the current historically high gold price, there is potential that the production schedule may be accelerated and that RSF1 may reach capacity before that date. In order to ensure the continued operation of the Mine, Stage 1 of RSF2 will need to be available to receive residue by July 2022.

Table A RSF1 Deposition Schedule

RSF1 Stage		Residue Deposition		
		Commences	Complete	
Ctogo 7	Cell 1	October 2020	January 2021	
Stage 7	Cell 2	January 2021	July 2021	
010	Cell 1	July 2021	September 2021	
Stage 8	Cell 2	September 2021	May 2022	
Stage 9	Cell 1	May 2022	July 2022	
Source: Tomingley Gold Operations Pty Ltd				

The Proponent anticipates, based on its experience with RSF1, that at least 6 months will be required for construction of Stage 1 of RSF2, with the construction period preceded by a further period of 6 months to obtain all the requisite post-determination approvals. As a result, the Proponent will require development consent for RSF2 by July 2021 at the absolute latest.

The Proponent has formed the opinion that, even under a best-case scenario, determination of that application by July 2021 is unlikely to be achieved without active case management by multiple Departments. The Proponent believes is it not prudent to plan on that basis and has determined to seek a modification to MP10_0155 to permit construction of RSF2.

Overview of the Proposed Activities

The following provides a brief overview of the proposed activities for which development consent would be sought.

Construction and use of RSF2

Figure A presents the existing and proposed Mine Site layout. In summary RSF2 would be constructed immediately to the south of RSF1, with the southern RSF1 embankment forming the northern embankment of RSF2. The design criteria for RSF2 would be consistent with the design criteria for RSF1 and would indicatively be as follows.

- Spillwaynot required, designed for no spill

The concept design for RSF2 is currently in preparation, however, the Proponent would seek consent only for the initial stages of RSF2, with sufficient capacity for the proposed TGO life of mine production schedule. Based on information available at this stage, development consent would be sought for Stages 1 and 2 only. Application for the remaining stages of RSF2, to Stage 9, would be sought as part of the TGEP application.

During our conversation on 24 September 2020, you indicated that the Department would require justification that the full footprint of RSF2 will be required for the Proposed Modification, without reference to a subsequent application for TGEP. Additional information will be provided in the *Modification Report*, however, the Proponent notes that a vertical rate of rise of the residue of approximately 2m per year is required to achieve suitable settling and geotechnical stability of the residue. At an average rate of production of 1Mtpa and a settled density of 1.4t/m³, approximately 714 000m³ of capacity per year is required. Based on the current design of approximately 40ha for residue placement, the anticipated rate of rise of the residue would be approximately 1.8m per year. At the maximum approved rate of production of 1.5Mtpa, the rate of rise would be approximately 2.7m per year. As a result, the Proponent contends that the proposed footprint of RSF2 is justified based the existing TGO life of mine schedule.

An extension of TGO Mine Life from 31 December 2022 to 31 December 2025

MP10_0155 permits mining until 31 December 2022. The current Life of Mine schedule for TGO indicates that open cut mining would continue to February 2023, underground mining until May 2024 and processing operations until June 2024. Notwithstanding this, the Proponent anticipates identifying more ore within the currently approved extraction areas, further extending the potential mining operations.

The Tomingley Gold Extension Project is expected to replace MP10_0155, including a substantially extended life of Mine, potentially into the early 2030's.

In order to cater for the unlikely contingency that the TGEP application has not been determined by 31 December 2022, the Proponent proposes to seek approval under MOD5 for continued mining operations until 31 December 2025.

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Extension of the Mine Site boundary to incorporate RSF2

In order to permit the construction of RSF2, the approved TGO Mine Site would be required to be extended (**Figure A**). Proposed extended Mine Site incorporates land that is under contract to be purchased by the Proponent, with settlement scheduled for 1 February 2021.

The Proponent would also consult with Mining, Exploration and Geoscience to determine whether RSF2 would also require a new Mining Lease under the *Mining Act 1992* or whether the activity may be undertaken as an Ancillary Mining Activity without the requirement for a new Mining Lease.

Statutory and Approvals Context

The Proponent anticipates that the following approvals or agreements would be required to facilitate the proposed activities.

- Modification of MO10_0155 under Section 4.55(2) of the *Environmental Planning and Assessment Act 1979*.
- A new Mining Lease or concurrence of Mining, Exploration and Geoscience that the proposed RSF2 may be constructed and operated as an Ancillary Mining Activity.
- A modified EPL to include additional land associated with the extended TGO Mine Site.
- Additional biodiversity offsets to account for vegetation that would be disturbed by RSF2.
- A Site Verification Certificate as the BSAL assessment has determined that the soils in the vicinity of RSF2 are not classified as BSAL.

The Proponent does not believe that the following approvals or licences will be required to be modified for the following reasons.

- Water Licences the proposed activities would not impact upon the volume of water that would be used by the Mine, nor would additional groundwater or surface water be captured.
- Approvals to disturb Aboriginal objects as a heritage assessment has determined that none are present within the extended Mine Site.

Matters Requiring Assessment

Table B presents a very brief overview of the anticipated environmental impacts associated with the proposed activities, as well as a brief overview of the proposed approach to assessing those impacts.

Table B
Potential Environmental Risks

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Environmental Aspect	Potential Environmental Risks	Anticipated Assessment Approach
Biodiversity	The proposed activities would disturb a tree line consistent with PCT201 and PCT82. The remainder of the disturbance footprint has been classified as "cleared" under the Biodiversity Assessment Methodology.	The Modification Report will include a Biodiversity Development Assessment Report, including an estimate of credits to be retired and the anticipated mechanism to retire those credits.
Soils and Land Capability	 Land within the RSF2 footprint is not classified as BSAL. 	An application for a Site Verification Certificate would be prepared

Table B (Cont'd) Potential Environmental Risks

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Environmental Aspect	Potential Environmental Risks	Anticipated Assessment Approach
Noise	Construction of RSF2 would result in additional noise emissions closer to a residence on McNiven's Lane than has previously been the case.	A noise consultant will be appointed to complete a noise assessment, including the operation of the approved Mine.
Air Quality	Construction of RSF2 would result in additional dust emissions closer to a residence on McNiven's Lane than has previously been the case.	An air quality consultant will be appointed to complete an air quality assessment, including the operation of the approved Mine.
Heritage	A heritage assessment undertaken for Tomingley Gold Extension Project identified that the proposed extended TGO Mine Site did not include Aboriginal objects	A heritage report, including consultation with the local Aboriginal community, will be prepared
Surface Water	 RSF2 would be designed to contain a 1:10,000 ARI rainfall event. In addition, RSF2 would be further from Gundong Creek than RSF1. 	The Modification Report will demonstrate that there would be negligible surface water-related impacts.
Groundwater	RSF2 would include a liner that would comply with the EPA's tailings liner policy.	The Conceptual Design Report for RSF2 will include a seepage analysis.
		The Modification Report will demonstrate that there would be negligible additional groundwater-related impacts.
Traffic and Transportation	The Proposed Modification would not change off-site transportation.	The Modification Report will demonstrate that there would be negligible traffic- related impacts.
		A new/amended Planning Agreement would be negotiated with Council to cover the additional approved life of TGO.
Social and Economic	The extended life of the Project would extend the period during which social and economic benefits would flow to the local and State communities and economies.	The Modification Report will demonstrate that the social and economic impacts are likely to be positive.

Proposed Engagement

Table C presents the proposed engagement to be completed during preparation of the *Modification Report*.

Table C Proposed Engagement

Page 1 of 2

Group	Likely Area of Interest	Proposed Engagement Methodology
Relevant NSW Government Agencies	Assessment requirements for Modification Report	Supply of this Briefing Paper and request for matters to be addressed in the <i>Modification Report</i> .
		Targeted video/teleconferences.

Table C (Cont'd) Proposed Engagement

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Group	Likely Area of Interest	Proposed Engagement Methodology
Narromine Shire Council	Traffic and transport, including road maintenance	 Supply of this Briefing Paper and request for matters to be addressed in the Modification Report.
		 Negotiate a new/amended Planning agreement.
Near neighbours	Extended mine life	Supply of this Briefing Paper and request for matters to be addressed in
Tomingley Community	Amenity impacts	the <i>Modification Report</i> (if required).
	Community / economic contributions	 Telephone calls and face-to-face meetings (if required).
Wider community	Extended mine life	Media reports
(Peak Hill, Narromine, Parkes, Dubbo residents)	Community / economic contributions	
Community	Extended mine life	Supply of this Briefing Paper and
Consultative Committee (CCC)	Amenity impacts	request for matters to be addressed in the <i>Modification Report</i> .
	Community / economic contributions	 Update in regular CCC meeting(s).

In relation to government agency consultation, the Proponent anticipates that consultation with the following agencies will be required. Consultation has yet to commence.

• Environment Protection Authority	 Natural Resources Access Regulator
• Resources Regulator	• DPIE – Water
Mining, Exploration and Geoscience	• DPIE – Agriculture
Biodiversity Conservation Division	Narromine Shire Council
Heritage NSW	 Transport for NSW

Proposed Interaction of MOD5 and TGEP Applications

The Proponent anticipates that MOD5 application would be determined prior to determination of the TGEP application. It is, however, likely that these applications may run in parallel. As a result, the Proponent would:

- seek consent for only Stages 1 and 2 of RSF2 under MOD5, with the remaining stages, to Stage 9, to be approved under the TGEP application; and
- provide a brief explanation of the MOD5 and TGEP Projects in the EIS and Modification Report respectively.

The Proponent would also explain to relevant community stakeholders the need for the applications to run in parallel.

Next Steps

Based on the above, the proposed next steps and anticipated timing are as follows.

- RWC, the Proponent and DPIE meet via videoconference to confirm the path forward by 16 October 2020
- RWC request agency requirements.......following videoconference
- RWC prepare Modification Report...... October and November 2020
- RWC submit Modification Report......by 13 November 2020
- DPIE Exhibit Modification Report complete by 18 December 2020

Finally, I would be grateful if the Department could please provide your requirements for the Modification Report and Agency consultation requirements.

I trust that this provides you with the information that you require at this stage. Please do not hesitate to contact me should you require additional information.

Yours sincerely

MBlard. Mitchell Bland

Managing Director/Principal

Attachments: Figures A and B



