



Mr Howard Reed
Manager Mining Projects
Department of Planning and Infrastructure
GPO Box 39
SYDNEY NSW 2001

Attention: Mr Kane Winwood

Dear Mr Reed

**Dubbo Zirconia Project (SSD-5251)
Environmental Impact Statement Review**

NSW Trade & Investment, Regional Infrastructure & Services, Division of Resources & Energy (DRE) has reviewed the Dubbo Zirconia Project Environmental Impact Statement (EIS) as proposed by Australian Zirconia Limited and provides the following comments. These comments are limited to the information in the EIS relating to mineral resources, rehabilitation and mine closure.

REVIEW

Section 2.17.5 *Final Land Use* states the final land use would be decided in consultation with the community and government agencies prior to decommissioning of the project.

DRE's policy is the final land use must be nominated at either the Planning Approval stage (preferred) or through the Mining Operations Plan submitted as a requirement of the yet to be granted Mining Lease. The post mining land use needs to be defined early in the life of the mine to ensure that both mining and rehabilitation activities progress towards a post mining land use outcome which is sustainable and meets the requirements of key stakeholders.

In Figure 2.1 *Indicative Final Land Use*, the final land use for the processing and administration areas are shown as potential industrial land uses. Similarly, in Section 2.17.6.2 *Decommissioning Activities*, proposes to retain the rail line infrastructure, Macquarie River pipeline, natural gas pipeline, electricity transmission lines, transformers and substations and the access road for potential industrial land uses.

DRE prefers the post mining land use to be consistent with existing land use strategies in the region. As a future industrial use has not been approved the proponent must assume these areas will be rehabilitated to a land use consistent with existing surrounding land uses and zonings, which is predominantly grazing agricultural use. Therefore the majority of the retained infrastructure is not compatible with that use.

Mineral Resources – Office of the Director Minerals Operations

PO Box 344 Hunter Region Mail Centre NSW 2310

516 High St MAITLAND NSW 2320

Tel: 02 4931 6610 Fax: 02 4931 6788

www.dtiris.nsw.gov.au

ABN 72189919072

RECOMMENDATIONS

DRE recommends that the following conditions be incorporated into any Project Approval.

Final Land Use

The proponent must develop a final land use that is consistent with existing surrounding land uses and zonings.

Rehabilitation Plan

The Proponent must prepare and implement a Rehabilitation Plan to the satisfaction of the Director General of the Department of Trade & Investment, Regional Infrastructure & Services. The Rehabilitation Plan must:

- be prepared in accordance with DRE guidelines;
- be submitted and approved by the Director General of Department of Trade & Investment, Regional Infrastructure & Services prior to the commencement of surface disturbing activities within the Mining Lease;
- address all aspects of rehabilitation and mine closure, including post mining land use, rehabilitation objectives, completion criteria and rehabilitation monitoring and;
- include a final landform design that is consistent with the surrounding topography of the area and considers natural drainage design and relief patterns and principles

It is the intention of DRE that the Rehabilitation Plan fulfils the requirements of the Mining Operation Plan (which will become the REMP once the Mining Act Amendments have commenced).

DRE does not object to the approval of the Project provided the above recommendations are taken into account and implemented. Staff of DRE are happy to meet with the Proponent to assist in developing the above documents for their operation.

Should you have any enquires regarding this matter please contact Steve Cozens, Senior Project Officer, Industry Coordination on (02) 8281 7335.

Yours sincerely



ADRIAN DELANY
A/DIRECTOR INDUSTRY COORDINATION

15.11.13