

SUNRISE MINE PROJECT: S LOANE PRESENTATION TO IPC 16 OCTOBER 2018

1. relevance of project to FSC

- water source for the project
- Keen for employment of locals. Yet to see, given 1300 bed accomm camp on site, FIFO risk;
- Keen for workers from elsewhere in Aust to relocate to Forbes

2. Council's actions to date -fully involved in process

- Mod 4 submission: 'objection' – explain why so
- Extensive dialogue with DPE
- Extensive dialogue with Proponent: water haulage during construction phase – now aborted; water pipeline,
- Extensive interaction with LSC & PSC: numerous meetings to negotiate VPA

3. Council's Pitch Today: **Support the project subject to a satisfactory resolution of the risks to our Lachlan River community from where water for project to be sourced and other related**

matters

A. Seek better safeguards re risks of g/water impacts

Facts:

- 19 yrs ago, in original EIS, hydrogeological study done for borefield deemed inadequate by indep hydrogeologist, Peter Dundon, engaged by the DPE because it too was concerned about the deficiencies.
- Despite those concerns DPE granted approval for 'theoretical' take up to 6,307 ML pa of g/water from the Lachlan aquifers at 200L/sec.
- Co holds a bore licence (WAL 32068) for 3,154 ML pa at 100L/sec. (ie half of theoretical)
- The pump rate & volume can be increased to the theoretical level if so approved at a later date by Crown Lands & Water.
- Co seeking an additional extraction of 350ML pa of Lachlan River surface water.

Other relevant info:

- Farmers experience suggests adverse drawdown impacts likely
- Important burden of proof of exceedance of limits NOT rest with farmers
- Farmers have no voice compared to miner in having impacts acknowledged & addressed
- consent condition wording relating to water should be made more transparent & measurable to protect innocent parties

B. Seek reinstallation Acquisition Condition that was removed at

Mod 3 stage

Mod 3 amendment so-called 'contemporised' the Consent resulting in less prescriptive approach to wording of conditions & in fact removed others.

The contemporised consent decided by DPE with blessing of proponent. No community engagement. Generated local mistrust

FSC requests:

- Acquisition Condition – removed in Mod 3 be reinstated.
- Given both govt depts & proponent confident no adverse impacts will occur, acquisition clause is not a risky proposition for the proponent moving forward.
- Including this safety net gives community confidence that their interests are being protected should “unforeseen occur”.
- Co should be prepared to support its assessment: show confidence in its modelling

C. Procedural Matters

i. Oddity of allowing a Project assessed and approved nearly 20 yrs to now be built

- World has moved on over past 20 yrs. The ‘existing environment’ used to assess project 20 yrs ago has changed. The project never materialised. Farmers moved on with their lives. Along the

Lachlan, now 50 additional bores in proximity to mine water extraction site. So today's 'existing env' should be the one against which the project ought be assessed.

- Because of the unique & unusual sitn of no actual mine Mod 4 takes on much more significance than a minor change.

FSC requests:

- g/w model be upgraded to 2018 standards with drawdown contours overlain on a map showing all bores in the impact zone
- trigger levels to be put in place; the trigger being a cease and desist pumping by the mine.

Without it, given the passage of 20 yrs with no mine, do you not agree there is a likelihood of innocent parties having their enviro, social & econ wellbeing impacted?

ii. Transparency and Robustness of Consent Condition Wording

- Wording of some consent conditions incorporates words such as 'minimise', 'reasonable', 'feasible', 'suitable', 'sufficient' and 'as

soon as practicable'. Words are descriptive & subjective, with their definition open to different interpretations. Because definition is open to debate, it provides a rich vein of opportunity for Clean TeQ to argue an interpretation that suits its cause.

- Consequence of consent conditions that lack transparency is that Clean TeQ receives an added bonus because it enshrines in the law unfairness & possibly a denial of natural justice for those who are relatively powerless.

STEVE, JUST TABLE THE PAGES TO FOLLOW:

- **COULD DISCUSS NOW WITH IPC CONDITIONS 26,28, 30 IF YOU**

WISH

- **FINE TUNING OF VPA AS AGREED WITH JAMES**

3. Suggested Alterations to draft Consent Conditions

Schedule 2 – Administrative Conditions

There is scant attention regarding the water pipeline from the Lachlan River to the mine site. FSC requests that the following be added:

- That prior to construction of the pipeline, the applicant provide detailed construction plans to FSC which includes a survey of layout of the pipeline, environmental assessment, and any ancillary construction sites such as heavy vehicle parking and construction site offices;
- That a copy of written consent from any private landholders within FSC on whose land construction of the pipeline will take place be provided to FSC; and
- That all work, including the installation of utilities, in, on or over a public road or road reserve requires consent from Council in accordance with Section 138 of The Roads Act 1993.

Condition 12 - Updating & Staging of Strategies, Plans or Programs

FSC requests:

- the wording be amended to state updating strategies, plans or programs should be subject to consultation with the three impacted Councils – Parkes Shire Council, Forbes Shire Council and Lachlan Shire Council.
- the phrase ‘progressive basis’ is open to wide interpretation. Please redefine so is clear and transparent.

Condition 14 - Pipeline Construction and Operation

FSC requests that an additional Condition 14 (b) be inserted to read: an access agreement is to be negotiated with Parkes Shire Council, Forbes Shire Council and Lachlan Shire Council for the construction and operation of the water pipeline within the Councils road reserves.

Schedule 3 – Environmental performance Conditions

Condition 2: Construction Noise

Generators are planned to be used at the bore field, for an unspecified

time. Hence FSC requests that the word 'minimise' be made more explicit as to what is required to be achieved.

Condition 3: Operations Noise

Given Clean TeQ plans to initially use generators at the bore field FSC requests that the consent be more expansive and stipulate the entitlements and safeguards afforded to neighbours in the event that noise exceeds permissible limits.

Condition 26: Water Supply

FSC submits that this condition requires significant elaboration to define "sufficient water". The condition needs to make it clear that harvestable rights, bore field supplies and river water supplies will not be increased without full, transparent and robust assessment and that Clean TeQ **must** have operational contingencies embedded in all its management plans approved by the DPE to scale back the development in the event of a water shortage.

Condition 28: Compensatory Water Supply

FSC submits that this condition provides no fairness or balance to the bore field neighbours in the event of adverse impacts. The process outlined will very time consuming (based on experience at other mine sites would unlikely to be resolved within 18 months) and provides no natural justice to farmers who would have to battle with the company and government agencies.

FSC kindly requests that:

- the wording of this condition be significantly revamped to provide fairness and protection to farmers and their rights.
- the words 'adversely' and 'directly impacted' be clearly and unambiguously defined.
- the Government place the burden of proof on the miner to show it has NOT caused these impacts.
- the compensatory water supply measures must provide an alternative long-term supply of water that is equivalent to the loss attributable to the development. Equivalent water supply must be

provided (at least on an interim basis) as soon as possible after the loss is identified, unless otherwise agreed with the landowner.

The term 'as soon as possible' is too vague. Is that 3 months, 12 months? Suggest be a measurable timeframe e.g. four weeks.

- If the Applicant is unable to provide an alternative long-term supply of water, then the Applicant must provide **alternative compensation** to the satisfaction of the Secretary. FSC requests that 'alternative compensation' should be clearly defined to avoid ambiguity.

Condition 30 - Water Management Plan

FSC submits that:

- after the words in the opening sentence "with DoI Water" be added "Lachlan Shire Council & Forbes Shire Council."
- The Condition be reworded to stipulate that in the case of groundwater, baseline data on water levels, yield and quality in a representative sample of 30 groundwater bores within a 10 km radius of the bore field be collected throughout the lifetime of the

project and be made available to Council upon request.

- Groundwater and Surface water Management Plans: 30 (b) and 30 (c): Given the project was assessed nearly 20 years ago with no development since then, baseline data must be available and insisted upon as the yardstick for any assessment of impacts moving forward.
- Groundwater and Surface water Management Plans: should specifically require attention to the 10 kms radius to the bore field, rather than the ill-defined “within the region”.
- **The onus of proof must be on the developer to prove that its activity has not caused any adverse impact, rather than a powerless farmer having to try to convince the miner and the government he/she has been adversely affected. The condition – effectively enshrined in the law – must provide a fair balance for all.**
- The Groundwater Management Plan should include trigger levels for investigating any potentially adverse groundwater impacts associated with the development in the vicinity of the bore fields

set in collaboration with the farmers adjoining the bore field.

Condition 43 - Road Upgrade and Maintenance Strategy

FSC submits that a new Condition 43A be added: “the program is to be consistent with the terms of the VPA”.

Schedule 4: Additional Procedures – Independent Review

FSC requests that the wording be expanded to include:

- who and how the terms of reference for a review are established, ensuring that any landholders who have a say will be treated with respect and understanding.
- an independent review must be commissioned within 28 days not two months. Two months is far too long in the event of a farmer experiencing bore water loss.
- provide in the process an open and transparent dialogue with any affected parties, and genuine engagement, understanding and empathy with any landholder’s position.

Schedule 5 – Environmental Management, Reporting and Auditing

Condition 3: Adaptive Management

FSC submits:

- that Condition 3(a) be altered to read “take all steps necessary to ensure that any exceedance ceases forthwith and does not recur”.

The current wording is vague and ill-defined and favours the proponent and its lawyers and provides no legal protection of landholder’s rights

- that a new Condition 3(d) be inserted “notify Parkes Shire Council, Forbes Shire Council and Lachlan Shire Council”

Condition 5: Annual Review

FSC requests that point (g) be added stating “describe the perception, views and attitudes of the various communities to the performance of the project over the past 12 months and, if necessary, what steps it is taking to improve its social standing in the community”.

Condition 8: Incident Reporting

FSC submits that the words “including Parkes Shire Council, Forbes Shire Council and Lachlan Shire Council” be added after the words “any other relevant agencies”.

Appendix 3: VPA

Forbes Shire Council requests the wording be altered as below to reflect the VPA document as agreed by all four parties dated 22 August 2018. Note is a single document to be signed by all the parties.

TERMS OF VOLUNTARY PLANNING AGREEMENT

Community Enhancement Contribution

- Clean TeQ shall pay **an annual** total payment of \$400,000 **plus CPI** to Forbes Shire Council (FSC), Parkes Shire Council (PSC) and Lachlan Shire Council (FSC).
- The total payment shall be allocated 50% to Lachlan Shire Council, with 25% each to Parkes Shire Council and Forbes Shire Council, unless otherwise determined jointly by FSC, FSC and PSC.

- The first payment of \$400,000 shall be payable within 21 days of signing of this Agreement and then paid on the same date each year until Mining Operations cease.
- If the Final Investment Decision is not reached within 12 months of the initial payment, no further annual Community Enhancement Contributions will be made until the Final Investment Decision is reached. Once the Final Investment Decision is reached payments will resume within 21 days of the Final Investment Decision and continue annually.

Road Maintenance Contribution

- Clean TeQ shall pay an annual **Road Maintenance Contribution** totalling \$340,000 plus CPI as follows:
 - (i) Lachlan Shire Council: \$168,000
 - (ii) Parkes Shire Council: \$152,000
 - (iii) Forbes Shire Council: \$20,000
- The first annual contribution shall be paid within 21 days of the Final Investment Decision and then paid on the same date each year until Mining Operations cease.
- If the Final Investment Decision is not reached within 12 months of the

initial payment, no further Road Maintenance Contributions shall be made until the Final Investment Decision is reached. Once the Final Investment Decision is reached, payments shall resume within 21 days of the Final Investment Decision payable annually on the same date.

- The Road Maintenance Contributions are to be used to maintain the following roads:

Parkes Shire Council

- Middle Trundle Road [SR83] (between Henry Parkes Way [MR61] and The Bogan Way [MR350]);
- The Bogan Way [MR350] (between Henry Parkes Way [MR61] and Fifield Trundle Road [SR171]);
- Fifield Trundle Road [SR171] (between The Bogan Way [MR350] and the Parkes Shire boundary);
- Fifield Road [MR 57] (between the Parkes Shire Boundary and The Bogan Way [MR350]);
- The Bogan Way [MR350] (between Fifield Road [MR57] and The McGrane Way [MR354]); and
- The McGrane Way [MR354] (between The Bogan Way [MR350] and the Parkes Shire Boundary).

- Scotson Lane between the rail siding access road and The Bogan Way [MR350].

Lachlan Shire Council

- Fifield Road [MR57] (between Henry Parkes Way [MR61] and Slee St [in Fifield Village] and between Slee St [in Fifield Village] and Red Heart Road [SR41]);
- Platina Road [SR64] (between the Lachlan Shire Boundary and Fifield Road [MR57]);
- Slee St [in Fifield Village] (between Fifield Road [MR57] and Wilmatha Road [SR34]);
- Wilmatha Road [SR34] (between Slee St [in Fifield Village] and Mine Access Road); and
- Fifield Road [MR57] (between Red Heart Road [SR41] and the Lachlan Shire Boundary).

Forbes Shire Council

- North Condobolin Road (between the bore fields and Ootha-Mulguthrie Road);
- Ootha-Mulguthrie Road (between North Condobolin Road and

Henry Parkes Way [MR61]);

- Ootha- Ringwood Road (between Henry Parkes Way [MR61] and Burkes Road);
 - Burkes Road (between Ootha- Ringwood Road and Ootha North Road); and
 - Ootha North Road (between Burkes Road and the Forbes Shire Boundary).
- Clean TeQ shall maintain Sunrise Lane (between the accommodation camp site access road and Wilmatha Road [SR34]), to the satisfaction of FSC, during the construction and operation phase of the mine and processing facility.

Project Facilitation Contribution

Clean TeQ shall pay FSC, PSC and FSC each an annual Project Facilitation Contribution of \$30,000 within 21 days of the Final Investment Decision and then on the same date each year thereafter. The payments are to be made during the period between Final Investment Decision and two years to the day after the commencement of construction.

Consumer Price Index

The Community Enhancement Contribution, the Road Maintenance

Contribution and the Project Facilitation Contribution are all subject to CPI.

The three different contributions shall be indexed according to the CPI at the time of payments after the initial payment.

Major Repair Contributions

- Clean TeQ shall pay Major Repair Contributions on the Transport Route to address exceptional failure of or damage to roads where government grants do not cover the full cost of repairs.
- The Major Repair Contribution shall be undertaken on an as needs basis during the life of the Mine, but limited to a maximum 5 km of construction in any year, unless mutually agreed between Clean TeQ and the relevant council(s).
- Clean TeQ shall pay the Major Repair Contribution to the Council(s) within 30 Business Days of the date of the letter notifying the relevant Council of acceptance of the Cost Report. These contributions are to be mutually agreed by the Parties and do not substitute for the nominated Road Maintenance Contributions.

Road and Intersection Upgrades

Clean TeQ shall pay for and be responsible for the following Road and

Intersection Upgrades. Such upgrades shall commence promptly following the Final Investment Decision, or earlier at the sole discretion of Clean TeQ:

Road Upgrades

Prior to the commissioning of the Accommodation Camp, Clean TeQ shall pay for and require the completion of the upgrade of Sunrise Lane (between the Accommodation Camp access road and Wilmatha Road [SR34]) to the following:

- all weather unsealed surface for an operating speed standard of 80 km/h; and
- carriageway width of 9 m (equivalent to two 3.5 m lanes and two 1.0 m wide shoulders).

Construction of the Road and Intersection Upgrades, and completed prior to the commissioning of the development

In addition, Prior to the Commissioning of the Development (meaning the date on which the testing of the Mine Processing Facility to verify that it functions according to its design objectives and specifications is completed), Clean TeQ shall pay for and be responsible for the delivery of the following upgrades:

- road pavement (8.0 m sealed pavement and 1.0 m gravel shoulders); and
- all private access roads (3.5 m sealed private access road approach and 3.0

m gravel shoulders along road 30 m either side of all private access roads).

to the following roads:

- Platina Road [SR64] (between the Lachlan Shire boundary and Fifield Road [MR57]);
- Fifield Road [MR57] (between Platina Road [SR64] and Slee St [in Fifield Village]);
- Wilmatha Road [SR34] (between Slee St [in Fifield Village] and the mine and processing facility access road); and
- Fifield Trundle Road [SR171] (between The Bogan Way [MR350] and the Parkes Shire boundary).

Clean TeQ shall prepare a road construction programme detailing the work specifications, timing and scheduling of road upgrades required. The programme shall be prepared by Clean TeQ in consultation with the relevant Councils. The road upgrades shall be undertaken in accordance with the road construction programme unless otherwise agreed the relevant Councils.

Intersection Upgrades

Prior to the Commissioning of the Development (meaning the date on which the testing of the Mine Processing Facility to verify that it functions according to its design objectives and specifications is completed), Clean TeQ shall pay

for the following intersection upgrades:

- Platina Road [SR64] /Fifield Road [MR57];
- Fifield Road [MR57] /Slee Street [in Fifield Village];
- Slee Street [in Fifield Village]/Wilmatha Road [SR34]/Fifield Road;
- The Bogan Way [MR350] /Fifield Trundle Road [SR171] and Scotson Lane;
- Henry Parkes Way [MR61] and Middle Trundle Road [SR83];
- Henry Parkes Way [MR61] and The Bogan Way [MR350]; and
- Sunrise Lane/Wilmatha Road [SR34] - remove the transition between the gravel and dirt surfaces while Wilmatha Road remains unsealed, and then seal a minimum of 30 m of Sunrise Lane on the approach to the intersection once Wilmatha Road is sealed.

Clean TeQ shall prepare a road construction programme detailing the work specifications, timing and scheduling of intersection upgrades required. The programme shall be prepared by Clean TeQ in consultation with the relevant Councils. The road upgrades shall be undertaken in accordance with the road construction programme unless otherwise agreed the relevant Councils.

Road Safety Audits

Prior to Commissioning of the Development (as defined above), Clean TeQ shall pay for and deliver a road safety audit program to determine road upgrade

requirements on the following roads (including intersections and rail crossings):

- Henry Parkes Way [MR61] (between Jones Lane [eastern outskirts of Condobolin] and Fifield Road [MR57]);
- Fifield Road [MR57] (between Henry Parkes Way [MR61] and Slee St [in Fifield Village] and between Slee St [in Fifield Village] and Red Heart Road [SR41]);
- Platina Road [SR64] (between the Lachlan Shire Boundary and Fifield Road [MR57]);
- Slee St [in Fifield Village] (between Fifield Road [MR57] and Wilmatha Road [SR34]);
- Wilmatha Road [SR34] (between Slee St [in Fifield Village] and Mine Access Road); and
- Fifield Road [MR57] (between Red Heart Road [SR41] and the Lachlan Shire Boundary);
- Henry Parkes Way [MR61] (between Westlime Road [western outskirts of Parkes] and The Bogan Way [MR350]);
- Middle Trundle Road [SR83] (between Henry Parkes Way [MR61] and The Bogan Way [MR350]);
- The Bogan Way [MR350] (between Henry Parkes Way [MR61] and Fifield

Trundle Road [SR171]);

- Fifield Road [MR 57] (between the Parkes Shire Boundary and The Bogan Way [MR350]);
- The Bogan Way [MR350] (between Fifield Road [MR57] and The McGrane Way [MR354]);
- Fifield Trundle Road [SR171] (between The Bogan Way [MR350] and the Parkes Shire boundary); and
- The McGrane Way [MR354] (between The Bogan Way [MR350] and the Parkes Shire Boundary).

Prior to the Commissioning of the Development, Clean TeQ shall reach an agreement with the relevant Councils on funding and the timing of any additional road safety works deemed necessary by the road safety audit program.

