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Submission of Objection  
McPhillamys Gold Project

I am writing this submission on behalf of the Central West Environment Council (CWEC), an umbrella organization representing conservation groups and individuals in Central West NSW working to protect the local environment for future generations.

The membership of CWEC consists of the following environment groups; Lithgow Environment Group, Mudgee District Environment Group, Dubbo Field Naturalists, Dubbo Environment Group, Environmentally Concerned Citizens of Orange, Orange Field Naturalist and Conservation Society, Belubula Headwaters Protection Group, Inland Rivers Network, Healthy Rivers Dubbo, Greening Bathurst, Bathurst Community Climate Action Network, Canobolas Conservation Alliance, Rylstone District Environment Group.

The Central West Environment Council opposes the McPhillamy's mine proposal on the grounds that, if allowed to proceed, the project will pose an unacceptable threat to the headwaters of the Belubula river, there will be an unacceptable assault on the biodiversity of the proposed site due to land clearing, the proposal will contribute to our carbon footprint, and there is a danger of toxic contamination of the Belubula river.

It has been stated in the NSW Planning and Environment Report that, during the life of the mine 60.8 million tonnes of ore will be extracted to yield approximately 2 million ounces of gold. For this to happen, 1 116 ha of land must be cleared for the mine site, as well as 213 ha for the water supply pipeline. Processing will require the use of cyanide. The operation of the mine will require vast amounts of water, a major part of which is proposed to be accessed from excess water from Angus Place colliery via a 90 km pipeline. CWEC considers that all processes involved in the

establishment and operation of the proposed mine will have unacceptable consequences for the environment if the application is allowed to proceed.

As stated above, a major concern CWEC has with this project is its excessive consumption of water. Also of concern is the quality of water the proponent intends to use via the Lithgow colliery pipeline. The conditions of use require the water contained to be treated to that of stock consumption. Piped treated water will be stored in a dam onsite. CWEC's concern is the treated water in question is not to the purification standard of the water in the Belubula catchment. CWEC is also concerned that the specifications of the holding dam are such that leakage could occur, resulting in contamination of the Belubula system with water of an unacceptable level of salinity. CWEC is also concerned that leakage could also occur along the 90 km pipeline route resulting in contaminated water entering the many waterways the pipeline would traverse, including the Macquarie River. The water ecology of the impacted waterways has not evolved to cope with water of this quality. Additionally, there are unacceptable risks associated with monitoring of the water quality, which will not be done independently and therefore could be open to abuse.

CWEC shares concerns expressed by local residents concerning groundwater interference. At the IPC hearing it was reported that springs essential to the upper Belubula could be compromised by the proposed mining activity. Although the effect of mining on groundwater has been minimized in the Assessment Report, it is reasonable to suggest that the possibility of groundwater interference should be considered seriously in any decision to grant consent.

Concerns have also been expressed about extraction from the Belubula system by accessing groundwater and surface water licensing acquisition. The Assessment Report acknowledges that the project will influence the amount of water flowing into Carcoar dam but dismisses this information as being inconsequential. It is highly possible that the region will experience drought within the life of the mine. In this case, valuable water could legally still be diverted for the use of the mine instead of providing essential water sources for a system affected by drought.

Carcoar dam provides water to the township of Canowindra. Any loss of flows into the storage may impact on town water supply during drought. This has major economic and social implications.

The major concern relating to water is that of the tailings dam which is located within the upper catchment of the Belubula river. Whilst CWEC is aware that such infrastructure is subject to strict regulation, no regulation can completely ensure that unanticipated accidents will not occur. The position of the dam and the toxic consequences of such an accident happening should prohibit its construction. Unanticipated accidental leakage could potentially condemn the system to a toxic legacy that could last long after the life of the mine.

The Development Consent document states that the proponent must complete a water management plan, which is to be completed presumably some time in the

future. The lodgment of such a plan is not a condition of consent. At this point in time no plan has been submitted. Consent should not be considered without a comprehensive independently reviewed water management plan.

For the mine to become a reality, the proponent has applied to clear 1 116 hectares of land for the mine site and 21 hectares for the water supply pipeline. 130.53 hectares of land applied for clearance is that of native vegetation. Listed in the report are several habitats and species which are legislated as being endangered, and in some cases critically so.

The proponent has sought to compensate for critical habitat loss by purchasing land which it proposes to use as an offset for native habitat destruction. Unfortunately, any offsetting plan will not adequately compensate for the loss of such endangered habitat and the threatened species which depend on it. The offsetting option appears to have been pursued from the outset rather than the proponent making a genuine commitment to explore options to avoid or mitigate the impact. The offset option will not provide the habitat which will be lost, nor will it save the species currently relying on it. In this case offsetting, the option to pay into the approved conservation fund and use of credits could be seen as an approved method of the proponent buying out of environmental responsibility.

The Report recommends that the proponent submit a biodiversity plan of management. This has not been submitted to date. No consent should be given until such a report has been submitted and independently reviewed. The major objective of the report must be how habitat and species destruction are to be avoided. Not mitigated or offset.

Under the Air Quality and Greenhouse Gas Operating Conditions in the Recommended Conditions of Consent for the project (B30.) it states "The Applicant must take all reasonable and feasible measures to: improve energy efficiency and minimize the Scope 1 and Scope 2 greenhouse gas emissions of the development and that all non-road and mobile diesel equipment used in undertaking the development includes reasonable and feasible emissions reduction technology. Mention of the assessment of the loss of carbon sequestration from land clearing needs to be included.

For this to be planned, the Recommendations of Consent states "that the Applicant must prepare an Air Quality and Greenhouse Gas Management Plan for the mine site and the mine access road to the satisfaction of the planning Secretary. This plan has yet to be completed. Consent should not be given before the recommended management plan has been completed and expertly reviewed.

The Assessment Report lists several extremely toxic materials intended for use in the gold extraction process. In the Recommendations of Consent, it is stated that the documentation pertaining to the transportation, storage and use of these chemicals be provided prior to commencement of operations. We would submit that these documents be submitted and assessed as conditions of consent before the commencement of operations.

CWEC, along with local concerned residents is most concerned that these chemicals, especially cyanide are being used at all. The Assessment Report states that these chemicals have been safely used elsewhere, but in the case of the current mine site which is situated at the top of an important catchment, the consequences of toxic contamination are too great.

Much of the terminology of both the Assessment Report and the Recommended Conditions of Consent is weak and does not inspire confidence that major environmental concerns will be addressed or that recommendations will be followed or enforced. Words such as "feasible", "reasonable" "to take all reasonable and feasible steps" are frequently used in situations where more prescriptive terminology should be employed. Additionally, it remains unclear as to who is to determine what is reasonable or feasible and what are reasonable and feasible steps sufficient for environmental protection.

The recommended conditions of consent and the assessment report both mention the necessity for management plans on all environmental issues referred to in this submission. What is of concern is that they haven't been completed. These management plans need to be completed and independently reviewed before any decision is made about the proposal.

In conclusion, CWEC would like to remind those making the decision on the McPhillamy's proposal that Australia is the driest inhabited continent on Earth. We are likely to once again experience drought during the life of this mine, when every drop of water will be more precious than gold. The Belubula water catchment does not need another high-volume water extractive industry, the demands of which will further exacerbate a stressed system.

The proposal involves usage of highly hazardous chemicals which will require transport, storage and monitoring during usage and any disposal. Although no doubt all care will be taken, accidents have been known to happen with disastrous results.

Australia leads the world in extinction rates. The major reason for this is habitat destruction through land clearing. The request by the applicant to remove 103 Ha of native habitat is extremely unfortunate, given Australia is in an extinction crisis. We reject offsetting and paying into an environment fund to meet environmental responsibility. These strategies won't replace the endangered habitat lost should this mine proceed.

The mine is estimated to produce over 1.9 million tonnes of carbon during its lifetime. To date there has been no plan as to how this can be reduced. Such emissions are unacceptable if Australia is to honor its commitment to reducing carbon emission to 43%. A management plan has been recommended, which we are yet to see.

There is a strong argument to produce minerals such as gold for our transition away from fossil fuels. These valuable minerals must not be obtained at the price of environmental destruction. Approval for this project is fraught with risks of irreversible environmental damage. It must not be permitted to proceed.

Nick King

President, Central West Environment Council