



New South Wales Government
Independent Planning Commission

TRANSCRIPT OF PROCEEDINGS

RE: McPhillamys Gold Project (SSD-9505)
State-significant development of an open cut mine and water supply pipeline

BATHURST REGIONAL COUNCIL MEETING

COMMISSION PANEL: PROFESSOR CHRIS FELL (CHAIR)
 MS CLARE SYKES
 DR PETER WILLIAMS

OFFICE OF THE IPC: JANE ANDERSON
 OLIVER COPE

BATHURST REGIONAL
COUNCIL: DAVID SHERLEY
 RICHARD DENYER
 NEIL SOUTHORN
 CR MARGARET HOGAN
 CR KIRRALEE BURKE
 CR BEN FRY

LOCATION: VIA VIDEO CONFERENCE

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PROFESSOR CHRIS FELL: So before we begin, I'd like to acknowledge that I'm speaking to you from Gadigal land. I acknowledge the traditional owners of all the country from which we virtually meet today and pay my respects to the Elders past and present. Welcome to the meeting today to discuss the McPhillamys Gold Project, SSD-9505, currently before the Commission for determination. The applicant LFB Resources, a wholly-owned subsidiary of Regis Resources Limited, proposes to develop the McPhillamys Gold Project, an opencut gold mine to extract up to 60.8 million tonnes of ore and produce up to two million ounces of gold over 11 years and build an associated underground water supply in Central West New South Wales.

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My name is Professor Chris Fell, I'm Chair of the Commission panel. I'm joined by my fellow Commissioners, Dr Peter Williams and Ms Clare Sykes. We are joined also by Ms Jane Anderson, Mr Oliver Cope from the Office of the Independent Planning Commission. In the interests of openness and transparency and to ensure the full capture of information today's meeting is being recorded and a complete transcript will be produced and made available on the Commission's website. This meeting is one part of the Commission's consideration of this matter and will form one of the several sources of information on which the Commission will base its determination.

20 It's important for the Commissioners to ask questions of attendees and to clarify issues whenever it's considered important. If you are asked a question and not in a position to answer, please feel free to take the question on notice and provide any additional information in writing which we'll then put up on our website. I request all members here today to introduce themselves before speaking for the first time and for all members to ensure that they do not speak over the top of each other to ensure accuracy of the transcript. We shall now begin. So welcome and perhaps we can hand over to you to give your initial impressions of the departmental assessment of this particular Project and any other issues you'd like to raise and we'll certainly ask you some questions. Thank you very much indeed.

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MR DAVID SHERLEY: Okay. Dave Sherley, General Manager at Bathurst Regional Council. I suppose the Council in looking at the Project and looks at it in several parcels of interest. The first one is the Council looks at the economic benefits to the region of the development and its certainly pro-development to create job opportunities out here and it will facilitate population growth in the area.

The second area though that the Council will always be aware of due to representations from members of the community is environmental issues and we would hope that the environmental issues are dealt with in detail. Certainly I'm aware
40 that there are people who have expressed concerns in that area.

The third area that the Council sees as an issue that is has consideration in is the proposed pipeline to bring water out to the mine. Council has previously been requested by the proponent to sell its wastewater out of sewerage plant. That proposal ended up not going ahead but certainly Council is very interested in the proposal which will pull water by pipeline from out of the Lithgow area to the mine and, in fact, the Council has agreed to provide the appropriate licences to the Regis Group to build the pipeline where they need to go through Council property. The sideline issue, not that there is any final agreement, but it has been flagged by the Council as an item of interest is if we got into a water situation like we were several years ago with the drought and this city was within 12 months of running out of water. The pipeline coming out of Lithgow certainly would create the opportunity for an alternate water supply for the area and so from Council's perspective we would see that the mine proposal would build the water resilience at the region.

The pipeline, I understand, is to do around 14 or 15 meg capability of water a day. This Council when we got to the severe water restrictions during the drought was operating on nine megalitres a day of water and we have certainly flagged with Regis that we are interested outside of this process in talking about where we may be able to, in an emergency, connect into their pipeline and one of the benefits is the pipeline, I think, is within a kilometre, kilometre a half of our waterworks.

So it's a three-faceted approach that the Council has seen. One is that there is economic and growth benefits to the region and also the production of gold helps in a lot of the development of items such as mobile phones, technology in the future. The second one is the Council is - - -

PROF. FELL: Thank you very much.

MR SHERLEY: - - - concerned to ensure - Council is concerned to ensure that the adequate or totally adequate environmental standards are met because that's probably the biggest issue that we had from people and then the third thing is we see that as a regional position there is a further opportunity in the development with the availability of the pipeline and potentially, depending on any discussions with Regis, to build water resilience for the region.

PROF. FELL: Thank you. We might ask a few questions about particularly the environmental side, you know, covers many areas, air quality, noise and water

pollution, if you like. Are there particular aspects that you'd really like to flag significantly in this direction?

10 MR SHERLEY: Probably the main one is the impact on the waterways and I would say if there's a potential for pollution of those waterways, so we want to be satisfied that the proponent's operations will ensure safety of dealing with the water and I'd see that as probably one of the main things that's been flagged as to the impacts on the Belubula and that area because people have recently in their minds the issue that occurred out at Cadia a couple of years ago where there was that collapse. So I think that certainly makes a major awareness factor that we would like to see is covered as closely as it can be.

20 MR NEIL SOUTHORN: If I could add to that. Neil Southorn, Council's Director of Environmental Planning and Building Services and I'll separate my comments into two parts, the pipeline and the mine site itself. So as a Council officer I've been party to various discussions and iterations of the pipeline route over many years such that there's a reasonable confidence in the quality of the documentation which supports the pipeline proposal. We note in the conditions of consent, the draft conditions that there's offsets for biodiversity impacts, for example, which are welcome. That includes the Copper Wing butterfly which is a symbol of unique biodiversity in our region. There will be some who would argue that there should be no destruction of the habitat for the butterfly. The offset scheme is designed to do that, to offset those impacts and, therefore, if the mine is approved and the pipeline is approved then those offsets are part of the mitigation effects.

30 In regard to the mine site itself, yes, the economic impact is probably significant to our region and Mr Sherley correctly identified some risks that are attached to it. My take on that is the best studies cannot provide certainty and consequently, some sort of consideration of a fail-safe consequence can be somehow factored in, although I'm the first to admit that to do that is quite difficult.

PROF. FELL: Thank you. Peter, did you want to ask any questions about the biodiversity side?

DR PETER WILLIAMS: Well, can I ask just one other question first, Chris, if that's alright. Sorry, David, you mentioned that Council has agreed to provide appropriate licences for Regis for the pipeline over - where it goes over Council land, is that correct?

MR SHERLEY: That is correct, yes. So Council has resolved to provide those. Certainly the Council looks at the provision of the pipeline as a separate part of the process independent of the environmental stuff. The Councillors want to be satisfied, if I was asked were there any concerns that's the area that the Councillors would be concerned in is the environmental area. The Councillors looked at the pipeline as a separate project in terms of the structure and the Council has given, you know, definite approval on that.

10 DR WILLIAMS: So you've already given approval or you've agreed to give the approval?

MR SHERLEY: No, the final document is yet to be signed but I've got a Council resolution that has given me the delegated authority to finalise the document of which the general understanding of it is and the pipeline route has been agreed to.

DR WILLIAMS: Great. Thanks. Thanks, Dave. And just the other matter about biodiversity with the Bathurst Copper butterfly is it the - would the habitat of the butterfly be affected by the pipeline route or - and/or the mine site itself?

20 MR SOUTHORN: So my understanding, and I'm looking at my colleague Richard who's more forensic in some of these things than me, the pipeline route may impact on butterfly habitat. It's more likely to be found in the Yetholme precinct of the Bathurst LGA. It's not widely distributed and it's unlikely to be at the mine site itself. So the pipeline route and roadside vegetation corridors which might be impacted.

DR WILLIAMS: Right. Great. Thank you. Thanks.

30 MR RICHARD DENYER: Richard Denyer. So the plant itself which the host plants geographically isolated so it's only above a certain contour so we would expect to find that in the Yetholme area but outside that limited scope.

DR WILLIAMS: So if has any impact it would be fairly localised, is that - or very specific, site specific?

MR SOUTHORN: Yes, and a suitably-qualified person would be able to identify the host plant and interestingly, the butterfly feeds off the extrusion of an ant which lives

in the bush which has its own geographic footprint that's quite confined. So it's quite an interesting ecology and well documented and well known. We have our own mapping but someone suitably-qualified would need to walk the route and pick out individual plants.

PROF. FELL: Clare, you might - you wish to enquire about social impact. That was something we - - -

MS CLARE SYKES: Yes. Thanks, Chris.

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PROF. FELL: - - - talked about.

MS SYKES: Thank you, Chris. My question was mainly around social impact and, in particular, economic impact. You mentioned, you know, it would bring significant - the Project would bring, you know, significant impact to the region. Could you be a little bit more specific about where you see those opportunities or impact would lie? In particular, would it be through equipment and services, associated industries or education and training related to the Project?

20 MR SOUTHORN: All of those and that's not just construction phase but also during the life of the operations at the mine. We would like to think that a significant proportion of the workforce would be living locally, not fly-in, fly-out arrangements. There's ample opportunity to provide local living opportunities and a proportion of that would be in Bathurst. We expect it to have a significant flow-on effect to existing local businesses which are already - some of which are already established to service the mining industry in the broader region, Cadia, in particular.

30 So we see it as value-adding to those existing businesses and certainly in terms of training and education we think there's great opportunity because the city wide and region-wide there'll be a significant shortage of skilled labour, not just for this Project but the other big civil infrastructure projects. So we have already entered the challenge of trying to upskill and bring in skill to sustain those sorts of employers.

PROF. FELL: Thank you.

MS SYKES: Thank you.

PROF. FELL: So what about the pressure on the services in the region? The proponent has suggested that workers should live within 45 minutes drive from the site which puts Bathurst squarely in a place to live but what about the impact on schools and hospitals and general amenities in Bathurst?

10 MR SOUTHORN: So Bathurst is proud of its population growth rate in general. It's sustained between 1 and 1.5 per cent per annum. The potential of this mine has been factored into our growth projections as has other key development activities. That doesn't mean it will be easy, there will be challenges, there will be pinch points. In general terms we're in regular dialogue with our colleagues in other government agencies at state level to make sure that the general population growth of Bathurst, of which the mine might be part, can be accommodated. You mentioned schools but I'll add health services.

20 So we are fortunate to have our Bathurst Public Hospital, the subject of an upgrade, the planning of which has already commenced so that's good news. We have growth in the private health sector as well on the books in Bathurst. Public schools is a little bit of a challenge and some of the other linear infrastructure such as some road upgrades and so on we'll just have to take that on the chin and beaver away at making sure those are not lost.

PROF. FELL: Thank you. So are there other issues you'd like - we've been asking the questions, are there other issues you'd particularly like to bring to our attention other than the three that you mentioned in particular? Perhaps some minor things that are of concern to the Council or people who may live close to the area.

30 MR DENYER: Certainly we've received some community representations. The Goldfields Honey is one that comes to mind, I think they've raised issues and I think you've seen some responses in the assessment but certainly they've got some concerns. They're located in the Bathurst LGA, they've got plans for expansion of their site so that's certainly an issue that's been raised locally with Council. That's the bee farm.

DR WILLIAMS: That's just to the north, isn't it, of the site, the mine site? And I think they had their hives in Vittoria State Forest and surrounding areas?

MR DENYER: exactly, the site where they process which is off Orange Road which is needed but, yes, to the north of the site. So certainly they've had representations to Council about the issues that they see for this development dune.

PROF. FELL: There is discussion in the department's assessment of the beekeeping industry and we'll see comment from a particular industry as we gather more information.

10 MR SOUTHORN: Well, that's - I'll declare I'm amateur beekeeper so I have a little bit of - and the bee industry is under strain, under pressure, significant pressure so it's one of those things that can't fail, that needs to be accommodated. In other words, near enough might not be good enough. There needs to be confidence that the management plans which are put in place will not impact on the bee and honey industries. It's not just that one firm but there are numerous businesses which would have travelling hives through the Central West and so on. I think the impacts could be manageable but they will have to be carefully monitored and adjustments made should impacts be observed. I don't think the mine will limit access to honey trees but it's more whether there's external effects that float across onto the beehives themselves.

20 PROF. FELL: Okay. Peter, are you aware of this in terms of trees and with placement of some of these yellow box perhaps?

DR WILLIAMS: I mean, I think the proposal - last, when we questioned it on the site inspection there's some offsets of the box gum woodland at very similar ecological community on the northern side of the - might even be the north-west side of the mine site as an offset vegetation type that specifically that it's conducive for hives to be located in that offset area. From your experience would that be useful or helpful to provide - - -

30 MR SOUTHORN: The flowering of native trees is very seasonal and the beekeepers would certainly take advantage of that if they had the access rights to it. So, yes, that would be helpful to the bees. Very seasonal though so the longevity in the period of a 12-month year would be short-lived.

DR WILLIAMS: Right, right, right. From memory I think the offset was about eight or nine hectares to be located - and it's very close to the Vittoria State Forest as well so it would sort of all be part of that same system.

PROF. FELL: While we have a specialist in bees in our audience, if you like, today is the production of queen bees any different from production of honey? Do you require special environmental requirements or is it just the same?

MR SOUTHORN: Well, we're now departing from my particular expertise because I do not rear queen bees but my understanding as a lay - as a general - general interest person is that the - it's the management of the hive more so and the bees within it more so than the flora and fauna that the hive relied upon.

10 PROF. FELL: Well, thank you for that. That's well ahead of at least my particular knowledge so there we go. Thank you.

MR SHERLEY: Professor, while we're here there are two of the Bathurst Councillors or three connected in and they may wish to provide an opinion or a comment given that myself and Neil and Richard are coming more from the administration processing side. They've probably had more contact at times with the community and they may wish to express some comments.

20 PROF. FELL: Thank you. That's an excellent idea and can I invite you to speak. Councillor Hogan.

MR BEN FRY: Yeah, sure.

PROF. FELL: Speak first or Councillor Fry.

MR FRY: Marg, you go first.

30 MS MARGARET HOGAN: Thanks, Ben. The water - having just lived through the drought of record, the water - we just can't turn our back on that. I'm glad this isn't happening in our LGA, it would be an interesting conversation. So I think because it is the head waters of the Belubula that's - there's a community concern about that. The other question I'd like to raise, I don't believe it's been touched on today, is cultural heritage, Aboriginal heritage where that fits into the site. I've not heard a lot about that but I would just raise that as a question and, yeah, so I would agree with David's comments earlier that the environmental issues are probably certainly top of mind from the community's point of view, particularly water. Thank you.

PROF. FELL: That's very useful to us. Councillor Fry.

MR FRY: Yeah, thanks. I - yeah, I've been contacted by different parts of the community. The bee company specifically as an objector, I suppose, and, yeah, it wasn't about the production of honey, it was more to your point of the rearing of the queen bees. So if they have a plan to negate any effects on that particular business then that's good. In terms of - it's already been discussed, economic impact to Bathurst is positive in my eyes and in the eyes of a lot of my voters and I just hope that
10 Bathurst is recognised by the powers-that-be, different levels of government in resources for regions in the kind of assistance we can receive for infrastructural upgrades and to negate the impacts of extra people in our LGA. Overall I see it as a positive thing though and I especially like the proximity of the pipeline to our water treatment plant when it comes to critical water issues which is a totally other issue but mostly positive comments from me.

PROF. FELL: Thank you very much. I might add the Commission can't sway the government on providing infrastructure support.

20 MR FRY: I thought I'd throw that in there and going to start the conversation.

PROF. FELL: You must feel suitably proud of the fact that a couple of centuries ago you really kick-started the whole country by having gold found in your neighbourhood. Now, can I ask my fellow Commissioners if there are issues they wish to raise?

MR SHERLEY: Councillor Burke perhaps.

MS SYKES: I think we have Councillor Burke.

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PROF. FELL: I'm sorry.

MS KIRALEE BURKE: Hi guys, sorry, I'm on my headphones, I've been out mowing the lawns and listening in. No, I think that the other Councillors sort of touched on my concerns. Councillor Hogan around the, you know, heritage of Indigenous people in our area is always important to ensure and just to know the

history of that so that if we get those questions going forward that we know we're doing things in the most - the best way for our land and then, yeah, as Councillor Fry had mentioned the bee situation but that seems to be fairly well covered.

10 PROF. FELL: Well, thank you, Councillor Burke. The question of Aboriginal cultural heritage has come to the Department's assessment and we will be taking counsel from various Aboriginal representative groups to assess that aspect of the application. Now, I'm conscious that we've just made time so I'll simply throw it over to you people to offer any parting comments if you might. It's very, very helpful interaction so far for us.

MR SHERLEY: Dave Sherley. From my perspective, I think we've covered everything. Certainly, as I said, from my perspective, there was sort of three or four facets to it. It was important too that the community concerns especially what's been conveyed by the Councillors is taken on board. In terms of the cultural heritage I think it's important - I didn't sort of mention that earlier on because I understood there was a full scale HR being done for the proposal and presumably that Aboriginal cultural heritage assessment will pick up input from all the various registered Aboriginal parties and hopefully cover the concerns and if there are appropriate controls that can be put in place to ensure that artefacts, et cetera, aren't destroyed, that's the main thing to me.

PROF. FELL: Thank you. Well, thank you very much. I will draw the meeting to a close unless my fellow Commissioners have any comments they wish to make.

DR WILLIAMS: Thank you.

MS SYKES: Thank you.

30 MR SHERLEY: Can I just say on behalf of the Council thanks for giving us the opportunity, it was really appreciated.

PROF. FELL: And thank you very much for taking the time out to meet with us. Of course, the public hearings will be on later this week and we will continue to get more information and knowledge as we move towards making a decision. And thank you once again everybody.

MR SHERLEY: Thank you.

MS BURKE: Thank you.

MS SYKES: Thank you.

MEETING CONCLUDED

[2.32pm]