



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

CABONNE SHIRE COUNCIL MEETING

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

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CABONNE SHIRE HEATHER NICHOLLS
COUNCIL:

LOCATION: VIA VIDEO CONFERENCE

DATE: 9.00AM, TUESDAY 6 DECEMBER 2022

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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 and I acknowledge the traditional owners of the all of the country from which we virtually meet today and pay my respects to their Elders past and present. Welcome to the meeting today to discuss the McPhillamys Gold Project, that's SSD-9505, currently before the Commission for determination. The applicant, LFB Resources, a wholly-owned subsidiary of Regis Resources Limited, proposes to develop 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 pipeline in Central West New South
10 Wales.

My name is Professor Chris Fell, I'm Chair of this Commission panel. I'm joined by my fellow Commissioners, Dr Peter Williams - hand up - and Ms Clare Sykes. We're also joined by Jane Anderson and 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 to be 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 upon which the Commission will base its
20 determination.

It's important for Commissioners to ask questions of attendees and to clarify issues whenever it is considered appropriate. If you're asked a question and are not in a position to answer, please feel free to take the question on notice and provide additional information in writing which we will then put on our website. I request that all members here today 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 will now begin. So welcome and we'll hand over to you, Heather, if you'd like to introduce what the Cabonne Council has to say.

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MS HEATHER NICHOLLS: Thank you very much. My name's Heather Nicholls, I'm the Deputy General Manager of Services with Cabonne Council. Within my portfolio includes development and environment and four other sections of Council, governance, finance, IT and community services. So it's really through the overarching interest of Council. My background as a town planner and I've actually represented Cabonne on the Regis McPhillamys Triple C meetings since its inception so my involvement is because I have a town planning background and because I'm the Deputy General Manager and I am Council's delegate on the current triple C.

We did put in a brief submission. Council has - our rural area 6,000 square kilometres, we're a large rural Council, we largely wrap around Orange City and, of course, we do have a very historical area for a history of mining with first payable gold and Ophir through to part of our area being part of Cadia Holdings which is the Newcrest Cadia mine at the moment. So we have, you know, a history in Cabonne, mining that goes from first payable gold through to the current largest gold mine in the Southern Hemisphere.

10 We also have some incredibly good farmland and so it's a trade off at times with Council and our communities in recognising the economic benefits from mining, also wishing to be able to maintain agricultural land and some of our land, particularly around Mount Canobolas mapped on national stages I'm told should be, you know, recorded as being of national significance in food production and so there have been times where Council has been opposed to mining and particularly around that Mount Canobolas area. The view where it's an area of established and historical mining as well we also strike that balance of accepting that there is economic value to the community, to the state and to the nation from mining and so with the McPhillamys one Council has been largely supportive of the proposal and been at the table to understand what the proposal is and what the impacts may be.

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In reading the planning assessment I suppose the one thing that has come to my line of thought, and it's understandable that 99 per cent of the proposed mine site is within the Blayney LGA and on the northern side of the mine site and part of the tailings storage dam is within Cabonne and there's not a lot of reference to the impact on Cabonne residents, Cabonne landowners and I suppose I'd just like to bring to the table that Cabonne Council is actively interested in this Project and here to represent our landowners and our residents and through our report the planning assessment report singly refers to 'Council' being Blayney Council and again it's just reiterating that Cabonne Council also has a genuine interest in making sure that we are
30 environmentally and sustainably accountable for the developments that happen within and adjoining our Council areas.

Even I suppose the condition of consent that relates to the triple C and, therefore, the ongoing role of that mentions the applicant Council, so in the singular context which, I guess, means Blayney. Again just reiterating that Cabonne would have an ongoing interest in the management of that site should it be approved. That's going up through a number of conditions of consent so I just, you know, bring to the table that there are other Councils that have a particular interest, ourselves and Bathurst, for instance, have been active with the triple C and Cabonne, in particular, would be very keen to
40 continue its involvement either through the annual environmental management or the triple C or just the, you know, continued liaison with Regis as time goes on.

Things - so one of our main obviously environmental impact, any impact on adjacent landowners and transport and traffic will be the key ones for us which overall in reading the assessment report are all things that have been addressed and can be managed. So there's no additional concerns to raise and I suppose just minor things. In the assessment report it talks about Dungeon Road which is a local road that cuts through the subject area and the intent is to close that road. The references to Blayney Council, a third of that road is also within Cabonne's LGA and subject to negotiations with the mining company at the moment.

- 10 So we do have some involvement in this and whilst it's not essential, I'm just noting that it hasn't really been recorded that we do have an interest, we do have an involvement, we have been in consultation. It's not actually referenced so of much lesser significance than Blayney Council's involvement and I fully appreciate and understand the concerns of the Kings Plains residents. I suppose I'm just here to make sure that Cabonne residents and Cabonne Council is not totally overlooked in this, that we do have a place, we do have a view. We're largely supportive of the development proceeding, we're equally interested to make sure that the environmental considerations and the environmental conditions of consent do provide that balance that I spoke of earlier between trying to protect agricultural land and our existing
- 20 residents and ratepayers and being able to pursue the mineral resources within that geology.

So that, in summary, would be quite quickly my comments having read the assessment and the draft notice of approval which is largely supportive and just to remind that there are other councils with an interest in this, ourselves as an adjacent neighbour, we're definitely here to represent our community and their concerns for agricultural productivity and environmental sustainability. Thank you.

- 30 PROF. FELL: Thank you. That's very helpful. Now, I'm sure my colleagues have got questions they'd like to ask you.

MS NICHOLLS: Certainly.

FEMALE SPEAKER: Commissioner Williams.

DR PETER WILLIAMS: Yes. Peter Williams here, Heather. Good morning. That was very helpful, thank you. Sorry, from one planner to another it might seem a bit of

a silly question but you mentioned that obviously the part - portion of the development area is within Cabonne Council area, local government area.

MS NICHOLLS: Correct. Only a small portion but very northern section of the subject land. I must say I didn't quite find a lot and DP property description but based particularly on fig 3, page 5 of the assessment report, the very northern part of the area - look, largely it's - the company has actually bought rural properties up to Victoria Road. There - really the 99 per cent of the actual working mine is within Blayney Shire, there's maybe just a small smidgen that is within Cabonne but there is that
10 buffer area as well within the Regis holding, that is, within Cabonne's jurisdiction.

DR WILLIAMS: Right. Right. I was just wondering legally would that have needed a development application lodged to Cabonne Council?

MS NICHOLLS: I don't quite know. We normally sort of chair a concurrent trial so if the greater majority of development is with the adjoining council, I believe Council takes that. When looking at this I was not totally sure where the lot and DP
20 boundaries came as far as this consent. It refers to generic areas, it refers to maps but to find, you know, the lots and DPs admittedly I haven't quite - just looking at that plan, I was looking at that one on page 5, in particular, there's an area shown on that that, yeah, by my guestimate would be within our LGA, certainly the buffer area heading towards the northern part of Dungeon Road is in our area.

Look, probably just a minor housekeeping point of view and what we have done with other adjoining councils, we're a bit of a - I call it a croissant rather than a doughnut but we have a number of councils on our boundaries, around about eight of them so every so often we do get overlapping applications. For the majority, rightly or
30 wrongly, whichever council is the lead council for the large part of the development normally takes control but if it was subdivision, for instance, then yes, we would both needing to sign off on consent. It's probably a minor point but I'm just pointing out that there is land there that is within Cabonne's LGA and it's probably best to make sure that we've got that correctly characterised in any final documentation.

DR WILLIAMS: Right. So, Heather, what you're saying is depending on the type of application that might go to both councils or there'd be a lead council and the other council would be involved in consultation or liaison or concurrence or - - -

MS NICHOLLS: Yes, which has largely been our role in this one because it's a minor area and, I think, initially perhaps even excluded Cabonne but then under that northern tailing area through a little bit further to the north and with that some residual area that would be within the Cabonne LGA potentially.

DR WILLIAMS: Right. Okay. Great. Thanks, Heather. There's a few other questions that roll out from that but I think Commissioner Sykes might've had a question on subsequent liaison so I might hand over.

10 MS NICHOLLS: Definitely.

MS CLARE SYKES: Thanks, Peter, and thanks very much, Heather, that's been really helpful to run through your overview. I just have a question - I had a couple of questions. One was around, you know, the point around the historical heritage piece and, you know, a request sort of that the, you know, the structure of Hallwood - is it Hallwood - - -

MS NICHOLLS: Which I think is the northern property now.

20 MS SYKES: Yeah, the northern property. Whether it be surveyed and photographed as well as sort of ongoing consultation and liaison with the applicant and also, you know, do you feel that's been - you know, could you give an update on that and how that has progressed and whether that has remained ongoing?

MS NICHOLLS: I'd have to give full kudos to Regis for identifying that series of buildings and for providing information to Cabonne. So it hadn't been identified or raised by the community in our community-based heritage study of a number of years ago so it didn't appear in our database at all. Regis quite early on provided details of the buildings and the investigation, the information that was forthcoming from that.

30 So, yeah, we actually learnt from that as well. A lot of the rural heritage is protected by property owners, it's still not something in this area that there's a huge amount of willingness to share history and heritage on rural properties and so when we go to things like the community-based heritage study quite often it was very obvious things that came forward the community were a little bit reluctant to nominate things on private land and so there's any number of really interesting things that are out there that hasn't come forward to our community studies or therefore our LEP.

So, this one Regis once they were aware that there was something of, you know, fairly significant age on the property certainly shared that with Cabonne quite early on and then when they recorded it again provided follow-up information. So as I said, kudos to the company for identifying that there was local significance and bringing that to Council's attention which we've added to our records as a local item.

10 MS SYKES: Yes, thank you. And, Heather, I think you also mentioned in your submissions around the, you know, ongoing consultation just more broadly around the construction and operation phases of the Project and you mentioned just now the - you know, to be involved, you know, on an ongoing basis with, you know, the CCC, the triple C and the environmental audit. I mean, do you see that those two platforms would be the appropriate platforms for ongoing consultation and engagement or do you - you know, could you expand on how, you know, what Cabonne would be seeking in terms of ongoing consultation with the applicant.

20 MS NICHOLLS: Well, the starting point with Regis has been quite good, they put our - we're on their mailing list for their weekly newsletters, they have come and addressed Council. Apologies that we don't have any councillors here this morning. As you're probably aware we were really badly hit with a major flood event a couple of weeks ago, we have a lot of staff and a lot of councillors involved in the field, on a whole pile of other matters at the moment. I did speak with our General Manager and asked him to brief our Mayor again yesterday to remind him that I was going to field this enquiry this morning.

30 So their absence is not by lack of interest, it's natural disasters and business as usual that is well and truly taking them up at the moment. Prior to - just in recent times we have had Regis attend a Council meeting and do an update presentation and we find that we both, Regis and Cadia, that they do that quite regularly. So for us it's the engagement at Council level and then it's the operational that we may need to know where there's activity or things that are happening that may have an impact on our roads, on your property owners and the like. I sense that the business make-up of Regis is that they would be - they wouldn't forget about us, they would be keeping us in the loop and sometimes it's just knowing when there's mining material coming through or, you know, impacts on our area.

40 I suppose if I could just deviate. One of the little silent things in the assessment report, whilst there was talk about the impact of the mine proceeding on, say, employment, very mindful Cabonne will be wrapped up in that. A dotted line on an LGA map between Blayney and Cabonne doesn't mean a thing so as we find with mining events it does mean that we lose local tradesmen itself, Council, we're forever losing

mechanics and, yeah, particularly our mechanics to the mines so with another mine starting up there is that risk that yet again we are going to have resourcing difficulties and the other mention was the housing market and we have said that Blayney there wasn't sufficient housing to facilitate this activity both in the construct and then in the operation.

10 The sentence then said went onto - by the time you threw Orange and Blayney in the mix there was housing opportunities. Again we're finding, say, with rural housing very limited opportunities at the moment. I suspect a lot of that is tourism take-up in Air B&B so where there have been housing on farms that was more or less affordable housing it's a hangover from the days when farmers could afford employees and to house employees, then those houses became low-cost accommodation. Now a lot of them have moved forward to a much more upmarket Air B&B situation. So that overall accommodation across the Shire already is showing signs of change. Great for tourism, not so great for low-cost housing.

20 Again potentially some sort of minor impact to Cabonne and a cumulative impact with this mine proceeding and again that need for accommodation and employment being drawn from the area. Apologise for getting off track there but it just popped into my mind that that was something else I had meant to say in my overarching presentation. Sorry for that PS.

MS SYKES: Thanks. Thanks, Heather, and I'm glad you did raise that because that was a particular question I was going to explore as well around the cumulative accommodation impacts and workforce as well.

MS NICHOLLS: Right.

30 PROF. FELL: Yes, that was very a helpful response. I just wonder if I were to expand on that a little because if the Project were to proceed the applicant has said that they wish employees to live not more than 45 minutes drive away from the site. Now, that would put - excuse me - employees very likely living in numbers in the Cabonne Shire. What are the implications of that on the demand for services from your Council?

MS NICHOLLS: It's the reality of competing with other employers or employees. We've certainly, as I've mentioned, things like our diesel mechanics, train-up apprentices and then they disappear off into the mining industry. I think this time last

year I think in a very short space of time we lost six of our outdoor staff to alternate mining jobs and look, if the job's there, the opportunity's there, the money's there you can't blame them for that. With skill shortage at the moment backfilling those jobs isn't overly easy.

10 It's just the reality that if there is a mine opportunity coming on and those jobs are more lucrative there is that potential that we will be impacted yet again and that's just the reality of running a business at the moment. Our Shire, as I said, wraps around Orange City so instead of a doughnut, it's more a croissant but we do have that southern side of our Shire which there's clearly within accessible distance for, you know, tradies looking at jobs at the mines, be it Cadia or Regis.

20 So we just have to be aware of that and work with what's available to try and make sure that our jobs remain attractive and we can anchor and retain staff and Blayney equally has to compete in the market with things like, as I said, Cadia mine, Flyers Creek Wind Farm so it's just human nature, if there's an opportunity and there's more money in another job, of course someone's going to look at it. As an employer we find that we will lose - what was there last year, six in a week and that's a huge hit for an organisation like ours to lose that sort of - especially the younger parts of the workforce and you're training them to move up through the ranks and you suddenly lose six to the mines, it makes a difference and there's no fast guarantee that you're going to be able to refill those jobs. It's just the reality, you're competing in the market and the mines have more lucrative package and we can't compete and we just - we just acknowledge that.

PROF. FELL: Thank you. That's helpful. Commissioners.

30 DR WILLIAMS: Yes, if I might, Chris. Sorry, Heather, have you any concerns at all about water? I think with more water quantity, you know, sort of surface and ground water impacts. Perhaps more from things like uptake from - you know, from bore water for the bores that - particularly bores that - on the Cabonne side of the mine and any impacts that might have on ground water and availability of water for agriculture in Cabonne.

MS NICHOLLS: And again they tend to be the things that can be unknown. Being on the triple C for the Cadia mine, the reporting on the drawdowns on the bores and the local springs is a really important part of that liaison, the company providing that information to the property owners and to the triple C members. It's a big interest item and I would be hopeful that that sort of reporting in the very standard reporting

for Regis, I would see of huge interest to adjacent rural landowners and to go in the different dynamics of your bore water, your aquifers and your springs and what impact that has and so much of that, of course, is seasonal.

10 So having come through horrendous drought and now going through the complete opposite, you know, it's everything that the country can throw at you, isn't it? But each of those has some impact by hydrology, geology, geomorphology, the whole part of those things and so being able to have that information - we've got all the predictions as how things may go, it doesn't necessarily always go to plan. Having that transparency, that forthright information coming forward and particularly that is quite regular and live information and property owners on drawdown I think is really important and, you know, obviously that would come up in your annual environmental management but it's wider than that, it's being transparent with property owners in being able to make a lot of that monitoring information readily available and the opportunity for concerns to be raised which largely it was - you know, that's what the triple C is meant to do is being a voice for the community as well.

20 Perhaps not such a big deal for Cabonne, we don't really have a lot of land north of that mine area but it's certainly something that over time we - you know, we're well aware of the significant of it and the need to be able to lobby on behalf of our landowners to make sure that the ground water monitoring is diligently assessed, made available, trends identified, that all that information is readily shared, very transparently shared as to what actually is happening if there is any impact. This one being an opencut mine would be far different to anything - to some of the ones we're dealing with which are underground. Knowing what's the impact as we change and move through the geological layers and particularly the springs in the area. I suppose further we come downstream again, we're talking about some of the upper reaches of the Belubula, again with Cabonne when we get down towards Canowindra we're in the downstream area of that. So again it's knowing what's happening upstream that may impact downstream at a later date but the broader range of information being readily available that we can have access to respond to whatever the issues of the community might be at the time.

DR WILLIAMS: So you're reasonably confident at this stage in terms of what could be put into place in terms of monitoring and information sharing in relation to the - - -

40 MS NICHOLLS: Yes, yes, based on the experience of the last couple of years, based on the assessment report, based on the information provided and the draft conditions then I'm comfortable that there is sufficient process and procedure to bring that accountability into place.

DR WILLIAMS: Thanks, Heather. That's tremendous, thanks. Thank you. Thanks, Chris.

PROF. FELL: Thank you. Clare, anything further you'd like to ask on that?

10 MS SYKES: I think - I think that has covered everything. I think your last comment, Heather, really captured - you know, there was a reference made to, you know, through the water monitoring and ground water monitoring to a test board that actually sits within Cabonne LGA but I think your response which is effectively the overall need for transparency and ongoing consultation is - and that you're comfortable with that process given what you've seen today as being - you know, that's it from me, thanks, Chair.

PROF. FELL: Thank you very much. I just have one question, it's a bit out of left field. Is there much beekeeping activity in Cabonne Shire?

20 MS NICHOLLS: Yes, there has been and it's - when we do some of our community engagement for planning, yes, it's still a very active business. There's been quite a centre of activity obviously near to this site but here in Molong there's quite an established history of apiarist activity in the Central West based here and certainly something that we have to give consideration to in our land use planning but, yes, it's a very long-established apiarists area with a number of long-established apiarists across Cabonne.

PROF. FELL: Are they European bees?

MS NICHOLLS: I'm not a specialist in a lot of our - - -

PROF. FELL: Okay. That was a bit unclear.

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MS NICHOLLS: - - - apiarists and pest control areas so I would have to - as you said at the beginning, I would have to take that on notice.

PROF. FELL: All right. Thanks very much. I'm sorry. Then I think the Commissioner has no further questions but is there any other comments you would like to leave us with we'd be very grateful.

MS NICHOLLS: I'd just like to thank the Commission for the time in allowing me to make comment on behalf of Cabonne Council. It's been, I think, very worthwhile. As I said, without the rest of Council here with me but speaking on behalf of Council just to let the Commission know that we are here, we're largely supportive, we wish to be involved. Everything's a little bit silent about Cabonne but we're here, we wish to
10 remain part of the process and we do appreciate the opportunity to just be able to put our point forward. Certainly we don't have the social impact that Blayney has with Kings Plains residents but we do share and understand the community's concerns and just we add our support but we would like to see the balance of being able to gain the best where possible in the environmental and sustainability and the agricultural viability and still recognising the wealth to the state and the nation of mining. So it's getting that balance right and I feel from the assessment report that there is the ability between all the state agencies and the local government to make sure that that environmental accountability is there over the life of this mine. That would be it from me, I just thank you very much for your time.

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PROF. FELL: Well, thank you, indeed, you've been most helpful in the information you've provided us with and certainly helped the Commission's deliberations. So thanks very much and have a pleasant rest of day.

DR WILLIAMS: Thank you, Heather.

MS NICHOLLS: Thank you for your time.

DR WILLIAMS: Thank you very much.

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MS SYKES: Thank you, Heather.

PROF. FELL: So we'll conclude formally that session, thanks.

MEETING CONCLUDED

[9.34am]