

# McPhillamys Gold Project CCC Minutes

Title	McPhillamys Gold Project Community Consultative Committee (CCC) Meeting	
Meeting Date	25 February 2019 @ 6:00pm	
Venue	Blayney Community Centre- 91 Adelaide Street, Blayney NSW	
Chair	<b>David Johnson</b>	Independent Chairperson
Meeting Attendees	<b>Elizabeth Russ</b>	Community Representative
	<b>Miles Hedge</b>	Community Representative
	<b>Evan Leitch</b>	Community Representative
	<b>Peter Hildenbeutel</b>	Community Representative
	<b>Daniel Sutton</b>	BHPG Representative
	<b>Cyril Smith</b>	ORWSA Representative
	<b>Rebecca Ryan</b>	Blayney Council
	<b>Heather Nicholls</b>	Cabonne Council
	<b>Rod Smith</b>	Regis Resources
	<b>Tony McPaul</b>	Regis Resources
<b>Andrew Wannan</b>	Regis Resources	
<b>Chris Roach</b>	Regis Resources (Observer)	
<b>Nicole Armit</b>	EMM (Observer)	
<b>Stacey McFawn</b>	Minutes	
Apologies	<b>Graham Hanger</b>	Bathurst Council
	<b>Jim Newman</b>	Community Representative
Next Meeting	Monday 13 May 2019 @ 3.30pm (Site Tour); 6.00pm (CCC Meeting) Blayney Community Centre 91 Adelaide Street, Blayney NSW	

## **MEETING WELCOME AND INTRODUCTIONS - David Johnson Meeting**

opened at 6:10pm.

Apologies for the meeting tendered for Graham Hanger and Jim Newman.

Introduction by David Johnson:

- Peter Hildenbeutel declared that Regis is undertaking water testing on his property and therefore he will waive any payments owing to him as part of the Environmental Access Agreement to ensure that the Declaration of Pecuniary and Non- Pecuniary Interest form that he had completed remains valid;
- Rod Smith confirmed (and David Johnson agreed) that Peter Hildenbeutel does not have to waive such payments as this would not represent a breach of the Declaration of Pecuniary and Non - Pecuniary Interest form. Despite this, Peter Hildenbeutel preferred to waive any payments that he would be owed by Regis as part of the Environmental Access Agreement;
- Rebecca Ryan tabled her completed Code of Conduct and Pecuniary Interests forms and noted that she had no Pecuniary or Non - Pecuniary interests to declare as General Manager of Blayney Shire Council;
- Rod Smith introduced Nicole Armit, from consultant firm EMM, to the Community Consultative Committee as an Observer;
- Nicole Armit briefly explained her qualifications and background to the CCC and explained her role and that of EMM as lead consultant for the McPhillamys EIS;
- David Johnson introduced Chris Roach of Regis to the CCC meeting as an Observer.

## **BUSINESS ARISING FROM MINTUES OF LAST MEETING – David Johnson**

- The minutes of the last meeting were approved by the community Consultative Committee as being correct;
- Tony McPaul commented that the Action to have the minutes from the last meeting added to the McPhillamys website by the 28<sup>th</sup> January 2019 wasn't met as the 28<sup>th</sup> January 2019 was a public holiday. The minutes were put on the website on the 29<sup>th</sup> of January 2019. David Johnson acknowledged that this was a valid reason for such a delay.

## **CORRESPONDENCE**

- No correspondence was noted.

## **REGIS RESOURCES McPHILLAMYS GOLD PROJECT UPDATE – Tony McPaul**

PowerPoint presentation by Tony McPaul. During the presentation a number of questions were asked by community members and the answers provided to these questions are included in the summary below. Where the person asking the question is known, their initials are shown in brackets for each item

### Overview/EIS

- The lead consultant for the EIS and various studies is now EMM, which is different to the company who undertook the preliminary environmental assessment (PEA); previous studies and data are reviewed and updated by the various sub-consultants and many are peer reviewed;

- Explained potential changes to the site layout and indicated that Regis should have the optimised site layout at the next CCC meeting;
- Explained that two site access locations were being assessed, the first as shown in the PEA near the western intersection of Walkom Road and the Highway, and the second near the eastern intersection of Walkom Road (EL);
- Regis have now purchased more property surrounding the current property boundary;
- Ground water and surface water studies are progressing;
- Noise, vibration, air and visual studies are progressing;
- Ecology and heritage field surveys have been completed and the reports are being compiled;
- Soils and biophysical strategic agricultural land (BSAL ) field studies are complete and the reports are being compiled;
- Traffic studies are progressing.
- Explanation of the various types of Tailings Storage Facility (TSF) wall designs was provided and it was confirmed that the proposed approach at McPhillamys was downstream wall design, which allows a lower wall slope and faster rehabilitation; the TSF construction will need to commence prior to the amenity bunds (DS);
- Regis intend to undertake a TSF specific risk assessment in addition to the overall EIS risk assessment; this is sometimes done now in response to incidents, and would not have been done 2 years ago (DS);
- Explanation of the regulatory approvals and the process;
- Nicole Armit went through the submissions process and Andrew Wannan and David Johnson explained how reports are normally peer reviewed and the time frames required for these;
- Rod Smith explained how the existing data from previous sub-consultants was reviewed and a gap analysis was undertaken when the appointment of EMM as the EIS lead consultant was made (DS);
- Final modelling of impacts will generally only be included in the EIS, and alternatives will be presented and discussed (DS);
- Rod Smith explained the reasons why options to purchase additional land were completed and executed were to enable the eastern waste rock emplacement (WRE) to be optimised, to allow for the removal of the contingent south western WRE, to allow the administration and mining equipment areas to be relocated to the north of the open cut pit, to allow alternate options for site access to be assessed, to allow for a water management facility to be located to the north of the TSF (for storage during extreme rainfall events), and to provide opportunity for biodiversity (EL, DS);
- Discussion around the how the IPC works and what is involved in the IPC process. The IPC public hearing will be held on a weekday, at a community or suitable venue, and may be day and evening, depending on the number of speakers; all presentations are recorded and made public (DS).

### Pipeline

- Close to finalising the pipeline corridor. Seventeen private landholders in total would be impacted;
- Explanation of the Springvale pipeline route showing a map of the route;

- Lachlan pipeline route is being assessed as a backup option. Priority remains to use the Springvale water option;
- Regis has started to consult landholders on the powerline route, as this would likely require an upgrade.

#### Community Consultation

- Community Consultation is ongoing;
- Community Information Sheets are continuing to be produced. Regis are in the process of producing the fifth Community Information Sheet (CIS#5), which will be distributed to the Blayney local government area; this will be the second one that has been distributed to the broader Blayney community (DS);
- Future community open days are being planned;
- Regis will communicate with landholders once any impacts are identified and fully assessed.

## GENERAL BUSINESS

A number of questions had been provided to the Chairperson David Johnson prior to the meeting, which he forwarded to Regis. The committee worked through the following questions and answers, including a number of follow up questions.

## QUESTIONS & ANSWERS

### Questions submitted by Evan Leitch

- Q1. With the decision to proceed with water from Lithgow, is Regis Resources (or one of its entities) planning to transfer its Lachlan water entitlements to the upper Belubula, that is the Belubula River catchment above Belubula Dam if legislative/regulation changes allow this?**
- A. The Lachlan licenses are ground water licenses not surface water licenses. Regis (or anyone) cannot transfer ground water licenses into surface water licences.
- Q2. Does Regis still hold to the statement in paragraph 2 under item 2.8.3 (page 27) regarding water sources? If not, what additional water sources does it expect to tap?**
- A. We expect to access approximately 90% of the required water from Springvale and this will be reflected in the EIS. We are preparing a separate EIS for Lachlan ground water as a contingency and if that proposal was to eventuate, then it would be expected that approximately 90% of the required water would originate from there.
- Q3. Assuming the Lithgow water is proceeding:**
- (i) What are the relative contributions of the four individual sources (Mt Piper brine, coal washing plant, Angus park colliery and Springvale colliery) to water supply?**
- A. Normally there would be contribution from three water sources. Approximate amounts would be SCSO (Springvale Coal Services) 1-2MI/day, Mt Piper 5-6MI/day, Angus Place 5-6MI/day and Springvale 0MI/day. This would vary depending on rainfall (which varies SCSO) and power station operation (which varies Mt Piper). In the case where these three sources were unavailable due to closure or similar, then there might be an option to access the Springvale water source to replace the other sources.
- (ii) Will the mix be constant or variable and if the latter between what limits?**
- A. Variable
- (iii) How variable is the composition of the individual sources?**
- A. The quality of the SCSO and Angus Place water is available publicly on the web, whilst the Mt Piper source is at least for now a theoretical calculation as the Reverse Osmosis (RO) plant has not been completed. However, the predicted quality levels for Mt Piper and the other sources would be in the EIS.

- (iv) **What is the range of dissolved toxic species, including salt, metals and metalloids, and of PH, dissolved gas species, and carbon to be supplied by way of the Lithgow pipeline?** A. As per answer to Q3 (iii).
- Q4. Who controls the 'mix' of water supplied by the Lithgow pipeline and what are the criteria to be used in determining the 'mix'?**
- A. By agreement between Regis, Centennial and Energy Australia. SCSO water would have priority followed by Mt Piper then Angus Place.
- Q5. In view of the significantly increased traffic flow on the mid-western highway caused by its operations will Regis improve the safety of the currently hazardous intersections of the highway with Kelly's road and Ponds lane?**
- A. We are still progressing with the traffic report. However, as it is a State road, we cannot really influence what they do. We can of course assist with communications to the government about the intersections. Our traffic study is likely to show minimal impact, particularly to the north of the project area.
- Q6. Has Regis changed the positions of the mine site entry from the mid-western highway from that indicated in the PEA? If so where is the entry planned to be?**
- A. Still assessing options as per what was said in the earlier update presentation.
- Q7. Why is Regis not pursuing development of a buffer zone of at least 2kms wide especially in view of the planned long-term occupation of the mine site and planned 24 hr/day 365 days/year mining operations- except blasting- including pit excavation and operations on waste rock emplacements and bunds close to residence adjacent to the mid-western highway? Will the company support all the homeowners living in a 2km wide zone around the mine site being offered voluntary land acquisition rights as a DPE requirement of the development?**
- A. Not everyone within 2km of the project would want to sell. Once we have finalised our studies and we better understand the impacts, then we will talk to the impacted land holders. Voluntary Land Acquisition is applied based on the resultant impacts.
- Q8. With the recent property purchases/options negotiated by Regis is all the land additional to 2,250ha specified in the PEA to be included in the mine site application, as distinct from just owned by Regis?**
- A. No, there will likely be three defined areas, the Regis-owned land area, land within the project boundary area and the Mining Lease area. Further discussion ensued with some additional questions from Evan Leitch; Note: This will be further clarified at the next meeting.
- Q9. What proportion of the construction/mine workers will be employees of independent contractors and how will Regis ensure they employ a fair proportion of local (Blayney shire) workers? Does the company (Regis) have any employment policies or standards in regards to minimum employment levels of particular demographics, and will this be upheld/adhered to?**
- A. The social impact assessment will cover this however, we are aiming to employ as many local people as we can during both construction and operations. For example during construction, our estimate is 30% Blayney, 30% Orange, 15% Bathurst, 5% Cabonne, 15% Lithgow and 5% Cowra and during operations, our estimate is 40% Blayney, 30% Orange, 10% Bathurst, 10% Cabonne, 5% Lithgow and 5% Cowra.

**Q10. Will Regis monitor current level of noise at a representative range of residences near the southern mine- site boundary in order to determine the current level of noise pollution they experience, especially that associated with traffic on the mid-western highway? Will they release such data to the community?**

A. Yes, all noise data will be in the EIS and then updated on the website after that.

Follow up question (by Evan Leitch)

**Q. Have any noise monitors been placed above the valley floor? I believe my property is one of the highest around.**

A. Regis had one on Greg Hooper's property, which is understood to be at a similar elevation.

**Q11. Will Regis put in place alcohol/drug restrictions and random testing of all persons entering the mine site as is done at Cadia Operations?**

A. Yes. This is already part of the Safety Management System at Regis Resources. It is slightly different to Cadia.

**Q12. What is Regis's policy regarding greenhouse gas abatement, carbon- neutral operations, and the triple bottom line with respect to the McPhillamys Gold Project and planned operations at the McPhillamys site?**

A. Regis will be taking power from the grid, and as such can negotiate with different suppliers. Price and certainty of supply along with other factors such as green energy component would be considered in any final decision.

**Q13. Does Regis accept responsibility for any negative change in property valuations arising from the development of a mine at McPhillamys?**

A. We don't believe we have seen any negative impact on values as yet. Once the project has a decision made regarding its approval, it may have the opposite impact, that is, mine workers with good income may push prices up. It is too early to tell what might happen to individual properties.

Follow up statement (by Evan Leitch) - **I disagree, if we chose to sell, we would not get what we would have got 2-3 years ago.**

Daniel Sutton commented that he knows several valuers in the area who believe that a mine will reduce nearby property values.

A. Once a particular project has an approval, I have seen the opposite effect. We are however, in a period of uncertainty at the moment.

**Q14. In view of the number of community members living in proximity to the putative mine site who are suffering from health challenges that include impaired lung function, cardiac abnormalities, diabetes, cancer, multiple sclerosis and cognitive impairment, what steps will Regis adopt to ensure that the mine development does not exacerbate their conditions?**

A. We are looking to have as little impact as possible on the community. We will have to operate within the limits set by the government, which are amenity limits and which are generally lower than the health limits.

**Questions submitted by Daniel Sutton on behalf of the Belubula Headwaters Protection Group**

**Q1. What will happen to the water that is produced in the pit? Will it be pumped for use by the mine or pumped into surrounding river systems?**

A. The pit water would be used on site. It would not be discharged into the waterways/ivers.

**Q2. What is being used to determine the base line water flow of the springs and water flow downstream of the Belubula River, and how is it being used to determine the impact of the mine operations?**

A. Two spring surveys have been completed. There was one less spring flowing after the prolonged dry spell than several years earlier, which agrees with the hydrogeological explanation of the springs. The spring locations were shown during the community open days. One of those days had the expert hydrogeologist there to explain how the springs work. Regis' understanding is that they are rain fed springs, and when there is no rain for an extended period, then eventually they stop. The hydrogeologist will be at some of the future community open days to explain how springs work along with other water matters to attendees. In addition to this, monitoring bore data and surface water modelling is essentially complete and is currently being peer reviewed. This data and modelling enables the impacts of the mine operations to be determined.

**Q3. Can you confirm that the tailings dam has been designed to leach?**

A. The TSF does not leach, however, on the basis that the question was meant to have the word 'seep' not 'leach', then yes. The TSF needs to have the contained water drain from it by some means to ensure that the solids consolidate and do not remain liquefied. The seepage rates however are not typically what we would normally associate seepage to be as the rates are very low. Although the design is still to be finalised, the seepage flowrates expected are likely to be in the order of 30mm per year initially and this might increase to around 1m per year towards the end of the project, before they slow down again post closure. These are very slow and very controlled seepage rates. As part of the TSF report in the EIS, Regis is also aiming to provide a 'lay' description as well as a technical description of how the TSF works as the technical explanations can be difficult to understand at times.

Follow up question

Q. When the operations stops what will happen to the seepage?

A. The relatively small flow of seepage continues to be intercepted as it is during the operations stage, and then if needed, it is pumped and treated (normally with oxygen and possibly with lime) before being circulated back to the TSF. This continues until the seepage water quality is at background (or original) levels. The time for this post closure water treatment can vary, but would normally be for around one to three years.

**Q4. In the preliminary EA, section 2.6.3 states that "the final tailings storage facility would have an approximate surface area of 260ha", and that "the primary embankment would have an approximate height of 60m. This would allow adequate storage capacity in the event that additional resources are identified or if the assumed tailings settled density is not reached". Is this referring to the material that Regis has stated will be carted in from Discovery Ridge and other potential satellite projects? On the same point, it seems contradictory that Regis claims their facilities will be designed and equipped to handle any future additional resources, without identifying what those additional resources will be. How is Regis certain that the proposals are sufficient for any and all potential future additional resources?**



- A. Regis would be spending a lot of money developing McPhillamys if approved. We have made no secret of the fact that we are actively exploring in the area and we have therefore made some allowance for exploration success. We have talked about our exploration efforts at Discovery Ridge but we have also said that our priority is the McPhillamys approval.

Follow up questions

**Q. What happens if the tailings dam is full?**

A. Anything outside of the McPhillamys approval would require a separate approval.

**Q. Will we be hit with another EIS for Discovery Ridge at the same time as for McPhillamys?**

A. Regis has always said that Discovery Ridge would not be a project without McPhillamys and that if our drilling proved up a minable resource then it might be the subject of a separate EIS approval. The current timing of both projects would mean that even if Discovery Ridge had an EIS completed on it, then it would not be exhibited at the same time as the McPhillamys EIS.

**Q. We are concerned about the traffic and arsenic in the ore?**

A. Regis are still in the early stages of work at Discovery Ridge, so those questions would be answered if and when additional work for an EIS is completed.

Follow up questions

**Q. Are you planning to bring the ore from Discovery Ridge at the start of operation at McPhillamys? I think you are understating the matter!**

A. It is proposed that the current McPhillamys EIS will request approval for 70Mt of TSF capacity. There is 60Mt of ore in McPhillamys. Anything beyond that 70Mt total would require further approvals. In terms of timing, if McPhillamys was approved, then it would take approximately twelve to fifteen months to construct the processing plant, including around nine months of mine pre-production. If during that time Regis completed the necessary work on Discovery Ridge and sought approval, and Discovery Ridge was viable, then Discovery Ridge could potentially be developed in a shorter timeframe. However, it would be unlikely that any 'non' McPhillamys ore would be treated in the first six months, more likely twelve months, as there is generally a need to commission the processing plant and optimise it for the main ore supply (McPhillamys).

**Q. What would be used to bring the ore from Discovery Ridge to McPhillamys?**

A. It would most likely be road transport, however that would require a separate approval.

**Q5. In the previous meeting, Tony stated that Discovery Ridge would be a separate EIS, there would be no processing and it wouldn't be a state significant project. If the processing is occurring at McPhillamys, why does it not form part of the McPhillamys EIS?**

A. Need to correct a misunderstanding. I would not have said Discovery Ridge is not a State Significant Project. I would have said it may or may not be a State Significant Project. That classification depends on a number of factors. Regis have also consistently said that if the Discovery Ridge resource does prove economic, they would likely transport it back to McPhillamys for processing. We have also said that Discovery Ridge would be the subject of a separate EIS approval.

**Questions submitted by Elizabeth Russ**

**Q1. Issues of water- Regis application to have unregulated water from the upper Belubula River to be licensed for Regis use.**

- A. Regis has not made application for unregulated water as this cannot be done. It was noted however, that Regis may need some surface water licences as a result of the impact on rainfall from some areas of the proposed infrastructure. These are potentially already available in the area. It was also acknowledged again from an earlier question in the evening that groundwater licences cannot be transferred or used as surface water licences.

**Q2. Tailings Dam - unsightliness of the dam. Is it going to look like the Cadia Tailings Dam?**

- A. The TSF wall will be rehabilitated in the early stages of the project. It is unlikely that the surface of the TSF will be visible from the surrounding areas as it is in a valley. The visual assessment would cover this

aspect.

Follow up questions

**Q. How much dust will come from the tailings dam?**

A. It was explained that the tailings would be discharged around the perimeter of the facility so as to keep them wet during operations, hence avoiding dust issues. The exception to this can arise in the unlikely event that the TSF operations are stopped and the surface is allowed to dry out. This occurred more recently at Cadia as a result of the TSF wall issue. **Q. Dust has increased at the TSF at Cadia!**

A. An explanation of why the dust may have increased at the TSF at Cadia was provided as well as an explanation of typical dust generation in mining operations and the impacts of dumping locations and blasting, etc.

**Q. Do you blast when it is windy or when the weather is calm?**

A. There may be times under certain climatic conditions when you do not blast.

**Q3. The possible negative impact to tourism because of the location of the mine site.**

A. We don't believe that will be the case. In fact, our experience is quite the opposite based on another large mine in the central west that started operations. A lot of the local businesses grew, particularly those in the hospitality industry, which in fact helped to grow tourism in the area. In addition to this, there were flow on effects to health, education, etc, which also benefited the area and contributed to tourism.

Follow up questions

**Q. Blayney and the Blayney Shire have people visiting the area because of the country and green hills. Will the mine deter people? Will people see the mine?**

A. The waste dumps will be visible from the highway prior to them being rehabilitated. Most of the remainder of the site would be hidden by the amenity bunds.

**Q. Do you have security onsite at the moment?**

A. Yes, we have security in the form of locked gates and security cameras.

**Q. Then why at 3.00am were people driving around McPhillamys?**

A. We have recently been undertaking ecological surveys. In future we will widen the circle of neighbors that we contact prior to carrying out such activities.

Page

**ACTIONS**

	Action Items	Who	Due By
1	Book Blayney Community Centre for the 13 <sup>th</sup> May 2019 @3.30pm	Stacey McFawn	26 <sup>th</sup> Feb 2019

2	Draft minutes to be provided to the Chairperson.	Stacey McFawn	5th Mar 2019
3	Draft minutes distributed to members by email including the alternate representatives	David Johnson	15 <sup>th</sup> Mar 2019
4	Committee members provide comment on minutes to Chairperson	All committee members	25 <sup>th</sup> Mar 2019
5	Minutes finalized & posted on the McPhillamys Website	David Johnson Rod Smith	1st April 2019

### **MEETING CLOSED**

Meeting closed at 8.15pm.

### **NEXT MEETING**

**Monday 13<sup>th</sup> May 2019 at 3:30pm** at Blayney Community Centre, 91 Adelaide Street, Blayney NSW.  
Commencing with a tour of McPhillamys site followed by meeting @ **6pm**.