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

APPLICANT MEETING AGENDA

COMMISSION PANEL:	PROFESSOR CHRIS FELL (Chair) MS CLARE SYKES DR PETER WILLIAMS
OFFICE OF THE IPC:	JANE ANDERSON OLIVER COPE
APPLICANT	WAYNE TAYLOR TONY McPAUL ANDREW WANNAN NICOLE AMIT
LOCATION:	VIA VIDEO CONFERENCE
DATE:	4.00PM, TUESDAY, 6 DECEMBER 2022

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PROFESSOR CHRIS FELL: Before we begin, I'd like to acknowledge that I'm speaking to you Gadigal land and I acknowledge the traditional owners of all of the country on which we virtually meet today and pay my respects to their Elders past and present. Welcome to the meeting today to discuss 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 McPhillamys Gold Project, an open cut 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 New South Wales.

My name is Professor Chris Fell, I'm the Chair of this Commission panel. I'm joined by my fellow Commissioners, Dr Peter Williams and Ms Clare Sykes. We're also joined by Ms Jane Anderson and Mr Oliver Cope from the Independent Planning Commission. In the interests of openness and transparency, 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 in this matter and will form one of several sources of information upon which the Commission will base its determination.

It's important for the Commissioners to ask questions of attendees and to clarify issues whenever it's considered appropriate. If you're 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 want to request that members here today introduced 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. Thank you very much. Thanks for joining us here today. Now, I'm suggesting we might stick to the agenda but offer you the opportunity of just a couple of minutes to put any clear issues you feel you may not have included on the agenda, we really should take of but then we get on the agenda and ask these questions. Thank you. So over to you.

MR WAYNE TAYLOR: Thank you, Commissioner Fell. Look, I think we're quite comfortable to stick with the agenda items so we'll run through those but introduce the people that you have in front of you. I'm waving my hand now, I'm Wayne Taylor, I'm the Project Director. To my far left is Nicole Armit from EMM. Andrew Wannan part of our Regis approvals team and Tony McPaul, Project Manager of Special Projects.

We'll present various components of the agenda - listed agenda items. What I would like to start with our acknowledgement of country. At McPhillamys we recognise the

Wiradjuri people as the traditional custodians of the lands and waterways on which we work, live and meet today. We celebrate the unique cultural and spiritual relationship to country and acknowledge the significance of their culture in this region. Our presentation will follow the agenda and I'll just - if it's all right with the Commission share our presentation stream and I'll pass over to Andrew who will start us on outlining Regis's consideration of the department's assessment report and recommended conditions. Now, I'll just share our screen for the presentation slide deck.

PROF. FELL: Thank you.

MR TAYLOR: Just taking a minute to respond. Just bear with me.

PROF. FELL: Jane, you're the expert.

MS JANE ANDERSON: I can't see any requests to share so you should be able to take - - -

MR TAYLOR: Okay. Has that come through?

PROF. FELL: Yes, thank you.

MR TAYLOR: Okay. As I mentioned, I'll pass on to Andrew to start the process.

MR ANDREW WANNAN: Okay. Thanks, Wayne. The Commission asked for Regis's response to the department's assessment report and recommended conditions of consent. The New South Wales Department of Planning and Environment's assessment report is a thorough and robust assessment that Regis believes addresses the key issues associated with the Project. On the screen are a few examples of quotes from the assessment report. The departments sets out the strategic context for the Project including the increasing focus on minerals mining due to decreasing reliance on coal in the mining sector, the state, regional and local level plans and policies that support the development of mineral projects like McPhillamys.

The significance of the resource with McPhillamys being one of the state's most significant undeveloped gold resources and the direct and indirect benefits of the Project that will be provided including employment, capital expenditure in the region, royalties, a voluntary planning agreement with council and a community benefit sharing program. It is important to acknowledge, as the department does, that the location of a mining Project is determined by the location of the ore body which distinguishes resource projects from other state significant developments, where those projects can often be established in a variety of locations.

In its report the department recognises the concerted effort and hierarchical approach Regis has taken to prioritise first and foremost the avoidance of impacts on the community and their receiving environment and then to minimise and mitigate residual impacts. The evolution of the Project's design from the preliminary concept presented to the New South Wales Government in early 2018 to the eventual amended Project for which approval is now being sought has been based on this fundamental principle of avoidance of impacts and on responding to feedback from the community and regulatory agencies.

I'm now moving on to a few points on the project evolution. This slide illustrates changes made to the Project to avoid, minimise and mitigate impacts. Key refinements of the Project from that presented in the preliminary environmental assessment provided in 2018 to that presented in the EIS in 2019 include a reduction in the mining lease application area to avoid identified biophysical strategic agricultural land known as BSAL. The removal of the waste rock emplacement and support areas from the western portion of the Project area, refinement of the TSF design to minimise the amount of clearing of the critically-endangered box gum woodland ecological community in the north and relocation of soil stockpiles from the southern boundary of the Project area.

Further refinements were then incorporated into the first amendment for the Project including moving the mine site access on the Mid-Western Highway one kilometre to the east of the EIS location in response to feedback from Kings Plains, residents and Transport for New South Wales. A significant change to the mine and waste rock in-placement schedule was also made to reduce early activity in the southern end of the mine area to reduce predicted noise levels in Kings Plains and further refinements were made to the TSF and the site water management system to better facilitate a clean water diversion and overall site water management and importantly to avoid impacting Horwood which is a potential items of historic heritage significance. These amendments have all combined to result in a Project that strikes a balance between efficient resource recovery and residual impacts which are acceptable to the New South Wales Government and that can be offset or mitigated appropriately.

In regards to consent conditions, Regis acknowledges that they are stringent and proportionate in responding to key issues. While rigorous, we believe they are appropriate for the Project and aligned with commitments made in the EIS and amendment reports. We consider the conditions are representative of what is best practice in the mining industry in that they recognise the adaptive management framework required to manage residual impacts. Next slide.

In discussing the assessment report we want to note a few things relating to the support for, and objection to the Project. A number of objections received during public exhibition were form letters rather than unique community submissions. Just over half of the unique community submissions received came from the Blayney Local Government area where the mine will be located and of these 52 were in support.

We would also like to provide an update on these statistics based on some recent community sentiment surveys that Regis commissioned in the local region. These surveys show support has also grown more over time as people become more aware of the Project and its benefits. Independent community sentiment surveys were conducted in 2021 and again in October 2022 across the Blayney, Cabonne, Bathurst and Orange LGAs. Results indicate broad community support for the Project. Overall, when informed about the Project 70 per cent of participants in Blayney and 74 per cent across the Central West stated they felt positive towards the Project and only 15 opposed. 15 per cent, sorry.

We'll now move through to slide 5, the social and amenity impacts. The minimisation of impacts on amenity to levels considered acceptable to the department has been a key focus for development of the Project's design. As acknowledged by the department in its assessment report, full avoidance of amenity impacts on new neighbours such as dust, noise and changes to the visual landscape is not possible given the location of the significant gold resource; however, as previously mentioned the Project design for which approval is sought represents the outcome of an extensive iterative process which has responded to community and government agency feedback and the outcomes of robust technical studies. Nicole will now talk a bit more specifically about noise and air quality.

MS NICOLE ARMIT: Thanks, Andrew. So the agenda item asked about noise, air and visual impact. So just firstly in noise. As Andrew mentioned, an extensive iterative process, design process using the results of the noise modelling that we did for the EIS and the amended project reports was undertaken to continually improve the project design to minimise noise levels that were being modelled. So this included

revision of the waste rock in-placement schedule to reduce early activity in the southern end of the mine area to reduce noise levels on neighbouring residents. A redesign of the pit amenity bund and the pit entry such that the haulage fleet would exit the pit from the ramps on both the northern side and the eastern side of opencut in the early stages of the mine and also selection of a mining fleet with the lowest practical sound power levels. Works on the top or face of the southern amenity bund will also be restricted to the daytime only which was also modelled.

So this iterative process was applied to both the construction phase and the operational phase of the Project. For construction the schedule of activities was designed to ensure that noise generated will be within the required noise criteria. So to ensure this, construction activities during the initial establishment of the mine site will be undertaken during the daytime only and that's in the first six months of the Project. During the operations the noise modelling that was done demonstrates that levels during the daytime will meet the EPA's criteria and nearby residents. The figure on the slide shows the noise modelling results for year 4 with the green line being the 33 decibel contour noting that the noise limits are 40 to 41 decibels during the day for all residents.

Now, during the evening and night time period noise is predicted to be below criteria for all residents except some receivers in Kings Plains during year 1 and year 4 where levels are predicted to be up to two decibels above the criteria. This level is - this exceedance - sorry, level of exceedance is considered negligible by the New South Wales Government's noise policy for industry and, therefore, are below the levels that trigger voluntary mitigation or acquisition rights upon request in accordance with the government's voluntary land acquisition and mitigation policy also known as the VLAMP as I'm sure everyone here is familiar with.

The department's report acknowledges this stating that construction and operational noise can be managed to meet noise levels that will be acceptable under New South Wales Government policy. Notwithstanding, proactive noise management during construction and operations has been committed to by Regis comprising a combination of weather forecasting, build time noise monitoring and operational measures such as shielding noisy equipment during adverse weather conditions to manage levels from the site to within the criteria that will be specified in the consent and the environment protection licence and these measures will also be outlined in a noise management plan that will be required under the conditions of consent.

PROF. FELL: Just stop for a moment.

MS ARMIT: Yep. Sorry, Commissioner Fell.

PROF. FELL: Where are your monitoring facilities likely to be placed to monitor the noise levels on that diagram you've just given us?

MR TAYLOR: So the monitoring program we are actually working towards at the moment and so you can expect that we'll be monitoring within Kings Plains and also areas to the east and west, north, we'll have a cordon around and also closer towards the operational areas. So we're working with our consultants at the moment in the detail of the nature of those monitoring sites as well as the type and location.

PROF. FELL: Thank you. I'm sorry for interrupting.

MS ARMIT: No, that's fine. Yeah, if anyone has questions please do. We can move onto air quality now. So that was noise. For air quality it's just relevant to point out and is also relevant for noise as well just the prevailing wind direction in the area. So the prevailing winds in the area are from east and west which you can see from these wind roses on the slide with a small north-westerly component. The easterly component is most prevalent between spring and autumn with winds from the west most dominant in the winter and this is quite significant in terms of potential for dust and noise to travel to Kings Plains which is directly south of the mine.

The predicted levels of dust and possible pollutants are predicted to be well below the EPA's criteria at the residents surrounding the mine site throughout the mine life and this is due to a combination of weather, the project design and it minimising dust emissions through, for example, smoothing out the production profile and maximising the capacity of trucks which keeps trucks movements to a minimum as well as the placement of pit exit ramps that I mentioned earlier. The corrective monitoring system that Regis has also committed to will include continuous real-time monitoring of fine dust which is the PM10 and PM2.5 and alarms set to allow early responses to rising levels if they rise towards those EPA limits as well. And now we'll talk about visual, so I'll hand over to Tony McPaul for this one.

MR TONY McPAUL: Thanks, Nicole. So Tony McPaul speaking for the first time. Question?

PROF. FELL: Can we just stop once more, I'm sorry, back at the air quality. What is the background air quality in this area like? It's a greenfield site, I'm assuming when it's extremely low in terms of being 2.5s, is that correct?

MS ARMIT: Yes, it is, Commissioner Fell, that's correct. It is quite low, yes. And we can also provide some more information on that in our written submission, if you like, just to clarify that but you're right, it is influenced by some agricultural activity in the area but reasonably low.

PROF. FELL: O.K. Thanks. Sorry for interrupting again.

MS ARMIT: No problem.

MR McPAUL: No, that's fine, thank you. So, yeah, Tony McPaul speaking for the first time and we'll move on to a visual slide and you'll see there some of the tree plantings that I'll talk about as we go through but as discussed earlier, amenity bund will be built to help reduce noise and visual impacts from the mining activities for local residents. The southern amenity bund which forms the southern end of the waste rock dump or the waste rock emplacement will rise about 79 metres above the existing ground level and, in fact, I think we stood and looked at that as part of the site visit from over on Walkom Road, to be quite honest.

The pit amenity bund which will shield trucks exiting from the opencut pit on the southern side will be about 26 metres above current existing ground levels and as mentioned previously, these bunds will be built during daylight hours only to minimise the impact on local residents there. Regis is committed to establishing and maintaining tree screens in and around the mine, there's some examples there of some of the plantings that we've done over the last few years and we've already undertaken a substantial amount of tree planting around the site to establish natural screens wherever we can and to date we've planted an estimated 10,000 native trees in and around our site boundary.

A key further mitigation measure for all the amenity impacts we've just discussed is the offer of negotiated agreements with the residents of Kings Plains and I'll move onto that now and that's actually the next slide and again in the pictures on that slide it shows one of the newer residents up the Bathurst end of Walkom Road and the trees that we planted a few years ago and what they've done over the last little while. So negotiated agreements notwithstanding the predicted noise levels don't trigger the

mitigation and acquisition components of the New South Wales Government's VLAMP policy and that the air quality predictions are below the EPA's criteria, Regis has entered into - offered and entered into formal agreements with residents in Kings Plains which provide for mitigation measures, noise and visual, and voluntary acquisition upon request on the basis these residents are our nearest neighbours or the nearest neighbours to the project area.

So in Kings Plains there are 18 residents that have been issued with written agreements. Of these 18, eight have signed the agreements, seven are well progressed in the agreements. Regis has voluntarily included the option, as I mentioned earlier, for landowners to request both visual amenity and/or noise amenity mitigation such as tree plantings and alterations to entertainment areas, air conditioners, that sort of thing but we've also commenced implementation of the mitigation measures, for example, the tree plantings that I've mentioned and the terms of these agreements are such that if the landholder anytime within 10 years of the Regis Board making the final investment decision requests acquisition we will purchase their property.

We believe these agreements go beyond the requirements of VLAMP and they provide the residents of Kings Plains with the opportunity to decide if they prefer to remain in Kings Plains while the mine is in operations or sell their property. If the owner decides to exercise that acquisition clause, any mitigation work that we have done as part of the early mitigation work, so for example, if we fit air-conditioners, double-glaze windows, change entertainment areas to the back of the house that work that's done is included in the valuation. So we get a new valuation done as if the mine wasn't there and then we pay the landowner at the - the valuation at the time as if the mine wasn't there. So I guess you could say we're paying for some of that work twice if people get the work done and then decide to exercise their option. So we think that, as I said, they go beyond what we're required to do.

If I can move on now to the next slide, slide 10, workforce. We recognise that the Project is likely to experience challenging labour market conditions. We continue to keep up to date with these conditions, and I must say they change, including the availability of labour and skills in the local area and the region. Our plan is, and always has been, to recruit wherever we can locally and we use the hierarchy of control for that. So locals first followed by the broader region, and when I say the broader region, and when I say the broader region, the Central West and then out to the wider New South Wales area.

As the slide shows the labour force is generally increasing particularly in Orange and Bathurst while unemployment rates have been falling over the last couple of years;

however, the data is starting to show a slight increase in unemployment levels as economic conditions start to slow. The social - or a social impact management plan be prepared for the Project. This plan will include workforce component which will provide analyse of unskilled and skilled labour requirements for the Project. It will also provide an analysis of the labour market conditions and the adaptive management approach to recruitment that will be adopted based on the availability of skills and people for jobs at the time.

The workforce management plan will also describe actions to be taken to avoid, minimise or offset potential impacts of the project workforce recruitment activities on existing local businesses and service providers. Key actions include using local businesses wherever possible to delivery construction activities and to embed local businesses in our site operations. The trigger action response plan will also be developed based on labour market monitoring to inform adaptive management.

We have been working and will continue to work and engage with other large employers in the area and, in particular, on their major capital expansion projects so wherever we can we will schedule our constructual activities so we don't hit the peak at the same time that they do. We will also continue to look into innovative ways to tap into people in the local region that are currently unemployed including working with Orange Aboriginal Local Land Council and other similar training providers. If there's no questions on that at this stage we'll move onto the next agenda item which is water and I'll pass back to Andrew for that.

MS CLARE SYKES: I just had a question on the workforce piece there. When you say local businesses in terms of - if we could go back to the slide - in terms of engaging local businesses and services I assume that includes the mining equipment, technology and services industries that are within the region. Would you define local as sort of the broader central west in that regard?

MR McPAUL: Sorry, I missed the last little bit of the question so just before the central west?

MS SYKES: So in terms of like services and equipment and technologies, so the sort of the METS sort of side of things that would be required for the development of the operation would you define local businesses in that context the broader central west?

MR McPAUL: Yeah, sure. So what - we are lucky in that regard in that we have another very large gold mine which I'm sure you're aware of that's not too far out of Orange. They've been there now for in excess of 20 years and it's amazing what businesses have grown that are able to provide specialist services to the mining industry and we know that - well, I know personally that if I go to the Orange Airport there are people flying out of Orange that are providing services across Australia specialising in certain things, rebuilding crushers, construction industry, believe it or not, there's people that have set up businesses in Orange that can deliver those specialist services elsewhere. So if we can tap into more of them in the Central West and they don't have to fly out and leave home then obviously that's a benefit to us but it also helps the local area. I hope that answered the question, by the way.

MS SYKES: Thank you.

PROF. FELL: So onto water.

MR WANNAN: Onto water. So we noticed that the Commission was interested in the project design particularly in relation to recent intense rainfall events. The slide shows the V-notch weir that was established in 2020 - early 2020 downstream of the mine site on the Belubula to monitor flows and to also calibrate inputs to the site water balance. The water balance is based on 132 years of regionally-available daily climate data and no uncontrolled spills are forecast from this site. The climate data used in the modelling includes periods of high rainfall such as was recorded in the 1950s.

It's noted that the 2020/2021 rainfall was the fifth highest within the 132 years of data. Silo data suggests the 2022 total to the end of November was in the order 1,021 millimetres which is close to 2021 levels and suggests that a two-year total around 2,159 millimetres which relates to the fourth highest on record. However, the recent intense rainfall events in New South Wales which occurred in mid-November did not result in particularly high intensity rainfall being recorded at the McPhillamys site. The intensity that the site received was equivalent to a one-in-five-year rain fall event on the mine site only.

The implied spill risk resulting from the use of the 132 years of data is less than a one-in-100-year event, that is, the site is designed to manage at a minimum a one-in-100-year event. On top of this, the TSF is designed and required to contain a one-in-10,000-year event. I hope that answers the question regarding the circumstances.

PROF. FELL: I'm sorry, can I ask - yes, thanks. It's very useful. The flood studies that the IPC has been involved with, amongst other things, suggests that part of the flood problem was the countryside was totally saturated and, in fact, it could be that the volume of water passing down the Belubula River could be greater than in these earlier situations because there's no holding capacity in the ground. Would you comment on that? I mean, we've got some very helpful data here which suggests the soil in November 2022 is not that all extraordinary but, in fact, this other factor of saturation of the environment is probably something a bit different. So what's your view on that?

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MR WANNAN: Yes, certainly. I mean, the water balance model we mentioned 132 years of data that it's been based on. It won't be long until we have 133 and we'll continue to calibrate that and adjust the water management system as accordingly. So through submissions we can provide further clarity around that but I think that the message that we're presenting here relates to the Project and the experiences and I take what you say in regards to three years of above average rainfall; however, it is within the recorded pattern that the water balance model has been modelled and also is being calibrated with the weir and other rainfall, the pluviometers that we have on site. So we'll continue to work through that.

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PROF. FELL: Yes, what we've been hearing is great fear that the TSF overtops and, in fact, sends sludge down the river and we need to be sure that there's extremely low risk of that happening.

MR WANNAN: And I think in terms of the condition that has been put forward plus the design and a one-in-10,000-year freeboard in the tailings dam can provide some comfort in that regard.

PROF. FELL: Okay. Thank you.

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MR McPAUL: All right. If we move on to the next slide. Sorry.

PROF. FELL: Carry on please.

MR McPAUL: Sorry. Yep. Thank you. So the next slide is in relation to the pipeline supply. So the water management - the onsite water management system has been designed to maximise the beneficial reuse of water on the site, so mine water and

sediment-laden water. It's been set up so that sourcing of external pipeline water will only commence when the stored onsite water volume in the raw water management facility drops below set site trigger levels. The system's been designed to control the flow of water to the mine site. The pipeline water will be pumped into the site's main wall water dam which has been designed to operate with two weeks supply in the bottom of the dam and have two weeks capacity in the top of the dam to allow flexibility in the way that we operate the dam. So in short, we don't run out of water if something happens to the pipeline, pump breaks down or we throw a V-belt off.

PROF. FELL: Just a question.

MR McPAUL: Sorry?

PROF. FELL: Sorry. I'm just interested what happens if we get a couple of months of heavy rain both where you are and back in Lithgow, you don't need the water, what happens at the start of the pipeline, how do they handle the situation there?

MR McPAUL: Yep. So if you look at how they run their system and you read what they've done over the last few years they actually have a water treatment plant that they can put the water through. It's, I believe, reasonably expensive to treat that water so when they're not treating the water through there they'll be sending it to us but they've got to be set up and they are set up that if they get a rainfall event they can still hold that water on site but we'll operate the pipe - the pump and the pipe system so we've got two weeks capacity in the top of our dam so if they had a really, really big rainfall event and they needed to get rid of water, you know, 15 megalitres a day for a couple of days we'll have capacity in our dam to hold that water.

PROF. FELL: Okay. That's very helpful, thank you.

MR McPAUL: Trust me, there's been a lot of work go into the design of the pipeline and how that water management system works and, yeah, yeah, a lot of work and a lot of my life has been spent on that over the last little while, in fact.

PROF. FELL: I was rather surprised you gave two dimensions to the diameter of the pipeline, I would've thought only the larger dimension would allow you to economically pump water that distance.

MR McPAUL: You cut out at a critical point then and I missed the centre of that question.

PROF. FELL: Sorry. You give two dimensions for the diameter of the water pipeline and just a quick at it would suggest only the larger of those dimensions would allow you to pump water economically 90 kilometres.

MR McPAUL: I'll have to take that one on notice, I'm sorry, because I don't know the answer to that one offhand but, yeah - - -

PROF. FELL: It's not that important.

MR McPAUL: You could well be right.

PROF. FELL: That was all.

MR McPAUL: Yeah. O.K. Thank you. And if we keep moving, I'll hand back to Wayne to go to slide 13.

MR TAYLOR: Thanks, Tony. There was a question around salts and salt build-up and processed water, whether or not we've completed a salt balance and whether or not the salt build-up is likely to impact on raw resource extraction processes or gold recovery. As the Project is a nil discharge site we acknowledge that there will be a level of salt accumulated on site over time; however, there is minimal likelihood of a significant soluble salt build-up in the processed water to a point that it's going to affect our processing and this is for a couple of reasons.

Firstly, Regis have committed to operating the pipeline with salt limits so that the water quality meets DPI agricultural stock, drinking water guidelines for salt content or another way of saying, low salt content. This and water captured on site provides a dilutionary water make-source. Secondly, the TSF will provide a storage capacity for accumulation of salt and finally water salinity is not a restrictor for gold recovery and an example is hypersaline water which is five to six times as saline as seawater is used successfully in gold extraction circuits similar to McPhillamys in Western Australia. So it's not unusual in the gold industry in Australia. Therefore, while the decision for the mine for be a nil discharge will result in accumulations - - -

PROF. FELL: Yes, if I could just break in. Sorry, carry on.

MR TAYLOR: No, no, please ask the question, Commissioner Fell.

PROF. FELL: I'd like to if I might. I was responsible for this question looking at it from a process viewpoint. Your last dot point largely covers the fear I had that operating say year 8 there was no - say the salt goes out and it's either in the TSF or it's in the five per cent of the water that goes back into the process. So it must build up quite substantially over time and my only residual concern is that the decant water or the water on the top of the TSF will become quite high in salt and, in fact, the beekeepers particularly, I believe, are concerned about the implications of the bees surface water from there and it also limits the rate of evaporation from that pond. Have these sort of considerations been taken into account?

MR TAYLOR: I think it's fair to say we'll take some of those comments on notice, Commissioner Fell. We would need to go back and have a look at the information and provide a more considered response to you.

PROF. FELL: Thank you. If you could tell, that Western Australian plant, if you could give me the figure in terms of salt and when you have enough information in your geochemistry or if you do a quick calculation on that.

MR TAYLOR: Sorry, Commissioner Fell, you cut out just halfway through the comment there.

PROF. FELL: You have enough information in your geochemistry to do a quick calculation as to what the situation might be eight years into operating the mine.

MR TAYLOR: We can certainly do that calculation, yes.

PROF. FELL: Thank you. So I'm happy with what you've told me.

MR TAYLOR: Thank you. So look, based on the fact that we've gone through and looked at this we don't believe at this point in time there was a need to do a salt balance so, therefore, we haven't but we can certainly go and investigate a little further as you've suggested. So at this point I'd like to pass back onto Andrew to talk about water entitlements.

MR WANNAN: Okay. Thanks, Wayne. As noted in the department's assessment report the department considers that there is now a clear pathway for Regis to acquire the relevant water entitlements in accordance with the Water Management Act. Although the Project will result in relatively minor reductions in flow downstream a significant volume of surface water run-off generated with the TSF area would need to be managed and in the clean water divergent dam system would divert a significant volume of clean water run-off into the Belubula River downstream of the mine's operational area.

To enable surface water take associated with the Project to be licenced under the water legislation the New South Wales Government has created a new type of specific purpose access licence for this Project known as a SPAL. This regulation change was made in April 2022 in which the government amended clause 10 of the Water Management General Regulation 2018 to include a new sub-category of SPAL for the Project. If development consent is granted for the Project an application for this new type of SPAL can be assessed and determined in accordance with the water legislation. Based on its review of material to support this future application, DPE Water has confirmed that there are no critical barriers to a successful application and encourages the use of this pathway.

DR PETER WILLIAMS: Andrew, it's Peter Williams here. Sorry, can I just ask a question at this point?

MR WANNAN: Yes, sir.

DR WILLIAMS: Yeah, sorry, Andrew. For the SPAL is the water coming from the other catchment of the Belubula River?

MR WANNAN: The take on the TSF is within what's called the Belubula River upstream of Carcoar Dam, above Carcoar Dam water source, it's an unregulated water source. There was insufficient entitlements within that water source so an alternative arrangement through the SPAL has been proposed which looks at offsetting the effects

downstream of Carcoar and that's what the figure that's on the screen at the moment intends to indicate.

DR WILLIAMS: So are the takes coming from above the - the Belubula River tributaries above the mine, is that where it's coming from, the - - -

MR WANNAN: For the purposes of the SPAL the take is related to the capture of the TSF for the tailings dam only. So the clean water diversions provide for water upstream to be diverted around the Project and back into the Belubula and the issue through the SPAL process identified the TSF as the take where SPAL needed to be considered for offsetting.

DR WILLIAMS: Right. Right. So that - all that water's being diverted, none of it's ending up in the TSF?

MR WANNAN: We have diversions around all sides of the tailings facility except the small catchment to the west near where the area we went on the site inspection. You have to look out on Dungeon Road. The - yeah, so we have clean water diversions, there are five different temporary dams and pumps that relate to that and take the water down to the Belubula downstream. So the upstream catchment's associated with the forest and north of the site gets diverted so that we're only dealing with the tailings dam itself.

DR WILLIAMS: Okay. Okay.

MR WANNAN: And the near catchment.

DR WILLIAMS: Okay. Thanks, Andrew. Ta.

PROF. FELL: Thanks, Peter. Go ahead, please.

MR WANNAN: In regards to consideration of alternate tailings storage locations and methods if we turn to the disposal alternatives firstly. This slide illustrates the extensive methods and locations investigated for the tailings disposal. In developing the design of the TSF various disposal alternative methods were investigated through a

risk assessment process. This enabled the identification of the most appropriate tailings disposal method being thickened tailings disposal as demonstrated on this slide showing the risk analysis. This table was included in the tailings disposal options report in Appendix G of the submissions report on the Project.

Further to considering the tailings disposal method, this slide shows the extensive locations that were considered for the TSF. As shown, there are three areas that are ringed. Four broad areas were investigated in which around 30 designs were considered. The four locations looked at for the TSF were a valley-type TSF in the head waters of the Belubula River valley. Side valley Turkey's Nests, side valley TSF at the top of the catchment and a valley-type TSF on a tributary of the Belubula River to the south. The first option was identified as the preferred primarily due to the low basement permeability but also due to its visual shielding and engineering efficiency.

As was also acknowledged by expert peer reviews the location also minimises the need for clean water diversions around the TSF. Professor David Williams who carried out an independent expert review of the TSF design stated that the chosen site and slurry method of disposal was the optimal disposal method for the site of thickened tailings. If we move now to international guidelines.

PROF. FELL: Clare, do you want to ask any questions?

MS SYKES: Just one question on the methods chosen. Was a combination of methods considered?

MR WANNAN: If we go back to the table.

MS SYKES: For example, a filtered cape and a thickened tailings in combination.

MR WANNAN: We mostly looked at alternatives. Co-mingling was one that was looked at as well. So I'd have to go back to the report to look at it in more detail.

MS SYKES; Thank you.

MR WANNAN: Okay. In regards to international guidelines as the Commission requested this slide shows a schematic of the proposed wall design which will be built in four lifts over three stages comprising a starter embankment and three downstream lifts. This methodology was chosen due to it being the most robust approach to wall construction. The TSF design was based on Dam Safety New South Wales and the Australian National Committee on Large Dams Guidelines or ANCOLD which also referenced the International Committee on Large Dams or ICOLD guidelines.

However, further to these guidelines that were aware in 2020 the International Council of Mining and Metals in partnership with the United Nations Environment Program and the Principles for Responsible Investment co-convened the Global Tailings Review to establish an international standard for the safer management of tailings storage facilities. The standard which was released in 2020 provides a number of topics framed around the principle for tailings dams to achieve the ultimate goal of zero harm to people and the environment with zero tolerance for human fatality.

While the TSF concept was designed prior to the release of these standards, the McPhillamys TSF is consistent with a number of these having the highest consequence category in design and freeboard management. The final downstream slope one in four for the TSF meets the global industry standards on tailings management which will also remain as the final landfall. The TSF will be regulated by Dam Safety New South Wales and the design will need to comply with Australian Standards and will be independently reviewed by suitably-qualified and experienced independent engineers.

So now we can move to the characterisation of the tailings and I'll hand over to Wayne.

MR TAYLOR: Thank you, Andrew. Test work was carried out for two chemical characterisation of the tailings by SIK and indicates that the toxified tailings are anticipated to be elevated in sulphate, selenium and fluorine compared to ANZSIC livestock drinking water guidelines but the tailing are expected to be classified as potentially acid-forming mainly due to the presence of the sulphides in the ore and, therefore, localised generation of acid could occur within the TSF where unsaturated conditions occur in beached areas.

I will note, however, that the process water delivered to the TSF will be alkaline which will neutralise potential acid generation. This slide shows the analysis data points for characterising the PAF material with red being an indication of PAF and it's generally

consistent with the location of the ore body which will be treated through the plant and end up in the TSF.

With regard to cyanide concentrations there is a cyanide destruction plant as a component of the processing plant. Concentration of Weak Acid Dissociable cyanide, known as WAD, in the tailings as it is pumped from the spriggers into the TSF it will e less than 30 milligrams per litre. This level is well below the internationally accepted WAD cyanide concentration level of 50 milligrams per litre. The cyanide is readily broken down in sunlight and through natural degradation. The concentration of WAD cyanide in decant pond is expected to be substantially less than the concentration in the tailings entering the TSF. We'll now move onto the next agenda item and discuss the potential impacts on that apiary industry and I'll pass over to Nicole.

MS ARMIT: Thanks, Wayne. If there's no questions I'll move onto this one. Okay. So in regards to impacts on the apiary industry and agriculture the Project design avoids high conditioned box gum woodland which we did speak about on the site tour and refinement to the design has produced the amount of clearing of box gum in the medium and low condition as well to the north and east of the TSF. So the Project will, therefore, not result in a significant loss in foraging habitat for bees hived in the Vittoria State Forest and surrounding areas.

Following receipt of submissions after the public exhibition of the EIS as specialist risk consultant and risks was engaged to undertake a further review of the Project's potential impact on bees and the local honey industry including consideration of the potential impacts on bees from dust blown from the mine site directly onto plants that bees visit as well as indirectly when bees drink water that may be affected by dust from the mine site. The review also considered the potential impact of bees being exposed to water within the TSF.

Now, that review concluded that the Project will not result in significant loss in habitat for the bees which I mentioned earlier because of the avoidance that had been built into the project design as well as metal in dust are watered from the mine are not expected to adversely impact the bee industry because of the low concentrations. Now, these findings are reflected in the fact that there are a number of beekeeping operations adjacent to operating mines in New South Wales. A review of publicly-available information from the BPASS map on the New South Wales DPI Agriculture website shows this. This includes an active site which is 300 metres from Cadia gold mine's operational water storage facility and within one kilometre of Cadia's tailings dam as well.

This figure on the slide also shows an example of the extent of apiary permits around existing mines in the Blue Mountains region and the existing bee permits are shown as the purple grids on the map. The recommended conditions of consent require the establishment of 22 hectares of box gum woodland which will be adjacent to the Vittoria State Forest as well as the development of an apiary monitoring and management program which will be developed in consultation with the apiary industry. To confirm and findings of En Risk that I just mentioned before this monitoring and management plan well-establishment performance measures relevant to potential impact pathways and monitoring to confirm these performance measures are being satisfied.

So in light of the known example of co-existence of mining with pre-operations combined with the findings of En Risk, the retention of box gum woodland within the mine project area and the conditions of consent requiring our management and monitoring program it's considered that co-existence can be successfully managed.

MR McPAUL: Yeah, and I think it's fair to also say we note there are a number of beekeepers in and around the area, there's not just one, there's another major bee - queen bee producer based in Blayney and there are a number of honey producers in and around the project area. We've been in regular communication with those operators for quite some time now and, in fact, we offered for those people to put their bees on our property and they've accepted that offer and they've got bees in and around our Regis-owned land at the moment and they're prepared to keep those bees there even once we go into operation. So there are differing views on what the impact might be and might not be on bees.

PROF. FELL: So will you be monitoring for metals particularly of concern in honey produced after production starts?

MR McPAUL: We'll certainly be monitoring for the impact on bees, I wouldn't say necessarily in the honey, that's something the bees producers should be checking for but we'll be complying with the conditions that - in the recommended consent and we'll certainly be working with the apiary industry to ensure we don't have a detrimental on them.

PROF. FELL: Thank you. I'm conscious of time and I'm suggesting we extend for 10 minutes by mutual agreement. That still means we'll have to move pretty fast. Are you happy about that?

MR TAYLOR: Noted and we thank you for the offer, Commissioner Fell.

MS ARMIT: Okay. We'll move quickly on. So the next agenda item asked about biodiversity and biodiversity offsets. So we'll just quickly give an overview of that. So we've got a map on the slide there that shows the indicative stewardship site in relation to the one project area. So Regis has identified a 384 hectare offset site to meet the terrestrial offset requirements for the Project. This is approximately 12 kilometres from the project area to the south-west along the Mid-Western Highway that you can see there. So this site will mean all of the box gum will then offset requirements for the project area and 70 per cent of the credits required for the koala. A draft biodiversity stewardship site assessment report has already been prepared for this offset site as well.

Now, the residual credit requirements that are needed for the Project will be met by either purchasing like-for-like credits on the market or paying into the biodiversity conservation fund and the analysis that we've recently carried out in November this year determined that of the 1,693 residential credits that the Project requires 1,104 of those are currently available on the market with 589 credits required to be sourced by a payment into the conservation fund. Now, in regards to aquatic offsets, an aquatic offset area has also been identified and will be established along the Belubula River within the project area in an area identified in the south-west corner of the project area which is also shown there on that slide.

The aquatic offset area and overall strategy has been developed in consultation with DPI Fisheries who we've spoken to on a number of occasions and who are supportive of the proposed package. The package means the New South Wales Government aquatic offset policy of a two to one offset ratio. The activities that will be undertaken as part of this aquatic offset include a number of things such as fencing to exclude livestock from the offset area, removing the existing dam on Trib A to benefit fish movement upstream of the area, repair of erosion and stock damage that has occurred through the area, planting of native vegetation along the riparian zone in steam, where feasible, and also within that larger area in the northern part of the offset, removal of non-native vegetation such as the invasive willows that are all along the water course and re-snagging of the water course and eventually removing the v-notched rear post line closure and Regis are engaging with community organisations to assist with these works on the ground as well. So that's a quick overview of offsets. If there are no questions we can go onto talking about the pipeline project. Tony, Andrew.

DR WILLIAMS: Sorry.

PROF. FELL: Peter, please. Sorry, biodiversity, did you have any questions?

MS ARMIT: I think you're on mute, Peter, I think.

DR WILLIAMS: Sorry about that. Yes, sorry. You've also got an offset site just to the north, haven't you, of the mine, is that the 22 hectares, I think it is, of box gum offset as well?

MR TAYLOR: That is correct and it is required to be put in place.

MS ARMIT: Yeah, that's the 22 hectares that's been identified in the draft conditions to be set aside as well, Peter, that's right.

DR WILLIAMS: Yes. So that's an opposite site also, is that correct? Will there be bees kept on that site?

MR TAYLOR: Will bees be kept on it? It's certainly possible. There's no reason why they couldn't be.

DR WILLIAMS: No, the only reason I asked is I thought that might've been a restriction within stewardship sites, that was all but this is - this strictly speaking isn't a stewardship site, is it, it's not offsite, it's just really ecological rehabilitation on your own site?

MR TAYLOR: Vegetation offset, I think, is the term.

DR WILLIAMS: Okay.

MS ARMIT: Yeah, it's more about setting aside or protecting that 22 hectares of box gum woodland, Peter.

DR WILLIAMS: Yes.

MS ARMIT: So, yeah.

DR WILLIAMS: Yes.

MS ARMIT: Yep, yep.

DR WILLIAMS: I thought there might've been provision for bees to put in that from my reading of the assessment report. That was all.

MS ARMIT: Yeah, given its location adjacent to the Vittoria State Forest.

DR WILLIAMS: Yes, that's right.

MS ARMIT: I think that is the intention. So that will be explored as part of their setting up that offset strategy, we can explore that further, yeah.

DR WILLIAMS: Okay.

MS ARMIT: Yep.

DR WILLIAMS: Thanks, Nicole.

PROF. FELL: So onto pipeline at this stage I think.

MR WANNAN: So I can be quick here. In terms of the status of the pipeline the water offtake deed has now been finalised between all parties and is progressing to the formal execution stage. In addition, the modification of Centennial Coal, Western Coal Services, Mod 4, that is required to enable the pipeline development has been approved and this modification includes the redesign of the site water management system and construction of a water transfer system to enable the transfer of water to McPhillamys Gold Project subject to approval.

PROF. FELL: Okay. Thank you. Heritage.

MR WANNAN: Heritage. In regards to impacts on Aboriginal cultural heritage including the loss of intangible heritage - - -

PROF. FELL: Well, yes.

MR WANNAN: - - - it should be noted that Heritage New South Wales has not raised any significant concerns in relation to the Aboriginal cultural heritage impacts of the Project and have noted that the proposed mitigation measures to reduce harm to Aboriginal objects are adequate and proportionate to the type of objects and the land use disturbance history and that the assessment adequately complied with the Aboriginal consultation requirements. The mine site has been extensively altered by clearing agricultural activities, earthworks associated with historical mining and other activities. The water courses within the mine site are highly modified and as identified in the department's assessment report the Belubula River has been affected by historical agriculturally-affected activities with occasional stands of vegetation remaining between degraded sections.

The Project's disturbance footprint includes a relatively low number of identified artefact scatters or isolated finds of low scientific, educational or aesthetic significance but higher cultural significance and an example of an artefact found will be shown on this slide or actually just small scatter. The identified Aboriginal objects will be salvaged and managed in accordance with the Heritage Management Plan to be prepared in consultation with registered Aboriginal parties.

In order to confirm that the Project will not impact any Aboriginal scar trees within the mine site Regis took the precaution of engaging Dr Kamminga, a preeminent archaeologist with more than 45 years experience to provide an authoritative opinion on whether previously-identified trees with scars are culturally-modified trees. Dr Kamminga did not consider that any of the examined trees are culturally-modified trees. While frontier wars conflict occurred throughout the historical Kings Plains area and the surrounding region the available historical evidence does not confirm that any frontier wars conflict sites were within the mine project area. Regis, however, recognises that the mine project area and the broader regional area within which the Project is located has cultural significance to members of the Aboriginal community as outlined in the Land Council's submission.

In order to effectively mitigate and manage impacts on Aboriginal cultural heritage Regis will actively consult with Aboriginal stakeholders throughout the life of the Project including the Orange Aboriginal Land Council. In particular, pending grant of development consent Regis will commission an appropriate social and cultural mapping study in consultation with the Land Council and relevant traditional owners for the Project. Moving on to historic heritage.

There are no listed historic heritage items in the mine development project area or the pipeline corridor and a historical heritage management plan will be developed to guide the archival recording and salvage activities that will be carried out for all other non-listed historical sites proposed to be directly impacted by the Project. These sites are mostly associated with former mining activity within the project area. Notably the mine has been designed to specifically avoid impacts on Hallwood which is shown in this slide, a site identified as having potential state significant heritage values.

A conservation management plan will accordingly be prepared to manage Hallwood during the project life. Historical heritage site of local significance listed on the Blayney Local Environmental Plan are in the vicinity of the project area. The closest ones being in Kings Plains, south of the Mid-Western Highway. The potential for these sites to be impacted has been considered in relation to the potential from noise and vibration, air quality and ground water drawdown. The respective assessments found that the Project will be within all relevant criteria and, as such, is not expected to impact these sites and I can move to Wayne for concluding our presentation.

MR TAYLOR: Thanks, Andrew. I want to thank the Commissioners for their attention as we cover these points of interests today and I hope that the responses in the presentation have largely addressed the questions that were tabled on the agenda. Just as a closing thought, Regis believes that the department's assessment recognises the focus on the project evolution and particularly where it is stated that, Regis has designed the Project in a way to achieve a practicable balance between maximising resource recovery and minimising associated impacts on the surrounding landholders and the environment through best practice, contemporary practices and mitigation measures. Prior to closing we'd like to say thank you again to the Commission and if there are any other further questions please let us know and we'll undertake to respond to those as soon as practical.

PROF. FELL: I think we still have a couple of minutes left. I'd just like to say thank you for your very detailed response to our questions which has been very helpful to us

but before we close I'll just ask my fellow Commissioners are there any issues that remain they would further clarification on. Peter.

DR WILLIAMS: Thanks, Chris. Sorry, Nicole, sorry, just a question and it goes right back to earlier on in your part of your presentation.

MS ARMIT: Yes.

DR WILLIAMS: With the monitoring program talking about noise and air quality and things like real-time monitoring of dust, one that was raised to us with our meetings earlier on today was concerns about the reporting of the monitoring, of your monitoring results, how frequently that might be undertaken and the availability of that information, for example, whether it might be publicly available. Could you comment on that at all please?

MS ARMIT: Yep. It's probably more a question for Regis but I can say that Regis will be required to do an annual review and in the environmental management review which would be published on their website, so there's an annual report. In terms of during operations it's probably a matter for Regis to see how often you'll publish that data.

MR WANNAN: So we aware of recommended conditions for posting information on our website. As we mentioned earlier, that the development of both the noise and air quality management plans are progressing and in terms of the frequency and the availability of that information is something that we'll put forward as that develops. We'll try to get that back to you as soon as possible. We're in conversations at the moment with suppliers and that also addresses how rapidly the information can be posted and it certainly is intended to be made publicly available.

DR WILLIAMS: Thank you. Thank you.

PROF. FELL: But it was also the general comment about community coordination that that's something that generally the company should play close attention to but you don't need to answer that comment but, Clare, is there anything final that you would wish to raise?

MS SYKES: Nothing further from me, thanks, Chris. I actually had the same question that Peter raised from - point from the earlier meeting today so thank you.

PROF. FELL: Thank you. Thank you very much. Well, look, sorry, so look, great thanks to Regis, you've presented a great deal of information, obviously a lot of work which has been very helpful to us and we look forward to your presentations on Thursday and the following Monday, that's the public hearings and thank you again and with that I'll close the meeting. Thank you.

MR TAYLOR: And we look forward to seeing you on Thursday and Friday as well. Bye.

MS SYKES: Thank you.

PROF. FELL: Indeed.

MEETING CONCLUDED **[5.10pm]**