CADIA VALLEY MINE APPROVAL OPENS THE WAY FOR $2 BILLION INVESTMENT

Friday, 8 January 2010

Premier Kristina Keneally today announced the NSW Government has granted planning approval for a $2 billion expansion of the Cadia Valley gold and copper mining complex near Orange.

The project - which will be the largest underground mining operation in Australia, and the second largest gold mine in the world - is expected to deliver more than $1 billion into the local and regional economies.

In addition, it will support more than 2,000 jobs in the Central West.

Premier Keneally and Minister for Planning Tony Kelly today visited Cadia Valley to make the announcement and meet workers.

Under the planning approval, Cadia Holdings will develop a new underground mine to the east of the existing Cadia Hill open cut mine.

The expansion of the mine will extend its life by at least 20 years. At its peak, a new Cadia East Mine will produce gold and copper with an estimated value of approximately $1 billion per annum at today's values.

“This project will be a major shot in the arm for the Central West, with secure jobs and investment flowing to the three council areas of Orange, Blayney and Cabonne,” Ms Keneally said.

The Cadia Valley workforce will swell to around 1,300 during construction and 880 ongoing operational jobs will be secured over the life of the mine.

Under the approval, Cadia will contribute $8 million over the life of the project to local councils for the upgrading and maintenance of roads, community services and facilities.

Minister for Planning Tony Kelly said planning approval has been given subject to strict conditions, which will manage the environmental impact of the mine expansion.

“Today’s planning approval will consolidate existing consents for the mining complex, which has been operating since 1998,” Mr Kelly said.

“That will mean the entire mining operation, including the parts currently in operation, will be required to be in line with modern, best-practice environmental standards.

“One of the major issues considered during the planning assessment process has been the potential impact on surface and groundwater supplies.

“In order to ensure the water impacts were considered and managed, independent hydrology experts Emeritus Professor Tom McMahon and Mr Larry Cook were engaged.
“They found Cadia could access enough water under existing licences to meet the project’s needs, including from more efficient water use and increased capacity in the mine’s existing dams.

“Importantly, if at any stage the mine is not able to show it has sufficient water for the expansion, it must curtail its operations.”

The approval also incorporates an extensive Biodiversity Offset Strategy, including:

- The conservation of 938 hectares of land to compensate for the clearing of 238 hectares of vegetation.
- Preservation of native vegetation and cleared agricultural land at Black Rock Range and at the junction of the Belubula River and Flyers Creek.
- Implementation of a management plan to protect Squirrel Gliders within the local area.

The assessment found the project is unlikely to significantly impact on endangered ecological communities such as the Box-Gum Woodland.

“This has been an extensive, rigorous planning assessment process that has considered a number of complex environmental issues,” Mr Kelly said.

“What the planning assessment process has done is ensure the Central West can benefit from this important investment, without compromising the region’s valuable environment and natural resources.”