18 March, 2010

GOLD MINE EXPANSION A BOOST FOR CENTRAL WEST

Approval has been granted for a $58 million expansion of the Cowal gold mine located between the towns of West Wyalong and Forbes in the State’s Central West.

Minister for Planning, Tony Kelly, said the project at the Barrick Limited-run mine will support almost 800 jobs throughout the region over the next decade, including up to 370 jobs at the mine itself.

Under the expansion:

- The operational life of the mine will be extended by two years to the end of 2019;
- An additional 23 million tonnes of ore can be extracted, taking the total over the life of the mine to 99 million tonnes; and
- The maximum rate of extraction has been increased from 6.9 to 7.5 million tonnes a year.

Mr Kelly said there will some important environmental benefits.

“Despite expanding its operations, the mine will actually reduce its daily water demand by one megalitre a day to nine, through the introduction of water efficiency measures,” the Minister said.

“Throughout the assessment of the project, Barrick has demonstrated it can access enough water to meet the mine’s ongoing water needs and has also identified potential alternative sources to reduce its reliance on its Lachlan River entitlements.”

A total of 18 conditions have been imposed on the project including:

- Barrick Ltd acquire three impacted properties should the owners request it and provide additional noise mitigation measures at a further six properties;
- Review and update the mine’s existing Noise Management Plan; and
- 170 hectares of woodland and former agricultural land be set aside and permanently protected to offset the disturbance of 30 hectares of remnant vegetation on the site;

Mr Kelly said the department is confident blasting, air quality, flora and fauna, mine rehabilitation, and transport issues are unlikely to have significant environmental impacts and can be suitably managed.

“This expansion will provide for continued business investment and jobs in the Central West following the Government’s recent approval of the $2 billion expansion of the Cadia East mine near Orange,” the Minister said.

“Operation of the Cowal gold mine delivers an ongoing boost to the regional economy of some $228 million in business turnover each year and plays an important part in the prosperity of towns like West Wyalong, Forbes and Condobolin.

“It also generates an estimated $54 million in annual household income throughout the region.”