

Submission
No 101

**INQUIRY INTO CURRENT AND POTENTIAL IMPACTS OF
GOLD, SILVER, LEAD AND ZINC MINING ON HUMAN
HEALTH, LAND, AIR AND WATER QUALITY IN NEW
SOUTH WALES**

Name: Name suppressed

Date Received: 4 September 2023

Partially
Confidential

Briefing: Inquiry into current and potential impacts of gold, silver, lead and zinc mining on human health, land, air and water quality in New South Wales

Recommendations

1. The NSW Department of Planning withdraw their recommendation of Bowdens Silver Project and this project be reassessed by an independent body.
2. Undertake an independent assessment of the feasibility of the project using current real-world data.
3. Undertake an independent assessment based on scenario analysis of the net costs (including impacts to health and the environment) to the community and the economic capacity of Silver Mines Limited to compensate local industries and residents for adverse impacts following a breach in regulations from the ongoing operations of the project.

Purpose

- The NSW Independent Planning Commission approved the Bowden Silver Project based on findings that the project will likely generate economic benefits that would outweigh the environmental and social costs of the project. This judgement was based on figures provided by the company that do not pass real world scrutiny.
- Based on real world numbers will provide a net economic **cost** to the State of NSW and should be refused.
- The project has the potential to irreparably damage the established local tourism and agriculture industries that bring an estimated AUD340m per annum in revenues.

Background

- As stated by the company's feasibility assessment a 16% sustained increase in operating costs would result in zero net economic benefit to NSW. Real world evidence from other Australian established primary silver producers shows that the increases in costs from the date of the feasibility study and now are in excess of 16%.
- The project costs associated with greenhouse gas emissions are grossly understated, the 'conservative' estimates provided as part of the The CIE Economic Review Bowdens Silver Mine Economic Analysis Peer Review fall well short of current figures for carbon permits.
- The assumption of zero probability that pollution or heavy metal contamination would occur is not based in reality given recent health and environmental concerns at the Cadia Hill mine. Any contamination to the local environment could cause significant harm to tourism and agriculture industries.

Key statistics:

- Based on current EU carbon permit values of 89.27 (30 August 2023) scope 2 emissions would be approx. AUD112m which alone would exceed the any potential benefit accrued to the state.

Risks and Financial Implications

- The project will not only provide zero net benefits to the State it will likely have a net cost to the State and the LGA.
- As the applicant does not have any other current income, any substantial breach of regulations will likely result in costs of remedy larger than the current market capitalisation of the company and thus responsibility for remedy will fall to the state.

Attachments

- Tab A - Submission to the Independent Planning Commission dated 19/2/2023