



Evolution
MINING

Cowal

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15 April 2019

ABN 75 007 857 598

Attention: Steve O'Donoghue
A/Director – Resource and Energy Assessments
NSW Department of Planning and Environment
320 Pitt Street
SYDNEY NSW 2000

Cowal Operations
P +61 2 6975 4700
F +61 2 6975 4740
PO Box 210
West Wyalong NSW 2671

Registered Office
P +61 2 9696 2900
F +61 2 9696 2901
Level 24
175 Liverpool Street
Sydney NSW 2022

Dear Steve,

www.evolutionmining.com.au

RE: FOURTEENTH ANNUAL REPORT OF THE INDEPENDENT MONITORING PANEL FOR THE COWAL GOLD PROJECT (SEPTEMBER 2018)

In response to your correspondence dated 7 March 2019, please find below Evolution Mining (Cowal) Pty Limited's (Evolution's) responses to the recommendations made by the Cowal Gold Operations (CGO) Independent Monitoring Panel (IMP) in their Fourteenth Annual Report for the Cowal Gold Project – September 2018 (2018 IMP Report).

Recommendation 1: *The Government provide a safety advisory notice regarding changes in SOP for tailings dams through an appropriate means.*

The IMP's recommendation for a safety advisory notice regarding changes in standard operating procedures for tailings dams is directed to the Government, and is therefore not considered further in this response.

Notwithstanding, Evolution is committed to the safe construction and operation of its approved tailing storage facilities, and operates in accordance with CGO Development Consent (DA 14/98) requirements, associated approvals documentation and environmental management plans. Evolution conducts monthly tailings storage facility meetings which discuss construction activities, planned maintenance, operational activities, geotechnical and survey observations and monitoring results etc. In addition, Evolution has internal construction and operating procedures relevant to the tailings storage facilities which are reviewed and updated as required.

Recommendation 2: *CGO consider trialling application of coarse woody debris within the Fellman's Hill woodland to enhance recruitment and regeneration of woody seedlings.*

Evolution will take into consideration the IMP's recommendation of trialling the application of coarse woody debris within Fellman's Hill to promote natural recruitment and regeneration, subject to further detailed analysis.

The Lake Cowal region has been experiencing extreme dry conditions which has resulted in the degradation of revegetation enhancement areas including the Fellman's Hill area. Higher rates of grazing pressure has also been observed from macropods, along with wind erosion and reduced patch areas. Notwithstanding, stock proof fencing has been installed around the perimeter of the Fellman's Hill Enhancement Area in accordance with the requirements of the currently approved CGO Biodiversity Offset Management Plan and grazing is excluded. Periodic monitoring is undertaken within the Fellman's Hill area, and is publicly reported through the Annual Reviews available on the Evolution website.

Recommendation 3: CGO consider trialling integration of biochar in soils to test options for cost-effective soil amelioration and enhanced revegetation.

Evolution will take into consideration the IMP's recommendation of integration of biochar in soils as part of amelioration program, subject to further detailed analysis.

Evolution is committed to successful rehabilitation, soil amelioration and enhancement activities throughout the Mining Lease 1535 area and on surrounding company-owned lands. Evolution currently has various topsoil and subsoil stockpiles at the CGO, which are tracked through a register and managed in accordance with Development Consent (DA 14/98) requirements and approved environmental management plans. Soil tests and studies have previously been conducted to guide amelioration and soil fertility, and these have been used as the basis to inform the current soil management program.

Recommendation 4: CGO consider trialling the remediation of hydrocarbon contaminated soil for use in Waste Rock Emplacement rehabilitation rather than burying it.

Evolution will take into consideration the IMP's recommendation of hydrocarbon contaminated soil for use on Waste Rock Emplacements (WRE), subject to further detailed analysis.

Evolution currently has a bioremediation facility operated under the currently approved Environmental Protection Licence 11912. The current approval requires that the remediated soils are to be taken to the WRE for disposal. However, Evolution recognises the benefits for the use of the remediated soils as topsoil, and further testing is currently being undertaken to research possibilities for use in the future if considered viable.

Recommendation 5: CGO consider initiation of high-level environmental planning in anticipation of expansion of mine operations.

Evolution is committed to the successful management of rehabilitation, planning for Life of Mine (LOM) and to ensuring Mining Operation Plan (MOP) commitments are achieved as planned.

Evolution encourages strategies for continuous improvement and has already adapted working towards high-level environmental planning through collaboration of dedicated environmental and mine planning teams. Further, as a result of a recent organisational re-structure at the CGO, a new 'integrated planning department' is being formed to develop and coordinate all business planning from three months to life of mine. This department will be accountable for the strategic direction of the CGO, and will coordinate all the planning functions to ensure that there are focused and dedicated resources as required.

As requested, a copy of the 2018 IMP report has been placed on Evolution's website, and implementation of the IMP's recommendations will be reported in the CGO's 2019 Annual Review.

Should you have any further questions, please do not hesitate to contact me on 0437 426 184 should you wish to discuss.

Yours faithfully,
Evolution Mining (Cowel) Pty Limited



DANIELLE WALLACE
Cowel Gold Operations
Superintendent – Environment and Social Responsibility