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COW.400.05.2548GP

29 January 2011

Mr David Kitto Director Major Project Assessment Department of Planning 23-33 Bridge Street SYDNEY NSW 2000

Dear David,

RE: Sixth Annual Report of the Independent Monitoring Panel for the Cowal Gold Project (October 2010) – Recommendations

As requested in your letter dated 15 October 2010, please find below a response to the recommendations made by the Independent Monitoring Panel (IMP) in their Sixth Annual Report for the Cowal Gold Project – October 2010 (2010 IMP Report).

2010 IMP Report Recommendation 1: CGM should continue to evaluate its inventory of topsoil, subsoil and waste materials and the future needs for rehabilitation, paying particular attention to the total requirement for benign, competent rock through to mine closure.

Barrick (Cowal) Limited (Barrick) will continue to maintain and evaluate its topsoil and subsoil inventory to monitor the availability of soil resources needed for future rehabilitation. Current estimates (as at 21 December 2010) indicate that approximately 1,728,167 m³ of topsoil and 2,083,400 m³ of subsoil are currently available. Plant growth in subsoil materials with gypsum application has been observed during rehabilitation trials to date on the tailings storage facilities and the southern waste emplacement.

Analysis of the currently stockpiled soil resources will be undertaken in early 2011 to characterise the soil properties and determine suitability and/or amelioration that may be required to enable use in future rehabilitation.

Based on the latest topsoil and subsoil inventory calculations, the Barrick Reclamation Cost Estimator model estimates and proposed stockpiled soil resource characterisation, Barrick will calculate the volume of benign, competent rock likely to be required for future rehabilitation and mine closure. Barrick will also calculate the volume of benign, competent waste rock anticipated to be available from future development of the open pit, which will be used to update the materials inventory and evaluate the balance of materials available for future rehabilitation through to mine closure.

2010 IMP Report Recommendation 2: CGM should continue to monitor existing rehabilitation trials with a focus on those treatments showing the most promise. Consideration should be given to the establishment of limited additional replicated trials of the most promising combinations of topsoil, subsoil and benign rock mulch and involving various direct-seeded native species combinations.

Barrick will continue to monitor the existing rehabilitation trials. Barrick will engage DnA Environmental to statistically design a limited number of additional replicate trial plots (with direct-seeded native shrubs, trees and grasses), which will be established on the outer batters of the northern waste emplacement, adjacent to the D1 contained water storage, in early 2011.

Mr David Kitto Department of Planning Page 2 of 2

Independent monitoring of the trial plots will be undertaken by DnA Environmental and an annual weeds survey of the trial plots will be undertaken by Carnegie Natives (Mal Carnegie).

2010 IMP Report Recommendation 3: CGM should conduct a trial to determine the success of root establishment and growth by appropriate tree and shrub species into a variety of potential rehabilitation site subsurface materials. Treatments should include 1) no fertiliser, 2) fertiliser, 3) no fertiliser + mycorrhizae.

Root establishment trials of tree species grown in various depths of cover materials over tailings were established in 2009 and preliminary results from these trials are expected by end January 2011. Similar trails will also be established for appropriate tree and shrub species into a variety of potential rehabilitation cover materials over waste rock. Treatments will include fertiliser and non-fertiliser (with and without added mycorrhizae).

Please do not hesitate to call should you have any queries.

Yours sincerely

BARRICK (COWAL) LIMITED

GARRY PEARSON Environmental Manager

Pearson, Garry (Cowal)

From:

Pearson, Garry (Cowal)

Sent:

Saturday, 29 January 2011 5:14 PM 'David.Kitto@planning.nsw.gov.au'

To: Cc:

'Kane Winwood'; Phillipa Duncan

Subject: Attachments: CGM 2010 IMP Report - Recommendations COW.400.05.2548GP Response to 2010 IMP Report Recommendations.pdf

COW.400.05.2548GP

Dear David,

As requested in your letter dated 15 October 2010, please find below a response to the recommendations made by the Independent Monitoring Panel (IMP) in their Sixth Annual Report for the Cowal Gold Project – October 2010 (2010 IMP Report).

Please do not hesitate to contact me should you have any queries.

Garry

Garry Pearson / Cowal Gold / Environmental Manager