

## Statement of Reasons

### TWIN BONANZA 1 GOLD MINE – ABM RESOURCES NL

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#### PROJECT

On 11 January 2013, ABM Resources NL (the Proponent) referred a Notice of Intent (NOI) to the Department of Mines and Energy for consideration under the *Mining Management Act*. The proposal involves the development of the Twin Bonanza 1 gold mine and associated processing facilities in the Tanami Region of the Northern Territory. The proposal is located approximately 527 km west of Tennant Creek and 14 km east of the Northern Territory and Western Australia border. The Twin Bonanza project will involve the development of a series of open pits targeting deposits of gold ore. The mining lease (Mineral Lease Application 29822) extends immediately north of the Buccaneer deposit and north-west of the Old Pirate deposit.

The Proponent has stated in its Notice of Intent (NOI) that the action involves the construction and operation of the following components:

- a series of open pits (including cutbacks) down to a maximum depth of ~100 metres using drill, blast, load and haul techniques;
- installation of associated water storage and tails dams;
- the installation and operation of gravity processing equipment for refining ore;
- installation of facilities, including: a power plant, staff accommodation, workshops and office areas;
- reverse osmosis plant for producing potable water;
- upgrading and lengthening of the existing Bonanza airstrip;
- upgrade of existing and construction of new access roads around the proposed mine site; and
- establishment of at least two bore fields for sourcing water for salt processing and potable water for onsite use.

The Proponent predicts that the project will have an initial open pit mine life of 3-4 years. This estimate is based on a short term extraction rate of between 200 000 and 300 000 tonnes per annum. Should any additional resources be identified, the life of the open pit mine may extend well beyond 3-4 years.

The Proponent has stated that additional mining activities, including underground mining will require further investigation and for this reason has not been included within the scope of this action.

#### RECOMMENDATION

The NT Environment Protection Authority considers that there is a risk of significant impacts to the environment from this proposal. A number of the risks have not been adequately characterised and require further studies with a more comprehensive assessment. Therefore,

the proposal requires assessment under the *Environmental Assessment Act* 1982 at the level of Environment Impact Statement (EIS).

## JUSTIFICATION

A review of the NOI identified the following potential significant impacts and risks to the environment from the proposed development:

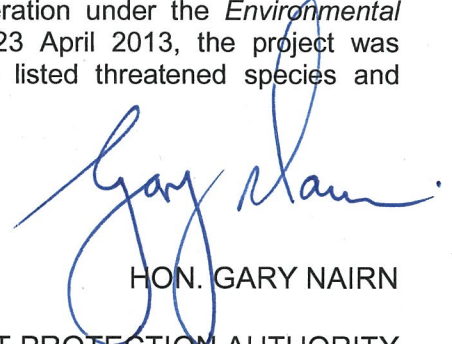
- the potential for construction and operation of the action to impact sites with indigenous and non-indigenous cultural or archaeological significance;
- the clearing and loss of potential habitat and individuals of a number of species listed as threatened under the *Environment Protection and Biodiversity Conservation Act* 1999 (EPBC Act) and the *Territory Parks and Wildlife Conservation Act* 2000;
- an increased risk of environmental damage or degradation to the site. In the absence of suitable mitigation or management measures, ongoing degradation could result in significant impacts to the environment, in particular flora and fauna and remnant vegetation;
- potential ongoing impacts to groundwater resources through the establishment and abstraction of water from at least two borefields;
- uncertainty around the scope of the project in relation to the scale, size and complexity of all components;
- the potential for ongoing land degradation and impacts associated with the management and disposal of wastewater and other contaminants; and
- based on the information provided and in the absence of further assessment or analysis, the introduction and operation of a new development with associated infrastructure is likely to alter the current social and economic aspects of the region significantly.

The NT EPA has written to the Department of Sustainability, Environment, Water, Population and Communities seeking that it agree to accredit the assessment process under the EA Act for the purposes of assessing the action. Assessment at the level of EIS under the EA Act is considered to be sufficient to meet the standards which are required by Schedule 4 of the Environment Protection and Biodiversity Conservation Regulations.

## CONSULTATION

On 31 January 2013, in accordance with the Environmental Assessment Administrative Procedures, the NOI was circulated to Northern Territory Government advisory agencies which have administrative responsibilities relating to this action.

On 13 March 2013, the Project was referred for consideration under the *Environmental Protection and Biodiversity Conservation Act* 1999. On 23 April 2013, the project was determined to be a controlled action due to impacts to listed threatened species and communities.



HON. GARY NAIRN

MEMBER, NT ENVIRONMENT PROTECTION AUTHORITY

15<sup>th</sup> MAY 2013