



Cadia Holdings Pty Limited
1460 Cadia Road
ORANGE NSW 2800
Attention: Mr Michael Dewar, General Manager
Via email: michael.dewar@newcrest.com.au

DOC23/541998

CC: Ms Sherry Duhe
Interim Chief Executive Officer
Newcrest Mining Limited
Sherry.Duhe@newcrest.com.au

Dear Mr Dewar,

Regulation of Cadia Valley Operations

I am writing to express the strong concerns of the NSW Environment Protection Authority (**EPA**) in regards to the operations of Cadia Holdings Pty Limited, trading as Cadia Valley Operations (**Cadia**), at the Cadia gold mine.

The EPA is aware of Cadia's Independent Air Quality Audit Report prepared by Zephyr Environmental dated 11 August 2022, which includes vent rise sampling completed by Ektimo Pty Ltd. The sampling measured the concentrations of total solid particles at Vent Rise 8 (**VR8**) and Vent Rise 3 (**VR3**) at 360 mg/m³ and 62 mg/m³ respectively. These measurements, especially at VR8, significantly exceed the concentration limits for total solid particles of 50mg/m³ in the *Protection of the Environment Operations (Clean Air) Regulation*.

The EPA understands that in April 2023, Cadia installed two dry scrubbers at Panel Cave 2 East in an attempt to reduce dust emissions from VR8. As you will be aware, following these works and in response to the EPA's prevention notice of 29 May 2023, on 9 June 2023 Cadia provided the *Ektimo Preliminary Report R015051p*, which measured total solid particles at VR8 at concentrations between 200 mg/m³ and 570 mg/m³.

These measurements from VR8 continue to significantly exceed the *Protection of the Environment Operations (Clean Air) Regulation* concentration limits for total solid particles. Given these measurements the EPA alleges that Cadia is operating unlawfully in contravention of the *Protection of the Environment Operations Act 1997 (POEO Act)*.

The EPA requires you to take all necessary action to immediately address these issues, including to ensure compliance with the *Protection of the Environment Operations (Clean Air) Regulation*, the POEO Act and your environment protection licence and to ensure that all environmental and health risks to the surrounding community are managed.

Please note that the EPA reserves the right to take further regulatory action in relation to these serious matters raised in this letter.

I would like to remind you that significant financial penalties can be imposed for a breach of the POEO Act and there are provisions that give rise to personal liability for directors and people concerned in the management of offending corporations.

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Environment protection licence variation

As you are aware, on 20 June 2023 the EPA issued you with a draft variation to your environment protection licence for comment. Thank you for providing your feedback today in relation to the draft variation. The EPA has taken your feedback into account and has now issued an updated environment protection licence reflecting the draft variation provided to you. A copy of the updated environment protection licence as varied and as now in force is **attached**.

Other matters

For completeness, please note that the EPA is also currently investigating other alleged contraventions of the POEO Act by Cadia. It is the EPA's expectation that Cadia fully complies with all investigative requests and requirements within stipulated timeframes.

If you have any further questions about this issue, please contact Ms Carmen Dwyer, Executive Director, Regulatory Operations Regional, on 6883 5366 or at carmen.dwyer@epa.nsw.gov.au.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Tony Chappel', written in a cursive style.

TONY CHAPPEL
Chief Executive Officer

21 June 2023

Enclosure