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NEW LICENCE TO EXPAND OLD TAILINGS DAM THREATENS TAMBO RIVER

Gippsland Environment Group has condemned the Victorian Government's decision to grant a mining infrastructure licence to WHSP Stockman Pty Ltd to reopen and expand the old Benambra mine tailings storage facility located on the headwaters of the Tambo River

“This licence threatens the future of the Tambo River and the communities who depend upon it,” said Louise Crisp spokesperson for Gippsland Environment Group. “The old tailings dam is constructed across a waterway and is an unstable foundation on which to build a significantly larger dam; the impact of the accumulated heavy metal pollution to the Tambo River from the existing dam has never been assessed; and the company now proposes to extract scarce freshwater from the Tambo River headwaters,” said Ms Crisp

“The Minister for Resources Tim Pallas has been very ill-advised by his department if he considers that the headwaters of the Tambo River is a safe place for a massive toxic tailings dam.”

Mining company Denehurst first operated the Benambra mine from 1992-96 but the company went into receivership and walked away from the site leaving behind a tailings dam leaking acid and heavy metals into Straight Creek, a tributary of the Tambo. In 2006 the State Government rehabilitated the tailings dam at a cost to taxpayers of \$6.9 million. The dam was exempted from further mining operations and renamed Lake St Barbara.

In December 2017 Resources Minister Tim Pallas lifted the exemption and last week the State Government approved WHSP Stockman Pty Ltd's application for a licence to re-open and massively expand the tailings dam.

“There are multiple threats to the Tambo River posed by this re-development”, said Ms Crisp

“The new expanded tailings dam will be built on top of the older unreliable structure which was constructed across Straight Creek. The Stockman project plans to raise the current 25 m high tailings dam wall in a series of lifts up to a 45metres above the valley floor, increasing the dam surface area from 7 ha to approx 32ha. The original dam wall was constructed from earth and rockfill with a concrete grout curtain at the base, and geomembrane plastic liner on the inner wall to prevent contaminated water and tailings from escaping to the environment as there was insufficient local clay available. The concrete grout curtain and the original plastic liner have a limited lifespan of less than 80 years whereas the highly acidic toxic tailings have to remain covered with at least two metres of water and contained from the environment forever. It is virtually impossible to replace the original plastic liner or the concrete grout curtain unless the dam is drained.

Rob Cooper, CEO of WHSP Stockman, admitted on ABC Radio on July 26 that the plastic liner may last 20, 30, 40 years but that it will fail at sometime in future. The Post-closure Trust Fund Deed (\$5.7million) signed by the company and State Government does not factor in the cost of the significant remediation measures that will be required during the lifetime of the dam. The company will not be liable for residual risk i.e. dam failure caused by the construction of the original dam structure.

There has been ongoing contamination of Straight Creek and the Tambo River since the tailings dam was constructed in the early 1990s. Any expansion of the tailings dam risks further contamination of the river.

The EPA authorised emergency discharges of 160 megalitres of dam water polluted with heavy metals between 1999- 2005. The discharges caused contamination of the groundwater. In 2005 another 140 megalitres were released to lower the dam water level before works could begin on rehabilitation of the dam and constructing a spillway.

Since the dam was rehabilitated in 2006, according to the Stockman Project Environmental Effects Statement (EES), the tailings dam has been leaking polluted water with elevated levels of copper, zinc and cadmium at a rate of approx. 86,000 litres a day.

There has been no environmental assessment of the effect of the net flux or accumulated load of heavy metals on the Tambo River aquatic environment.

The small sulphide issuing spring on the Tambo River near the original Wilga mine entrance is known to deliver heavy metals to the Tambo however it is miniscule in comparison to the 700,000 tonnes of toxic tailings currently sitting in the tailings dam and the large volume of polluted water that has been released from the dam over the past twenty years.

Before works begin on the first raise of the dam wall up to three metres of contaminated water will have to be released (dam surface area of approx. 7 ha) to lower the water level to remove the top of the dam wall.

WHSP Stockman now plans to source some of its freshwater from the Tambo River.

The Stockman Project Environmental Effects Statement approved by the Minister in 2014 had stated that the company would require up to 2.5 gigalitres of water for processing the ore. Some of the water would be recycled from dewatering groundwater in the mine (if it was suitable), some from rainfall, and up to 230 megalitres would be sourced from a bore field under the Benambra Plain.

WHSP Stockman has decided not to source freshwater from the Benambra bore field but will instead construct a 300 megalitre freshwater dam within the footprint of the expanded tailings dam and source some of the water from the Tambo River. This will have a dramatic detrimental impact on flows downstream in the Tambo River. In February this year the north branch of the Tambo, which is closest to the proposed mine processing site, was dry. Swifts Creek town water supply has a licence to take up to 224 ML/yr. Bruthen town water supply had a 313 ML/yr licence but now takes its water from the Mitchell. The Gippsland Region Sustainable Water Strategy (2011) indicated there was 1.5GL of water unallocated available water from the Tambo River but the Stockman mine is at the very head of the Tambo catchment where the potential off-take is almost negligible, any diversion would have a large impact on Tambo flows, and licences are not transferable upstream. WHSP Stockman has not provided any information on how much water they are planning to acquire from the Tambo.

A 2015 international study on tailings dam failures since 1940 found that almost 50% of all serious and very serious dam failures had occurred since 1990. The report identified that one of the key causes of dam failures was the construction of larger dams on top of small older more unreliable structures.

The Stockman project is bad news all round for the future of the Tambo River.”

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