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BHP plots new tailings storage at Olympic Dam

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BHP will start building a new tailings dam at South Australia's Olympic Dam mine within months under a plan submitted to the federal government on Monday.

The dam would be the sixth at Olympic Dam, and the request comes [two weeks after BHP said existing dams at the mine would have an "extreme" impact on the environment, infrastructure and human life if they were to fail.](#)

The application to the federal environment department comes as BHP prepares to call time on its seven-year heap leaching trial at Olympic Dam, having declared it to be a technical success, but one that is not likely to be deployed on the mine any time soon.

BHP sought permission on Monday to start building the new tailings dam in November. The company indicated it could be complete and receiving waste from the mine by June 2021.

The giant dam would have an evaporative area of 285 hectares, and would be adjacent to Olympic Dam's fifth tailings dam.

BHP said the new dam would support Olympic Dam's existing operations, which in a good year enable the miner to produce about 200,000 tonnes of copper, plus silver, gold and uranium byproducts.

BHP said the dam could also help it to expand production to as much as 350,000 tonnes of copper a year, but further government approvals would be required for such an expansion, and for the sixth dam to receive waste from such an expansion.

While BHP is seeking permission to expand to 350,000 tonnes of copper per year, it is unlikely to produce such volumes soon.

A brownfield expansion of the mine was expected to raise its capacity to 330,000 tonnes of copper per year, but BHP said last month an expansion to between 240,000 and 300,000 tonnes per year was more likely because geological conditions had proved less consistent than expected.

Such an expansion is expected to cost up to \$US2.5 billion (\$3.6 billion), if approved by the BHP board.

Environmental assessment

An expansion of Olympic Dam is expected to be high on the agenda at a copper conference in Adelaide on Tuesday, where South Australia's Energy and Mining Minister Dan van Holst Pellekaan is expected to give an update on the level of environmental assessment BHP will face over its Olympic Dam expansion plans.

The presence of uranium at Olympic Dam has ensured the mine's tailings dams have always attracted greater scrutiny than dams at other mines.

Australian Conservation Foundation spokesman Dave Sweeney said BHP had a responsibility to adopt world's best practice at Olympic Dam.

“Uranium is a unique mineral and risk and is always contested and contaminating. The global uranium price is flatlining [after the 2011 Fukushima nuclear meltdown] and BHP should actively model a project configuration where uranium is not part of Olympic Dam’s mineral products,” he said.

While failure of a tailings dam at Olympic Dam was not expected to affect the nearby town of Roxby Downs, BHP said in a recent assessment of its global dam portfolio that such a failure could have an extreme impact on the mine's workforce.

The "extreme" ranking was described as having potential to kill more than 100 people, cause extreme loss of infrastructure and leave the environment and cultural sites in a state where restoration was impossible. BHP stressed in the tailings dam review that it had no immediate concerns about the stability of any of its dams around the world.



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