1. APPLICATION FOR PLANNING PERMISSION FOR PROPOSED EXTRACTION OF FLUORSPAR ORE AND ASSOCIATED VEIN MINERAL BY OPEN PIT METHODS FROM AN EXTENSION TO THE WORKINGS AT TEARSALL, SOUTH DARLEY (NP/DDD/0208/0104, MIN10213, 30/01/08, 426201/360188)

APPLICANT - GLEBE MINES LTD

Purpose of the report

- At the Authority meeting held on 30 January 2009, the Authority resolved to approve the above application, subject to the Secretary of State (CLG) being informed that the Authority is minded to approve the application as a departure from the devalopment plan, and subject to the prior completion of a \$106 legal agreement (Minute 1/09, Appendix 2). The terms of the agreement covered planning gain, including an offer by the applicant not to work 105Ha of land, commonly referred to as Peak Pasture, on the eastern end of Longstone Edge for a temporary minimum period of four years. This land, together with areas known as Backdale, Wagers Flat and Beacon Rod, make up the 1962 planning permission on which there was a disputed legal interpretation as to the extent of working that could take place.
- On 9 February 2009 the Secretary of State (CLG) was sent a copy of the application and other information to consider the proposal. During consideration of the proposal by the Secretary of State (CLG), the Court of Appeal provided a judgment that overtuined an earlier High Court judgment. The Court of Appeal upheld the Authority's enforcement action alleging unauthorised winning and working of limestone beyond the scope of the 1952 permission at Backdale, and confirmed a narrow interpretation of the 1952 permission. The Secretary of State (CLG) was duly informed of the Court of Appeal judgment and advised that the landowner of Backdale was intending to appeal the Court of Appeal decision to the House of Lords.
- 3 On 31 March 2009, the Secretary of State (CLG) advised that she did not consider it necessary to intervene and the Authority could decide the application.
- In June 2009 the House of Lords refused to hear a further appeal against the interpretation
- As some of the details of the S108 legal agreement have not yet been finalised a planning permission decision notice has not been issued. In view of the standing of the Court of Appeal's interpretation of the extent of the 1952 permission, and that a decision notice has not yet been issued, it is considered appropriate to refer the matter back to the Authority to ask whether it wishes to re-confirm its resolution of 30 January 2009.

Recommendation

That the Authority re-affirms its decision to approve the Tearsall application (ref NP/DDD/0208/0104) subject to the signing of a \$100 legal agreement and subject to conditions as set out in Minute 1/09 of the Authority.

Proposals

A copy of the Authority's report of 30 January 2009 containing details of the application and consideration of the proposal is attached as Appendix 1. In summary the proposal is for the extraction of 660,000 tennes of fluorapar ore from 10.37 hecteres of land over a 6 year period, with a further year to complete restoration. Extraction would take place progressively in phases working in an east to west direction, progressively

moving northwards (down slope) to a maximum depth of 45 metres. Limestone other than that contained in the fluorepar ore will be retained on site for use as backfill to restore progressively the existing quarry and the extended workings to an agricultural grazing after-use. There would be between 110,000 and 120,000 tonnes of fluorepar ore extracted per annum, involving a maximum 50 vehicle movements (25 in and 25 out) daily Monday to Friday. All the mineral removed would be taken to Cavendish Mill, Stoney Middleton for processing. Proposed hours of working are 7:00am to 5:30pm, Monday to Friday, and 7:00am to 1:00pm Saturday for maintenance work only. A bridieway and footpath are proposed to be permanently diverted along the western perimeter of the application area. At the end of restoration a further footpath would be created ecross the site. The application was accompanied by an Environmental Statement.

The applicant offered the following planning obligations in support of the planning application:

- Not to work its mineral rights in an area of 105Ha on the eastern end of Longstone Edge for a minimum four year period and whilst the company is extracting fluorspar from Tearsall under this current planning application.
- An additional 5 years of aftercare at Tearsall beyond the 5 year period already provided by the formal aftercare provisions
- The principle of investing in underground workings and to achieve a requirement of a minimum of 15% of crude ore production from underground sources by the end of 2011.
- A bond to secure restoration at Tearsall.
- To pay for an annual inspection of the highway, plus repairs to the highway margins as necessary due to damage caused by forries associated with the development.
- The report concluded that the proposed development at Tearsall would constitute a major development and would not generally be acceptable in policy terms. Alternative sources of fluorspar were considered to be available, and it had not been demonstrated that the development was required to meet a national need which overrides the need to protect the Park and there were significant landscape and visual impacts and adverse amenity impacts arising from the proposed workings, including traffic. However, the planning gain offered was sufficiently material to tip the balance in favour of recommending approval of the proposal.
- In January Members of the Authority having taken account of the report and the representations made, and following considerable debate resolved to approve the application, subject to referral to the Secretary of State (CLG) and the signing of a legal agreement.

Re- Consultations

On 13 August 2009 a letter was sent to all those parties previously consulted on the planning application, advising that as the S106 had not yet been signed and the standing of the Court of Appeal judgment meant that it was appropriate to refer the matter back to the Authority to ask whether it wishes to re-confirm its decision of 30 January 2009, with the focus being specifically on the planning gain issue. The same information was also included in Site notices installed at Tearsall and in an advertisement in the local press.

Authority's Ecologist - No further comments - all the ecological issues identified at the site have been covered by the planning conditions that have been drawn up in response to this application.

DCC County Planning - Comments previously submitted remain valid.

South Darley Parish Council makes the point that it has objected to applications at Tearsall many times, and were disappointed to see the current matter recommended for approval when some matter were not resolved. The Parish Council point out that the Authority's s landscape officer still has numerous concerns about visual impact and that mitigation will not overcome this, and he considers that the proposed screen mound will have little effect on distant views. Furthermore he doubts the restoration plans will be fully adhered to having regard to Glebe's previous history. The PC also considers that the accustic and visual impacts stated are not accurate as there are dwellings at the same level as the proposed quarry on the opposite hillside, some 600m away. The letter also queries the matter of potential damage from blasting, and considers that this has not been adequately investigated. Concerns arise due to the age, and associated structural integrity, of some properties, which mean the risk of vibration damage has not been assessed by the applicants. The PC also refers to the destruction and damage to ancient tunnels and historic mining remains. The letter received also makes the point that the earlier consideration focussed on the fact that the offer to delay working at Peak Pasture, would enable resolution of the contentious 1952 permission at Longstone Edge, and that as this matter has now been determined, the 4 year delay offered is now insufficient to warrant supporting the application as a significant departure from planning policy. Furthermore the PC considers that the investigation of underground mining should be established planning policy. In conclusion the PC states that the planning gain offered by Glebe does not constitute exceptional circumstances sufficient to warrant granting consent as the trade off is at a distant unrelated site, without benefit to local communities which will experience only the negative effects of this major development, and the application should therefore be refused.

Representations following re-consultation and advertising

A letter has been received from a resident of Wensley commenting on the planning 11 gain issues. The local resident's comments are summarised as follows. The aftercare. band and highway inspection are issues directly related to the site at Tearsall and although important are not exceptional. The gain relating to 15% production from underground sources is a matter the company should be doing anyway. If planning authorities continue to grant easier opencast options there is no incentive to go underground. This is not exceptional and the applicant should be forced to go underground by refusing the application. The only gain considered exceptional related to the four year delay in quarrying at Longstone Edge to allow for the legal process to be resolved. The legal process has now been resolved; having achieved a definition. thus there is no benefit in maintaining a 4 year delay. The 1952 permission allows the extraction of fluorspar either now or in the future is of little consequence as the effect on the Park will be the same. There is more to lose in having two holes in the Park rather than one that already has permission. The buy out of the 1952 permission should stand on its own merits and not linked to Tearsall or any other site.

A letter from another resident of Wensley has been received, stating that the previous objections raised in 2 earlier letters still apply, which refer to matters of loss of view and tranquility, likely noise pollution, loss of peaceful environment, deleterious to Conservation Area, traffic generation, footpath diversions, disruption to skyline, loss of stone walls, possible subsidence, and effect on property prices. The resident considers that any Member voting in favour of the proposal should be ashamed of themselves,

as objections raised by residents of Wensley and Bonsail have been given little weight. The letter states that only spurious arguments exist in favour of the plans, none of which are relevant to the impact of the proposals on residents. The resident considers that traffic in Wensley has greatly increased in recent years due to retail and other development in Metlock, resulting in diminution of quality of life already. Furthermore there are already problems caused by the National Park entering into agreements with mining companies, particularly having regard to the view that mining companies are motivated by financial gain. In conclusion the resident makes the point that the reconsideration of this application allows a second chance to consider the proposal and reclaim the moral high ground and restore the public's faith,

A further Wensley resident has written to make the point that the original recommendation of approval can be reconsidered, and Wensley hillside should be protected especially as the nation is spending more lessure time in the UK.

A letter has been received from Save Longstone Edge Group (SLEG). SLEG expresses surprise that Glebe state that they will quarry Peak Pasture if the Tearsali application is rejected, since Glebe have repeatedly stated in the past that they do not believe there are significant quantities of fluorspar under Peak Pasture. SLEG is totally opposed to quarrying taking place on Peak Pasture. SLEG believes that further significant fluorspar extraction in the National Park should only be undertaken by underground mining because of the appalling landscape and environmental damage that quarrying has caused. SLEG believe that he Authority should revoke the 1952 planning permission on Longstone Edge, as this key strategic asset at the heart of the Peak District should be restored to become a jewel in the Peak District crown. SLEG views the \$.106 agreement as neither necessary nor appropriate, and indeed experience has shown that it would be dangerous. For example, the previous \$106 agreement relating to Winster was overturned by the High Court, and SLEG does not see the current issues are sufficiently different to significantly reduce the risk of this happening again, the more so as Glebe have not demonstrated that there is significant fluorspar under Peak Pasture and indeed has always said that there is not.

A letter has been received from the British Mountaineering Council. BMC states that their previous objections still apply, particularly the view that the planning gain offered is not adequate. BMC is concerned that the S.106 might not be robust. The proposal is not a justified departure from planning policy, and the application could be justified only by effective closure of the Peak Pasture sits. This application should also be accompanied by landscaping improvements at Cavendish Mill and Blakedon Hollow. If approval is granted it should be on a phase by phase basis with no presumption of approval for subsequent phases if commitments are not met. Furthermore BMC notes that the applicants could have commenced extraction at Milldam rather than considering Tearsall with its devastating impact on a protected landscape, and therefore there are no operational reasons to justify the proposal, especially as the company has also imported large quantities of ore.

A letter has been submitted by a Glebe employee, who makes the point that the delay in concluding this application has created uncertainty and put local jobs under threat. The letter states that Glebe has critically low one reserves and the plant only runs half-time as a result.

A letter has been received from INEOS Fluor Ltd, who would process the fluorsparproduced, stating that they consider that the court ruling on Backdele does not significantly alter the proposals with regard to the planning gain offered for Peak Pasture. They are disappointed at this further delay and hope there will be a rapid conclusion after the committee date. Furthermore this application is important to the economic future of Glebe Mine and INEOS Fluor, particularly as at present ore Comment [AH1]: Grammat?

reserves are low. If Glebe Mines is unable to secure more supplies there would be a loss of 1,400 direct and indirect jobs at INEOS Fluor's base in Runcom. INEOS Fluor state that they consider that working this site offers a better environmental option to the National Park than working Peak Pasture, as the Tearsall site would be disturbed less, worked for a shorter period and have a lesser visual impact.

Background

- Of particular significance in recommending approval of the proposal as a departure from policy was the offer by Glebe Mines to give up its rights to work minerals at another environmentally sensitive site, known as Peak Pasture, on the eastern end of Longstone Edge, near Bakewell, for at least 4 years and whilst extraction takes place at Tearsall. The 30 January 2009 report to the Authority advised that the temporary curtailment of working at Peak Pasture would provide a sufficient period of time to allow progress and sufficient resolution of the outstanding difficult legal process arising from the 1952 planning permission on the eastern end of Longstone Edge, and a permanent solution to be pursued.
- The 1952 planning permission on the eastern end of Longstone Edge allows for the 13 winning and working of fluorspar and barytes and for the working of lead and any other minerals won in the course of working these minerals. The permission when granted covered 155 Ha of land. There have been long running and significant disputes over the interpretation of the permission and the extent to which limestone can be removed from the site under the 1952 permission. In 2008 enforcement action was pursued by the Authority since the development at Backdale appeared to the Authority to be the winning and working of limestons rather than the winning and working of fluorepar and barytes and the working of lead and any other minerals won in the course of working. Appeals were lodged against the enforcement notice by Bleaklow Industries Ltd, the land and mineral rights owner, and MMC Ltd, the operator. A public inquiry was held. The Planning Inspector upheld the Authority's enforcement notice, and his decision contained a narrow interpretation of the 1952 permission. Bleaklow and MMC lodged appeals against the Inspector's decision, and the High Court (Sullivan J) quashed the Inspector's decision. The judgment contained a wide interpretation of the 1952 permission.
- At the time of the 30 January 2009 Tearsall report an appeal had been lodged by the 14 Secretary of State (CLG) and the Authority, and permission had been granted to appeal the High Court judgment. There was concern that if the Sullivan judgment was upheld the remaining areas of the 1952 permission could be extensively worked. Various estimates were given as to the extant of fluorspar ors and limestone that may be present in the Longstone Edge east site, particularly in the Peak Pasture area. For example, at the public inquiry relating to Backdale enforcement notice appeal there was considered to be around 150,000 tonnes of fluorspar ore in the Peak Pasture area north of Backdele. In an application prepared by Glebe Mines for the Arthurton West site, a resource figure of 500,000 tonnes was identified for the areas of Peak Pasture, Wagers Flat, Backdale and Beacon Rod. Glabe Mines provided correspondence in November 2008, advising that the Peak Pasture area contained an inferred resource of 400,000 torines of fluorspar ore. No evidence was provided to substantiate this figure. With regard to limestone no information was provided on the amount of limestone that could be removed, although there was a potential resource of around 80 million tonnes of limestone. As such, there was a risk of significant and permanent impact on the landscape, as well as significant and cumulative impacts on the environment and amenities of the locality arising from the scale and extent of working that could occur under the wider interpretation. Potentially the ridgeline on the eastern end of Longstone Edge could be removed leaving an extensive void. The ridgeline is a prominent feature in the landscape viewed from numerous locations in the local

middle and distant viewpoints, including Curbar Edge to the east, Bretton Edge to the north and Bramley Wood to the south. There would be consequential impacts on the levels of noise and general disturbance from the operations on local residents and visitors, including the detrimental effects of long traffic.

- 15 The proposed planning gain of a temporary suspension of working would provide a sufficient period of time to enable the legal process, and any subsequent appeals, to resolve the interpretation of the 1952 Longstone Edge planning permission to be concluded, and facilitate determination of the stalled mineral review. (The process of reviewing the stalled 1952 planning permission under the Town and Country Planning (Environmental Impact Assessment) (Mineral Permissions and Amendments) (England) Regulations 2008 was deferred to allow the legal process to be concluded). Alternatively, it would provide time to pursue a permanent solution, for example a buyout package for the site and revocation procedures. At the time of determination of the Tearsall planning application it was expected that the Court of Appeal would provide a judgment in early April 2009, with the prospect of further legal challenges to that judgment continuing to the House of Lords. In this context, it was considered that the offer to suspend any potential working on Peak Pasture was substantive planning gain. Taking this, and all the other issues, into account Members of the Authority resolved to approve the application, subject to referrel of the application to the Secretary of State (CLG) and the completion of a \$106 agreement, subject to planning
- Whilst awaiting the decision of the Secretary of State (CLG), on 18 March 2009, the Court of Appeal provided a judgment overturning the High Court judgment, restoring the decision of the Planning inspector to uphold the Authority's enforcement action and providing a narrow interpretation of the 1952 planning permission covering the eastern end of Longstone Edge. The Secretary of State (CLG) was advised of the judgment and that Bleaklow, the land and mineral rights owner of the Backdale site intended to appeal the decision. On 29 March 2009, the Secretary of State advised that she did not wish to intervene concluding that the application should be decided by the Authority.
- Although the drafting of conditions of the permission to work Tearsall have been completed, the terms of the S106 legal agreement have not yet been finalised. During this period, the challenge by the landowner to the Court of Appeal judgment was rejected by the House of Lords, on 24 June 2009, on the basis that the petition lodged by Bleaklow did not raise an arguable point of law of general importance which ought to be considered by the House of Lords.

Comment

- In view of the standing of the Court of Appeal judgment and the significance placed on the planning gain of not working the eastern end of Longstone Edge for a minimum of four years, it is considered appropriate to refer the matter back to the Authority. The key issue is whether the Court of Appeal decision has had the effect of altering the value of the planning gain sufficient to warrant a re-consideration of the Tearsall proposal.
- The Court of Appeal decision has provided a narrower interpretation of the 1952 planning permission, allowing for the working (and sale) of fluorspar ore and limestone at a ratio not exceeding 2 parts limestone for every one part of fluorspar ore. As such the extent of mineral that can be worked and sold from the site is significantly less than if a wider interpretation had been placed on the 1952 permission that would have allowed for as much limestone as was considered necessary to gain access to the fluorspar ore. However, the permission still allows the operator to remove (but retain

on alte) as much overburden (limestone) as is necessary in the process of winning the fluorsper ore over the remaining area of the 1952 permission area. No plans have as yet been provided by the various owners/operators of the site through the mineral review process (2008 Regulations) that identifies the extent of future working. In addition, there remains uncertainty over the extent of fluorspar deposits in the area of the 1952 permission. To aid the Authority on this matter, the Authority approached mining consultants, GWP, seeking advice on the nature and extent of potential fluorspar resources within the Peak Pasture area.

- In a report dated 3 August 2009, the consultants, GWP, advised that there is some fluorspar available in the remainder of the 1952 planning permission area that could be worked by opencest methods. However, the amount of fluorspar is uncertain as indicated by the use of the term "inferred resources", which is a class of resource with a very low level of certainty. In Peak Pasture GWP suggests an inferred resource of 180,000 tonnes of fluorspar ore at 16% grade is indicated. This is a highly speculative figure and GWP states that there is only reliable evidence for some 14,000 tonnes of fluorspar ore (at a cut off grade of 16%)
- The advice of GWP is that it is probable that more fluorspar ore exists in the remainder of Longstone Edge, and a figure for an inferred resource of 300,000 to 400,000 tonnes of one at 16% grade is given (this is also speculative and relates to one found within 50m of the surface).
- 22 If supplies of fluorspar ore for Cavendish Mill become difficult to find, it seems likely that working on Longstone Edge would be undertaken. Based on the GWP estimates of ore workings would presumably take place over some 4 to 5 years. The tailings that have been tipped into Deep Rake could also prove amenable to re-working.
- Therefore, there remains a risk of serious and permanent impact on the landscape and cumulative impacts on the environment and amenities of the locality from the potential to undertake mineral extraction operations anywhere within the 1952 area on the eastern end of Longstone Edge. There is no control on the extent, scale and number of extraction operations that could take place at any one time in the 1952 permission area, albeit subject to the limited constraints imposed by the conditions attached to the 1952 permission and the restrictions arising from the Court of Appeal judgment.
- 24 The representations summarised above made a number of other points which can be summarised as follows, with officer responses:
 - the applicant should be forced to go underground the 1952 permission allows opencest working until 2042;
 - the legal process has been resolved a permanent resolution on the ground is not yet achieved, and there remains a slight risk of a further appeal to the European Court of Human Rights;
 - the Authority should move to revoke the 1952 permission this may well be part of a permanent solution but would take time to achieve, particularly if challenged;
 - A S106 agreement could be overturned again officers are satisfied that the process and proposal this time is very different from the Winster case.
- Since the resolution to approve in January 2009, the Structure Plan has been replaced by the East Midlands Regional Plan. The policies contained in the Regional Plan carry forward the policies that were contained in the Structure Plan. Officers do not consider

the policies in the Regional Plan are materially different as to warrant a reappraisal of the proposal. In addition, the limited period of time that has passed since the resolution to approve the Tearsall application does not warrant a re-assessment of the Environmental Impact Assessment.

Submission by the applicants

- Glebe Mines Ltd has responded to the report of 3 August 2009 which was undertaken by GWP commissioned by this Authority to seek to identify the extent and nature of the fluorspar resource. This response makes the following points.
- Glebe confirms that the fluorspar quantity identified is an "inferred resource" with a low degree of certainty. However Glebe considers the GWP report reflects a conservative estimate of the resource. Its view is that there is no practical reason why the depth of working used by GWP in its calculations (50m) should not be worked below that depth since the base of mineralisation is a further 70-80m below that depth, and there are no planning restrictions on the depth of working.
- Any Increase in resource increases the length of time to extract. Glebe considers working would be closer to 10-15 years, and there are no restrictions on working time for these resources. It considers that the 16% cut-off grade used by GWP is arbitrary and in all probability will be lower, with a corresponding increase in the resource tonnage.
- Glebe agrees that additional resources exist in other areas of the 1952 permission and that it should be feasible to extract and process tailings tipped into Deep Rake during restoration. It says that the report confirms the company's view that the planning gain not to use the mineral rights on Longstone Edge during the period of the operation at Tearsall is significant in that the mineral present in Peak Pasture and the wider area is a viable alternative. This view applied earlier in the year and still applies now even taking into account the latest legal ruling relating to Backdale and the restrictions imposed on limestone removal.
- Glebe states that in fact the visual impact of operations is likely to be far greater under the current legal ruling as disturbed limestone will have to be retained on-site in significant piles above ground for a longer period of time. Glebe would prefer not to operate on Peak Pasture and considers Tearsail a better all round alternative. However if there was no alternative source of supply, Glebe would have to use whatever permitted resources were available.

Conclusion

Whilst the Court of Appeal judgment has provided an interpretation of the 1952 permission, the permission still allows the working of fluorspar and ilmestone won in the course of working the fluorspar (subject to the terms specified by the Court of Appeal judgment) anywhere over the 1952 permission area. The scale and extent of the working and the number of separate excavations that could be established at any given point in time could give rise to serious and significant cumulative environmental and amenity impacts. By comparison the proposed working at Tearsall would be fully restored progressively and would only permit the working of fluorspar ore. The offer to suspend working for a minimum of four years to enable the stalled mineral review process to be concluded and/or to pursue a permanent solution such as a buyout/revocation order remains a significant and a substantive planning gain.

Corporate implications

- Any human rights have been considered and addressed in the preparation of this report.

 Risk Management: Legal Services have indicated that the proposed S106 and its obligations would be lawful.

 Other relevant implications: None

 Background papers (not previously published)

 Fluorspar Quantities Longstone Edge –GWP Consultants 3 August 2009

 Appendices
 - Appendix 1 Authority report 30 January 2009 Appendix 2 - Minute 1/09

Report Author, Job Title and Publication Date

Robert Bryan, Head of Planning, Thursday 11 September, 2009.



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03 August 2009
Mr John Lomas
Peak District National Park Authority
Aldern House
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DE45 1AE

Dear Mr Lomas

Fluorspar quantities, Longstone Edge

Following instructions from the National Park Authority's Minerals Team Manager we write with our observations on the quantities of Fluorspar ore that may exist beneath Peak Pasture and other areas of the Longstone Edge 1952 planning consent.

Definition of Inferred resources

Glebe Mines are using the term "inferred resources" to describe their estimates of fluorspar ore in the Peak Pasture area. This is a class of resource with a very low degree of certainty.

The "Code for Reporting of Mineral Exploration Results, Mineral Resources and Mineral Reserves", defines an inferred resource as being "a Mineral Resource for which tonnage, grade and mineral content can be estimated with a low level of confidence". The Code also notes that "Confidence in the estimate is usually not sufficient to allow the appropriate application of technical and economic parameters or to enable a reliable evaluation of economic viability. For this reason, there is no direct link from an Inferred Resource to any category of Mineral Reserves (see Figure 1). As shown in Figure No. 1 (taken from the code) Inferred resources have no equivalent in terms of reserves. The term reserves is specifically used when modifying factors are taken into account. As indicated by the two-headed arrow in Figure No. 1, previously reported Mineral Reserves can be converted back to Minerals Resources because of new information affecting the modifying factors, however according to the Code, these factors should be fully explained. At the discretion of the Competent Person, a Company may include all or part of its Inferred Mineral Resource for the purpose of internal planning. In such circumstances, the results are not considered to be sufficiently reliable to ensure beyond reasonable doubt that all of the Inferred Mineral Resource will eventually become a Mineral Reserve."

Prepared by the Institute of Materials, Minerals & Mining working group on resources and reserves in conjunction with the European Federation of Geologists, the Geological Society of London and the Institute of Geologists of Ireland.

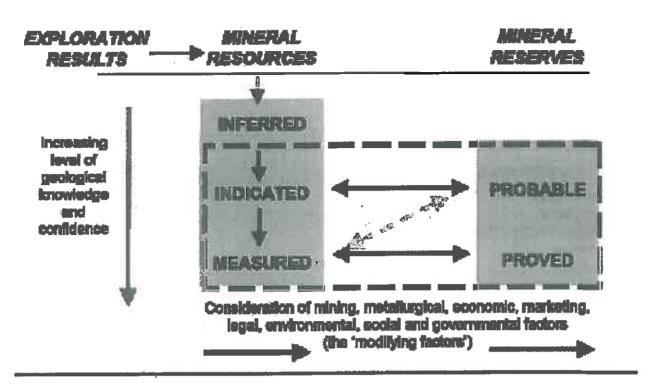


Figure 1. Relationship between Mineral Resources and Mineral Reserves

Glebe estimate method

According to Glebe Mines, their inferred resource is estimated from the Laporte trial pits of 1996, assuming ore values extend to 50m depth and using a cut off grade of 16%CaF₂. They allow 15% losses due to old mineworkings. They then double the figure in the belief that there is always more fluorspar than their estimates show. Clearly, this is a highly speculative figure.

GWP estimate

GWP have endeavoured to replicate the Glebe mines method, but also using other field observations, specifically relating to Dog and Catlow Rakes. Where more than one trial pit exists for a vein, we have averaged the data for width and CaF₂ content. The tonnage at 16%CaF₂ has been assessed by computing the width of working required to give 16% CaF₂ by dilution of the measured width and CaF₂ value. The width and grade content has been assumed to extend unchanged to the full 50m working depth. It should be noted that this assumption cannot be justified and is probably incorrect. All but one of the Laporte trial pits intersected only the backfill infilling surface workings and were only 1.5 to 3m deep. Surface width of a backfilled working does not relate to the actual thickness of a vein at depth, especially where that backfill relates to previous surface workings.

Examination of the outcrop of the southern part of Dog Rake Indicates that it is a vold, with no mineral left. The void has apparently been plumbed to considerable depth. In the northern part of the rake, two shafts show that the surface backfill extends 3 to 4m down at most, beneath which a void is present. A void is also visible at the end of the Catlow Rake where intersected by Backdale Quarry.

Our estimate of inferred resource, based on these assumptions, is as follows:

Peak Pasture Inferred Resources

Fluorspar Ore density

- 2.7 t/m³

Fluorspar ore grade

16%

Depth of work	king		50	m			
				Width @16%	Ore		*//
Vein	Length	Width	CaF ₂ %	CaF ₂ %	volume	Tonnage	
		, ,					2 Trial pits, both barren in backfill.
		8					Previously worked opencast by
Gospel	210	1.25	0%	0.00	0	.0	The secretary and the secretar
Gospel	10						No quality or width data - assumed
Offshoot	110	0.3	60%	1,13	6,188	16,706	
Cam	210	0.6	55%	2.06	21.597	58,312	2 Trial pits, one in backfill, other in vein. Vein only 0.3m wide.
Cam Offshoot 1	55	0.3	51%	0.95	2,614	7,058	c0.3m backfill visible in Backdale quarry. No quality data – average
Cam		910	9210	5135	III I	7 7000	No quality or width data - assumed
Offshoot 2	96	0.3	51%	0.95	4,563	12,320	same as offshoot 1.
Catlow	350	0.6	0%	0.00	ū	0	1 Trial pit in backfill, barren in Catlow Rake. Rake was worked opencast by Bleaklow in 1960s. Heavily worked underground, vold present in Backdale Quarry.
Dog (N end)	130	1.4	41%	3.55	1,385	3,741	Shafts show backfill only am deep. Most of vein is void.
Dog (S end)	250	ò	0%	0.00	0	0	Open slot, no mineralization left. Trial pit failed to find vein.
Dog Offshoot 1	246	0,6	65%	2.44	29,981	80,949	1 Trial pit in backfili @junction with Catlow. Mineralization in offshoot.
Dog Offshoot 2	80	0.7	0%	0.00	0	. 0	1 Trial pit in backfill, barren.
Total in Peak Pasture	1,737				66,329	1 7 9,08 <u>7</u>	

This inferred resource of 180,000t is highly speculative. If doubled, it would give 360,000t of ore at 16%CaF₂. We see no justification on available information for the site to make such an increase. The use of a 16% average CaF2 content leads to considerably larger figures than have previously been calculated.

When considering what the actual figure might be, the probable reserves can only be considered to exist to within the depth proven by the trial pits, Am. This gives the following figures, which are less than a tenth of the inferred resources:



Peak Pasture Probable Reserves

Fluorspar Ore density

2.7 t/m³

Fluorspar ore grade

16%

Depth of working

3 m

Deput of Worl	uild		- E				
Vein	Length	Width	CaF ₂ %	Width @16% CaF ₂ %	Ore volume	Tonnage	Remarks
Yelli	LENGLII	AABITI'LE	Cal 270	Cal 270	VOIGITIE	Tormage	2 Trial pits, both barren in
			-4				backfill. Previously worked
Gospel	210	1.25	0%	0.00	0	0	opencast by Laporte.
Gospel		2027	0,,,	0,00			No quality or width data -
Offshoot	110	0.3	60%	1.13	371	1,002	assumed figures.
					12	,	2 Trial pits, one in backfill, other
Cam	210	0.6	55%	2.06	1,296	3,499	in vein. Vein only 0.3m wide.
							d0.3m backfill visible in Backdale
Cam							quarry. No quality data – average
Offshoot 1	55	0.3	51%	0.95	157	424	
Cam							No quality or width data -
Offshoot 2	96	0.3	51%	0.95	274	739	assumed same as offshoot 1.
		,					1 Trial pit in backfill, barren in
				,			Catlow Rake. Rake was worked
	•					1.6	opencast by Bleaklow in 1960s.
0-11	hea	0.6	0%	0.00	o	o	Heavily worked underground, void present in Backdale Quarry.
Catlow	350	0.6	0%0	. 0.00	U	U.	Shafts show backfill only 3m
Dec (N and)	130	1.4	41%	3.55	1,385	3,741	deep. Most of vein is void.
Dog (N end)	130	1.4	7170	3.33	1,303	3/711	Open slot, no mineralization left.
Dog (S end)	250	0	0%	0.00	+ 0	0	Trial pit failed to find vein.
DOG (S elici)	230		0.0	0.00			1 Trial pit in backfill @junction
Dog							with Catlow. Mineralization in
Offshoot 1	246	0.6	65%	2,44	1,799	4,857	offshoot.
Dog							r
Offshoot 2	80	0.7	0%	0.00	- 0	0	1 Trial pit in backfill, barren.
Total in		-)			
Peak				!			
Pasture	1,737		, .		5,282	14,262	

Elsewhere In the Longstone Edge 1952 Planning Consent area, there are a number of veins, which could well be fluorspar bearing. No publicly available data exists from which even an inferred resource can be estimated. The BGS map shows, however, that north of Deep Rake, between Beacon Rod and Muse Mine, the Red Rake has a number of southerly offshoots, a sub parallel vein and a number of branches. The Red Rake is known to be Fluorspar bearing, and the Red Rake fluorspar mine did not extend this far west. However, other mines may well have worked these rakes underground. Traces of shallow surface working exist, in the form of lines of hollows. However, a very rough estimate indicates there could be some 300,000t of 16% CaF₂ grade ore. Although not sampled this group of veins would appear to provide a better resource than Peak Pasture. Further west the Unwin Vein also has a line of shallow surface potholes. It is believed to have been worked underground from Sallet Hole Mine. How much fluorspar remains is debatable.



Conclusions

It is certain that there is some fluorspar available in the remainder of the Longstone Edge 1952 Planning Consent area that could be worked by opencast methods. The amount, however, is uncertain. Reliable evidence exists for only some 14,000t of 16% CaF2 grade ore. It is probable that more than this exists, but we would be very surprised if the amount was as much as 500,000t.

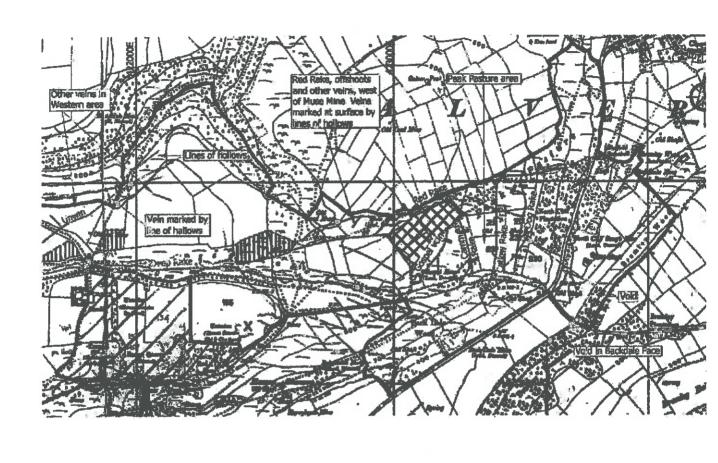
In Peak Pasture, an Inferred resource of 180,000t of 16% CaF2 grade ore is indicated. This is a highly speculative figure. Elsewhere, some 300,000 to 400,000t of ore at this grade could be found within 50m of the surface, figures which are also highly speculative. If supplies of fluorspar for Cavendish Mill become difficult to find, it would seem likely that working on Longstone Edge would be undertaken. Workings would presumably take place over some 4 to 5 years. The tailings that have been tipped into the Deep Rake workings between High Rake and Backdale could also prove amenable to reworking.

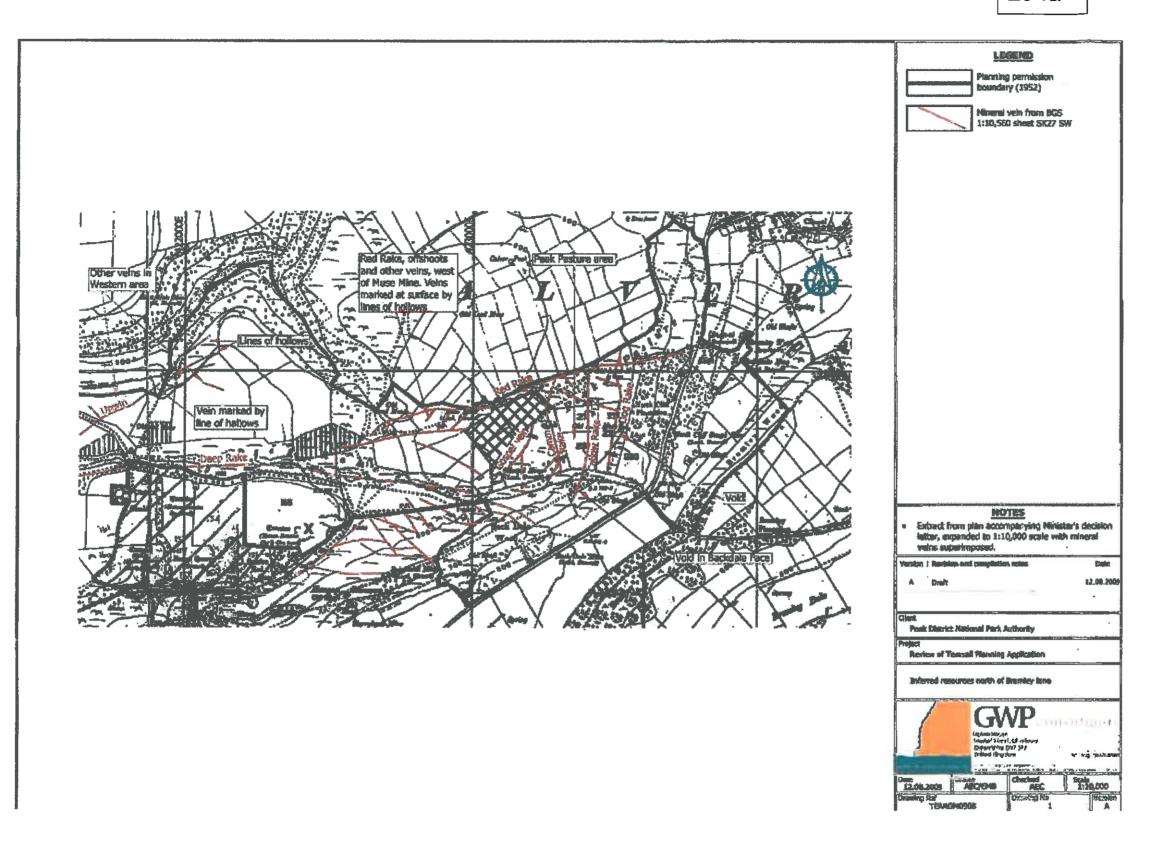
Yours Sincerely

Alan Cobb

Cc David Bent

5





Cavendish Mill, Stonev Middleton, Hope Valley, Derbyshire S32 4TH
Tel: Fax:

Peak District National Park Authority Aldern House Baslow Road Bakewell Derbyshire DE45 1AE

PEAK DISTRICT NATIONAL PARK AUTHORITY ALLOCATED GROUP OFFICER

DATE / 2 0 NOV 2008

Dear Mr Bryan

Tearsall Quarry - Application NP/DDD0208/0104 - Proposed Planning Obligations

Further to your letter of 30 October, and following on from our recent discussions, I write to clarify Glebe Mines' position with respect to the proposed planning obligations contained in my letter of 17 October.

1) Not using rights to extract minerals from the eastern end of Longstone Edge

As requested attached are the details of our ownership/entitlement to the mineral rights on the eastern edge of Longstone Edge. Also attached is a map outlining the extent of the area, marked in red and known as Peak Pasture, being offered up as part of this obligation.

In response to the Authority's request to identify the extent, quantity and quality of the mineral rights being offered we would make the following comments. Our assessment of the above is preliminary and should be viewed in terms of an "Inferred Mineral Resource" as it relates to the fluorspar bearing part of those rights. For clarity an Inferred Mineral Resource is defined as ".....that part of a Mineral Resource for which tomage, grade and mineral content can be estimated with a low level of confidence. It is inferred from geological evidence and assumed but not verifted geological and or grade continuity. It is based on information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes which is limited or of uncertain quality and reliability."

Glebe's assessment of the vein mineral deposits on Peak Pasture is based upon experience in underground and surface workings, known vein occurrences identified by BGS, mapping of surface expressions related to old lead workings, and on a limited exploration programme undertaken in 1996 comprised of surface trenches. Operational experience, particularly in the Bow Rake area, has demonstrated the potential for the development of extensive high grade replacement mineralization at depth when the surface expression of the vein is only narrow. Additionally, the style of working (open pit) has exposed numerous narrow but high grade offshoots and cross-cutting veins and stringers that were not, nor could have been, included in the reserve. The 1996 programme comprised the excavation of 8 trenches across the known vein structures in the Peak Pasture area to a maximum depth of circa 2.5m. The trenches largely confirmed the presence of the veins and provided indicative data on the quality of mineralisation although in some cases only unmineralised backfill was present due to previous working. Historical records from ancient lead mines also support the view that there are mineralised veins present with, in some cases, significant associated mineralised flattings

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Cavendish Mill, Stoney Middleton, Hope Valley, Derbyshire S32 4TH
Tel: Fax:

at depth. The Globe assessment is that there are at least 6 veins present at surface ranging from 0.5m to up to circa 10m in width.

A preliminary assessment of the mineralisation present at Peak Pasture in 4 vein structures (excluding Deep Rake and Red Rake) based upon the 1996 trenching data indicates that there is an Inferred Resource of some 400,000 tons. This is based on Gospel Rake, Gospel Offshoot, Catlow Rake and Dog Rake and allows for an estimated 15% void as a result of previous working by the old lead miner. It should be noted that this could be significantly understating the resource in the area as no account has been made for "blind" replacement flatting mineralisation. Additionally no resource tomage has been inferred for Deep Rake or for Red Rake due their proximity to the mineral rights ownership boundary and because of the extensive working that has already taken place on these veins.

The company is offering to enter into an agreement whereby we do not exercise our right to extract minerals from the above mentioned area of Longstone Edge for a period of four years from the granting of the Tearsail planning application. This offer covers the mineral rights owned by the company relating to the specified area on Longstone Edge.

2) Achieve a specific level of production from underground determined as a proportion of total annual crude one delivered to Cavendish Mill

As stated, the Company would achieve a specified level of production from underground as determined as a proportion of the total amount of crude ore delivered to Cavendish Mill. Given the difficulties around predicting the many variables that affect our business, and mining in general, we have suggested a figure of some 10% which could be enforceable by the Authority under a legal agreement. This represents a doubling of recent crude ore contribution from the mines and could be achieved by the end of 2011.

It should be noted that our caution in agreeing to meet specified legal targets for underground production is based on the past and present productivity of the mines. For example in 1998 (the last full year of Laporte ownership) the underground mines contributed some 18% of total crude are to Cavendish Mill. At a time when there were some 40 men employed directly in the mines. Between 1999 and 2008 Globe Mines have operated the underground mines at a lower level employing some 6 miners. During this time the underground mines have contributed some 4% of total crude are delivered to Cavendish Mill. The current position is that there is no output from the mines although we continue to employ 6 miners. It should be apparent from this that we are setting a relatively high target and starting from a very low position.

The company propose to cease open cast mining at the Tearsall site in the event that this target is not met.

To illustrate the importance of the Tearsall site and the Milldam underground mine we have supplied the attached summary of planned ore supplies to Cavendish Mill (Appendix 1). Our acceptance of a legal 10% minimum crude ore contribution from underground belies the Company's intent to source some 25-30% from the latter but is realistic given the uncertainties over the suggested time period.

3) Enter into discussions regarding a land management agreement

As stated, the company is prepared to enter into a land management agreement. We propose that this takes the form of an extended aftercare programme for the land disturbed on the

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Tearsall site (as defined by the planning application boundary, excluding the access track). Having discussed this with the Park's ecologist, it is proposed that this extended period is for five years and that the site is managed during this time in the same style as a Stewardship agreement with the aim of achieving an enhanced level of biodiversity. The specific details of this agreement will need to be worked up as part of a Section 106 agreement post approval of the application.

The landowner of the site has agreed in principle to this and the company will make appropriate arrangements for this to happen (see attached letter).

As previously stated, the national need for fluorspar has been firmly established during the current application process with the support of local and national government departments, MPs and other stakeholders. The Company firmly believes therefore that it would be successful in winning an appeal, but wishes to avoid this route due to the criticality of it's reserves position and timing issues. These planning obligations are therefore being offered wholly without prejudice to our opinion that the proposals are acceptable in planning terms as they stand and are offered only to help facilitate a successful outcome to this application. We would need to review our position in respect of this offer in the event that the Authority is not minded to approve the scheme.

Yours faithfully

Gary Goodyear General Manager Glebe Mines Ltd

Cavendish Mill, Stoney Middleton, Hope Valley, Derbyshire S32 4TH

Appendix 1

Table 1 Forecast Summary Breakdown - Ore Supply 2009 to 2012

Site	2009		2010		2011		2012		
	%CO	%AG	%CO	%AG	%CO	%AG	%CO	%AG	
Tearsall	Ŧ	27%	23%	51%	40%	42%	33%	44%	33%
Milldam	-	15%	26%	26%	41%	25%	40%	29%	45%
Others	3	58%	51%	23%	19%	33%	27%	27%	22%

% CO - estimated percentage contribution of total crude are presented to Cavendish Mill

% AG - estimated percentage contribution of total Acid Grade produced by Cavendish Mill

Summary Analysis of Table 1

The combination of Tearsall and Milldam ores represents up to some 75% of Cavendish Mill crude ore requirements over the next 4 years. This equates to up to some 80% of Cavendish Mill output of Acid Grade Fluorspar during that time. It is clear that without these 2 sites operating Glebe will be severely constrained in meeting UK demand for Fluorspar and is unlikely to be viable. It should be noted that the sites listed above will not in themselves be able to meet the full requirement for Acid Grade Fluorspar production, falling some 5,000 to 10,000 tons short of nominal Cavendish Mill output.

Output from Milldam will depend on significant capital investment to overcome technical issues and the recruitment of mining workforce. The levels of production forecast exceed those of Laporte in 1998 at a time when the mining team comprised circa 40 people; Glebe currently employs 6 miners.

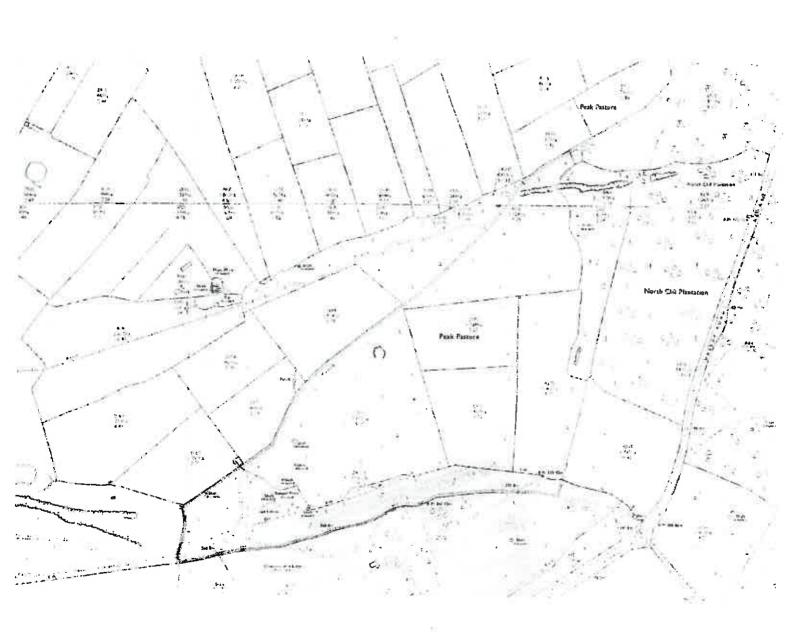
During the development of the planning application for Tearsall it was envisaged that output from the site would provide Cavendish Mill with around 25% of its crude ore requirement. Due to several factors (e.g. early finish at Winster and necessity to accelerate ore production from Longstone Edge) the situation that has evolved is in fact more acute and Tearsall is now forecast to provide Cavendish Mill with between 40 and 50% of its crude ore requirements or 30-40% of its Acid Grade output.

PEAK DETIRECT NATIONAL EARK AUTHORITY
ALLOCATED :GROUP
OFFICER

DATE
REC'D 2 0 NO V 2008

ACKNOWLEDWENT:
REPLY:
FILE ALLOCATION:
COPPED ID:

Registered Office: Glebe Mines Limited, The Heath, Runcorn, Cheshire WA7 4QF Email: Website: www.glebemines.com





Tel: 01629 816200 Fax: 01629 816310

E-mail: customer.service@peakdistrict.gov.uk

Web: www.peakdistrict.gov.uk Minicom: 01629 816319

Aldern House . Baslow Road . Bakewell . Derbyshire . DE45 1AE



Glebe Mines Ltd

The Heath

Runcom Cheshire

WA7 4QF

COPY

Your net:

Our ref.

M2382

Date:

12 August 2008

Dear Sir or Madam

THE TOWN AND COUNTRY PLANNING (ENVIRONMENTAL IMPACT ASSESSMENT) (ENGLAND AND WALES) REGULATIONS 1999

[AS AMENDED BY THE TOWN AND COUNTRY PLANNING (ENVIRONMENTAL IMPACT ASSESSMENT) (ENGLAND AND WALES) (AMENDMENT) REGULATIONS 2000) AS FURTHER AMENDED BY:

THE TOWN AND COUNTRY PLANNING (ENVIRONMENTAL IMPACT ASSESSMENT) (MINERAL PERMISSIONS AND AMENDMENT) (ENGLAND) REGULATIONS 2008

ENVIRONMENT ACT 1995: SECTION 96 AND SCHEDULE 13 APPLICATIONS TO DETERMINE THE CONDITIONS TO WHICH A MINERAL SITE IS TO BE SUBJECT (INITIAL REVIEW OF OLD MINERAL PLANNING PERMISSIONS)[EIA and Undetermined (Stalled) ROMP Applications)

REQUEST FOR INFORMATION REQUIRED TO ENABLE THE AUTHORITY TO ADOPT AN UP-TO-DATE STATUTORY SCREENING OPINION [Regulation 5(3)]

Notice is hereby given that the Peak District National Park Authority as the Mineral Planning Authority (MPA) requires information to provide an up-to-date, statutory, EIA screening opinion for the ROMP application specified below:

REFERENCE NUMBERS OF:

(1) THE RELEVANT PLANNING PERMISSION(S)

(2) THE REVIEW (ROMP) APPLICATION FOR APPROVAL OF UPDATED CONDITIONS:

(1) 1898/9/69; WED/1177/464

(2) NP/WED/0497/157

NAME AND ADDRESS
 OF APPLICANT

RMC Roadstone Ltd - Eastern

Albion Works Saville Street

Objects of

Sheffield

South Yorkshire

S4 7UL

NAME AND ADDRESS OF MINERAL SITE:

Longstone Edge Great Longstone Stoney Middleton Derbyshire

First List plan attached.

DATE OF ROMP APPLICATION:

27 March 1997

Member of the Association of National Park Authorities

Holder of Council of Europe Diplome



You should already be aware that the Government recently introduced the Town and Country Planning (Environmental Impact Assessment) (Mineral Permissions and Amendment) (England) Regulations 2008. The regulations came into force on 22 July 2008. The purpose of the new regulations is, amongst other things, to ensure that all remaining initial reviews of old mineral permissions (ROMPs) which are stalled for want of necessary environmental and other information are finally concluded.

The 2008 Regulations include a time-limited procedure, applied to each of the undetermined or stalled reviews, to ensure that all parties are clear as to: what information is outstanding; the timescale for its provision; and the sanctions for its continuing non-provision beyond that period. The regulations provide for the screening of the remaining permitted mineral development to take place, and, where that development is EIA development, for scoping of the information to be included in a new Environmental Statement (ES), the production of the ES within a specified timescale (with sanctions for continuing non-provision) and publicity for it.

This letter sets out information which is required to be provided to enable the Mineral Planning Authority to decide whether the ROMP application must be subject to Environmental Impact Assessment (an EIA screening opinion).

Please note that based upon the information available to the Authority it does not appear that Glebe Mines Ltd is an applicant in respect of the ROMP application. However, if you do consider yourself to be an applicant you should supply the information requested in this letter and at the same time explain on what basis you claim to be an applicant.

The Authority has also written to Bleaklow Industries Ltd and a copy of that letter is attached for your information.

Additional information now required

The minimum information requirements (under Regulation 5(2) of the 1999 EIA Regulations) to enable a screening opinion to be made are:

- an up-to-date plan of the site sufficient to identify the land;
- a brief description of current and planned mineral development for the <u>whole site</u> for the remaining life of the <u>permission(s)</u>, that is, for the whole of the remaining development for which permission has been granted, not just the development over the forthcoming 15 years;
- the possible effects of that current and planned development on the environment; and
- such other information or representations as you may wish to provide or make.

Plans provided must be up-to-date and to show the site and its immediate surroundings. The environmental information must be up-to-date and relevant.

In addition, to enable the Mineral Planning Authority to adopt a screening opinion on whether Environmental Impact Assessment is required, the following additional information must be submitted:

- A survey plan of the permission area and immediate vicinity;
- Provision of working plans showing phasing including: order; direction; depth of working, tipping of waste arising; duration of each phase; restoration.

Timescale for supply of the information required

The above requested information <u>must</u> be provided within **three weeks** of the date of this letter, unless the Mineral Planning Authority agrees to a later deadline in response to a request from you. The level of detail of the information required and its availability from third parties will be taken into account if you request an extended period; but please note that the objective is for each stage of the new procedure to be undertaken within a relatively short period.

IMPORTANT ADVICE about sanctions for non-compliance [warnings required by 1999 EIA Regulation 5(3) and 5(7) as inserted by 2008 EIA Regulation 2(2)]:

5(7)(e) Automatic Suspension

If the information requested under regulation 5(3) for making a screening opinion is not provided within three weeks (or other period agreed by the MPA), that is the relevant deadline as set out above, the mineral permission(s) relating to the site will be automatically suspended (apart from any restoration or aftercare conditions) under regulation 26A(18) and any further working will be a breach of planning control.

Thereafter, the information procedure will resume as soon as the required information and confirmation are provided. Suspension will only be lifted when a new ES is provided to the satisfaction of the Mineral Planning Authority or Secretary of State [as required by regulation 26A(18) of the 1999 Regulations], (unless a Screening Opinion or Screening Direction is adopted which states that the development is not EIA development).

5(7)(f) Prohibition Order

If the information or a satisfactory Environmental Statement continues not to be provided, the Mineral Planning Authority has a duty to make a prohibition order, under paragraph 3 of Schedule 9 to the Town and Country Planning Act 1990, after two years of automatic suspension under regulation 26A(18) ceasing the whole or parts of the mineral permission(s) relating to development by the operator failing to provide the necessary information.

IMPORTANT ADVICE about the statutory requirements for publicity:

5(3A) Arrangements to publicise this notification

In accordance with duties imposed by Regulation 5(3)(A) the Mineral Planning Authority will ensure that a copy of this notification is posted on the site within 14 days of the date of this notification, for a period of at least 14 days. The Authority will also ensure that a copy of this notification is placed on the planning register.

Yours sincerely

David Bent Mineral Team Manager Planning Service Tel: 01629 816200 Fax: 01629 816310

E-mail: customer.service@peakdistrict.gov.uk

Web: www.peakdistrict.gov.uk Minicom: 01629 816319

Aldern House Baslow Road Bakewell Derbyshire DE45 IAE



Bleakiow Industries Ltd

Hassop Avenue

Hassoo Bakewell

Derbyshire **DE45 1NS**

Your ret:

M2382 Our ref:

Date:

12 August 2008

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First List plan attached.

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The 2008 Regulations include a time-limited procedure, applied to each of the undetermined or stalled reviews, to ensure that all parties are clear as to: what information is outstanding, the timescale for its provision; and the sanctions for its continuing non-provision beyond that period. The regulations provide for the screening of the remaining permitted mineral development to take place, and, where that development is EIA development, for scoping of the information to be included in a new Environmental Statement (ES), the production of the ES within a specified timescale (with sanctions for continuing non-provision) and publicity for it

This letter sets out information which is required to be provided to enable the Mineral Planning Authority to decide whether the ROMP application must be subject to Environmental Impact Assessment (an EIA screening opinion).

Please note that the Authority has hitherto dealt with Bleaklow Industries Ltd on the basis that the company is acting as agent for RMC Roadstone Ltd - Eastern. You are requested to confirm that this is still the position or, if not, what Bleaklow's formal position is in respect of the ROMP application.

The Authority has also written to Glebe Mines Ltd and a copy of this letter is attached for your information.

Additional information now required

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- Provision of working plans showing phasing including: order; direction; depth of working; tipping of waste arising; duration of each phase; restoration.

Timescale for supply of the information required

306

The above requested information <u>must</u> be provided within three weeks of the date of this letter, unless the Mineral Planning Authority agrees to a later deadline in response to a request from you. The level of detail of the information required and its availability from third parties will be taken into account if you request an extended period; but please note that the objective is for each stage of the new procedure to be undertaken within a relatively short period.

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Yours sincerely

David Bent Mineral Team Manager Planning Service

EXTRACTS FROM THE 2008 TEARSALL APPLICATION 307

इत्या गुलाता वार्याचील क्षेत्रा स्वासकार

ALLOCATED : GROUP OFFICER

DATE REC'D

- 4 FED 2008

ACIOPONALEMACAGES. REPLY:

PLE ALLOJATION:

GLEBE MINES LIMITED

Proposed Extraction of Fluorspar Ore and Associated Vein Minerals by Open Pit Methods from an Extension to the Workings at Tearsall, Bonsall Moor

Planning Application Part 2 Planning Supporting Statement

January 2008



- 6.4.20 Current Mineral Reserves are sufficient to continue the operations at Cavendish Mill for some 1.5 years at current levels of production. It should be noted that over 50% of this reserve comprises Number 1 Dam sands. As this is a material that has already been processed and because it has unique physical characteristics it can not be used on its own as an ore feed. It must be blended with primary one to a maximum of 25% and consequently its value as a reserve is limited by the amount of primary one available. The effective tonnage of of Number 1 Dam sand that could be used (on the basis of this reserve statement) could be as low as 76,00 tonnes giving a total useable reserve of 381,250 tonnes or equivalent to less than a year's one requirement.
- 6.4.21 Should Tributed ore, around which reserves are most uncertain, perform better than expected there could be a further 6 to 12 months additional life for operations. There is no certainty that new consents will be granted or that Mildam will prove to be financially viable and therefore no additional life can be assumed from Potential Mineral Resources.

Plate of Extraction

- 6.4.22 In order to comply with planning conditions each site has a maximum annual extraction rate which has a significant bearing on production at Cavendish Mill.
- **6.4.23** With the closure of Winster there is a shortfall in the permitted rate of extraction of approximately 60,000 to 100,000 tonnes per annum depending on the availability of tributed ore and the grade of ores delivered to the Mill.
- 6.4.24 Reserves are a finite entity and a natural consequence of their extraction is that they become depleted and exhausted. If these are not replaced with new sites/ reserves then the deficit becomes even greater until it falls below a threshold whereby the viability of the overall operation is compromised.
- 6.4.25 In order for the Cavendish Mill operations to be sustainable there is an ongoing requirement for new reserves to be consented at least at the same rate that they are being depleted i.e. 420,000 tonnes per annum. Without regular replacement of permitted ore reserves Cavendish Mill will run out of raw material supply.

Permitted Reserves/ Perceived Reserves

6.4.26 The often-quoted term of Permitted Reserves significantly over-estimates and misrepresents the amount of material available for processing at Cavendish Mill. A fundamental consideration when defining reserves (as detailed in the definitions outlined in Section 3.6.3) is the ability to adequately define the quantity and quality of the Mineral Resource along with all other modifying factors. These include technical, ownership, economic, and planning criteria.



- **6.4.27** Old Ministerial Consents do not attempt to apply a resource figure to the permission.
- 6.4.28 Correspondence received from the Peak Park Joint Planning Board dated 24th January 1996 lists all Active and Dormant vein mineral sites as part of the Environment Act 1995 ROMP review. This is believed to constitute what some commentators refer to as Permitted Reserves.
- **6.4.29** The list identified **Active** sites at Old Moor/ Hazard, Longstone Edge and Rowter Farm/ Portway.
- 6.4.30 The Old Moor/ Hazard consent was for surface dump extraction only and includes Hazard & Oxlow Rake. Under the Act a scheme was required by 1st February 1997. However no scheme was submitted and the consent is now out of time. A few old lead dumps remain but the site has severe environmental constraints that would require a new planning application and significant environmental work. There is no identified Mineral Resource and the site has no exploration potential for Glebe Mines Ltd.
- 6.4.31 Longstone Edge was identified as an Active site and a joint scheme submitted by Laporte Minerals and RMC. This was subsequently superseded by the Longstone Edge Consolidating consent and now makes up the majority of the reserve base currently held by Glebe Mines.
- 6.4.32 Consent for surface dump extraction only for Rowter Farm/ Portway required a scheme to be submitted by 1st February 1997. No scheme was submitted and the consent is out of time. A few dumps remain but there is significant environmental interest on the site and it is not a prospective target for the Company. There is no Mineral Resource identified on the site.
- **6.4.33** Also included in the list were Dormant sites where no working has taken place since 1982 and consequently require the submission of a new working scheme prior to work starting were listed as Netherwater Mine, Hazlebadge Farm and Intake Dale/ Coplow Dale/ Maiden Pake.
- 6.4.34 The Netherwater Mine consent granted in 1951 for underground extraction covers an area where the total mineral rights are in lease to Glebe Mines. There is no information available as to the Mineral Resource and under the classification system described above not even an "Inferred Mineral Resource" can be quantified. There is a fundamental lack of test work with regard to assessing the



Mineral Resource but enough is known of the geology to significantly limit any potential, even more so given that the original consent was for underground working only. Any future mineral extraction from the site would require a new modern consent.

- 6.4.35 Consent for underground and surface dump extraction was granted in 1951 at Hazlebadge Farm. The mineral rights are in lease to Glebe Mines Ltd and the site was worked under modern consents in 1988 and 1989 during which time a total of 11,000 tonnes was extracted before the deposit became exhausted. On this evidence the degree of confidence that can be assumed would not warrant the statement of an "Inferred Mineral Resource". This would require a modern consent for any proposed workings.
- 6.4.36 The Intake Dale/ Coplow Dale/ Maiden Rake Consents are a conglomeration of small sites that were permitted for surface extraction & dump removal. Singularly and cumulatively these are too small to command any significant Mineral Resource even if any test-work had been undertaken. These would require modern consents for any proposed workings.
- 6.4.37 It is clear that there is a fundamental lack of geological control on which to base any stated Permitted Reserves for the preceding consents.
- 6.4.36 Analogies are often wrongly drawn with permitted reserves relating to aggregate production. These ore-bodies are laterally extensive and ostensibly homogenous and this usually allows for broad reserve assumptions to be made in terms of quantity and quality by comparison to other similar deposits and on the basis of minimal data such as outcrop or disparate boreholes. In such instances it may be acceptable to use permitted reserves as a term for planning control. It is not applicable when dealing with the complexities of vein mineral deposits that are inherently significantly smaller than stratigraphic deposits and that can pinch, swell and exhibit significant mineralogical variation over relatively small strike and/ or depth distances. To determine a Mineral Resource, adequate site investigation and technical studies need to have been completed.
- 6.4.39 The sites outlined above have been known about and have been available for mineral exploration/ extraction for over 50 years and apart from some limited workings have not been initiated. They predominantly relate to underground mining and are not too distant from Milldam where Glebe Mines Ltd holds an extant consent for the underground extraction of the Hucklow Edge vein system. This is currently the subject of a feasibility study to determine its financial viability. Giving due consideration to the fact that Milldam has a consent, that it has



considerable geological control and a known resource, and that infrastructure is in place to access the voin with established drainage, ventilation and secondary egress it is notable that the economics of underground mining are still marginal.

- 6.4.40 It is therefore concluded that old consents for underground extraction of vein minerals that would require significant capital investment in developing into mines are unlikely to ever be viable projects and that their existence is at best of academic interest. There is no real prospect of them ever being productive in terms of supplying Cavendish Mill and they should not therefore be ascribed any Mineral Resource tonnage on which to base decisions affecting the life of Cevendish Mill.
- 6.4.41 The operations and business planning of Cavendish Mili need to be based on real and tangible reserves.
- 5.4.42 These Ministerial Consents are not currently, and it is not expected that they ever will be, prospective mineral exploration targets for Globe Mines Ltd. As such they do not represent viable alternative sites for mineral extraction to the point where other consents should not be granted.
- 6.5 Mineral Resource Planning
- 5.5.1 The reserves controlled by a mining company are usually their main asset and a vital consideration when making investment decisions. A minimum threshold of available reserves must be maintained to allow for fluctuations in demand and ensure forward mineral supply to consumers.
- 6.5.2 Comment is often made as to the level of reserves that the Company controls and why new applications are required to generate additional reserves. Other extractive industries are the subject of Mineral Planning Guidance that allows both industry and Mineral Planning Authorities to make provision for forward supply of minerals.
- 5.3.3 For example MPS1 states that the objectives for sustainable development for minerals planning includs:

"It is essential that there is an adequate and steady supply of material to provide the infrastructure, buildings and goods that society needs, but that provision is made in accordance with the principles of sustainable development."

6.5.4 In terms of ansuring supply