BUSINESS

Gold mine in Lancaster County gets green light

By Sammy Fretwell
The State

A Canadian company with plans for the largest gold mine ever established in South Carolina could begin work at the site by January if it receives final environmental permits from state regulators.

Romarco Minerals Inc., of Toronto, received a wetlands permit for the $320 million project in Lancaster County after the U.S. Army Corps of Engineers said the plan met all federal requirements. The only other key permit it needs is one from the state to mine the property.

The Corps' approval is one of the last major permits Romarco Minerals needs to begin digging the gold mine near Kershaw, about 60 miles north of Columbia. Romarco will substantially expand the site of the old Haile Gold Mine, which has a history dating to the 1800s.

"If all permits are received by the end of the year and the financing is in place, we would mobilize the equipment to the site during December-January and begin construction activities in January," Romarco's chief executive, Diane Garrett, said in an email to The State newspaper.

It would take about 18 months to develop the mine, with gold to be produced by the middle of 2016, she said. Launching operations in January also depends on completing a financing package for the work, Garrett said. The mine would operate about 15 years.

On Tuesday, the Corps announced the approval of permits to fill 120 acres of wetlands to construct the mine in a rural area of Lancaster County. The company could hire 200 workers by the end of this year, increasing to about 350 by early 2015, Garrett said.

It was not immediately clear Tuesday when the S.C. Department of Health and Environmental Control will make a decision on the state mining permit, but projections have been for sometime next month. DHEC and Romarco have been at odds over the amount of bonding the company would provide to clean up the site when work is done. DHEC wanted about $80 million. Romarco proposed about half of that.

The mine project, which features a pit 840 feet deep and will cover more than 2,600 acres, is a big one for South Carolina, a state with a rich history of gold mining but at a substantially smaller scale than what is planned. The project could affect up to 1,100 acres of wetlands when groundwater is pumped down to keep a projected eight mining pits dry. Corps officials say many wetlands, except for the 120 acres to be destroyed, will recover when mining stops. The project also will bury miles of streams as part of the effort to dig up 2 million ounces of gold.

One of the few environmental groups that continues to question the need for the mine — the state Sierra Club — criticized the Corps' decision to issue the permit Tuesday. The Sierra Club is concerned about acid drainage that could leak from the mine and whether enough money is being left for clean up.

"There needs to be more discussion and study of how we are going to deal with this long-term," club leader Susan Corbett said. "Short-term questions may have been asked, but a lot of long-term questions are unanswered."

Other than the Sierra Club, Romarco's plan has drawn generally favorable responses from economic development boosters and environmentalists.

The S.C. Coastal Conservation League, the S.C. Wildlife Federation and the Conservation Voters of South Carolina recently dropped opposition to the mine after Romarco Minerals agreed to protect 368 acres near the project and to provide $4 million for future land protection efforts.

All told, the company has agreed to protect about 4,800 acres, most in Richland County along the Wateree River southeast of Columbia. The S.C. Department of Natural Resources dropped concerns about the project after the Richland County property was offered for protection.

Corps officials said they issued the wetlands disturbance permit for three primary reasons: the gold mine couldn't be developed elsewhere in South Carolina, the company had worked to minimize environmental effects, and Romarco had offered ecologically important land to offset the mining's wetland impacts.