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Member for Goyder

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Mining Regulation and Rehabilitation Branch
Mineral Resources Division
Department of Mining, Innovation, Trade, Resources and Energy
GPO Box 1264
ADELAIDE SA 5001

Dear Sir / Madam

I refer to the application of Rex Minerals for a copper, gold and iron ore mine near and adjacent to Pine Point / Ardrossan on Yorke Peninsula.

I confirm that I seek this letter to be considered formally as a submission on the applications for two leases and two licences for mineral extraction by Rex Minerals.

Since exploration of the site first commenced by Rex Minerals some 5 years ago, I have been contacted regularly by constituents seeking details. The level of contact has varied, but every week has resulted in people speaking to me about issues and questions that they have and I am grateful for the assistance given by Rex Minerals and DMITRE staff in providing me with information that I have forwarded on.

My actions have been focussed on information flow – in all directions – thus the reason for writing on behalf of constituents, for speaking to people individually and collectively and for chairing a public meeting at Ardrossan on Sunday 20th October 2013, attended by approximately 450 people, but for which unfortunately not all groups invited to have representatives present were involved.

I confirm that the people in the electorate have spoken to me in positive terms about the Rex Minerals proposal – these people however are in the main, are not physically located near the site and are focussed on the opportunity that the development, and the resultant employment requirements, will bring to the region.

For me, any proposal for development has to be considered with a triple bottom line approach – economic, social and environment – so I have not been surprised by the diversity of comments from those located further away from the development site compared to the overwhelming level of concern expressed by those who reside, own property or visit close to the Pine Point, Ardrossan and surrounding areas.

In preparing this submission I have decided to identify the issues raised with me, in no particular order, as follows:-

1. Dust control – I am advised that only 2 water carts are intended to be used to keep dust potential from mine traffic and digging areas controlled. Adjoining properties, being farmers and coastal community residents, have contacted me noting that the mining proposal recognises dust but does not give an indication to what extent.

Residents recognise that dust occurs from agriculture, but real concerns exist that this dust will be constant, invasive to properties, would have an impact on the crops of adjoining farms and thus their economic returns and impact on the health of residents and visitors.

Absolute assurances need to be provided that dust will be measured, independently by organisations such as the Environmental Protection Authority, that information be available for public scrutiny 24/7 via a website and any breaches reported and fixed immediately with penalties to apply for such breaches.

2. Water supplies – some 16 communities on Yorke Peninsula do not have a reticulated, potable water supply – they are totally reliant on rain water. Coastal communities close to the Rex Minerals proposal are such towns, while indeed even for those with reticulated SA Water supplies all people also have rainwater tanks, with the possibility of contamination of water supplies from dust is a real concern to all.
3. Rex Minerals has recently advised that it will have test sites for water quality on adjoining properties – I would like to know the number and identified locations of test sites, how often the testing will be undertaken, who will do the testing, that testing information is made available to the public, what actions will be taken if issues are identified and how widely across the area is it intended to take action for additional tests if problems are found closer the site, what level of medical support will be provided to residents found to have health issues related to impacted water supplies.
4. Noise control – a key issue for people from across the area. For instance, I was told by a resident of Rogues Point yesterday that he believes the noise at his holiday home property, which has been in the family for 4 generations, will be equal to a vacuum cleaner.

What level of noise will come from the mine site, how does this compare to existing background noise levels, what commitments are in place by Rex Minerals to allow property owners to be able to seek home treatments for things such as double glazing of windows to reduce noise levels, and what measures are in place to deal with people who as a result of the noise, feel they can no longer live in homes.

5. Vibration – residents of adjoining coastal communities have contacted me often about this. They are concerned about not just the impact of blasting to develop and operate the mine site and the noise it will create, but the impact of vibration on land forms and properties.

Coastal communities have many cliff areas that are fragile and indeed I am aware of quite significant cliff slippage in several areas (one early this year in Ardrossan on the northern side of town for example), so property owners want to know what the impact of vibrations of often fragile formations and the homes and walking trails below them will be.

What projections do Rex Minerals have in their plans for the control of this, will any level of inspection and/or testing take place in surrounding cliff areas, and what compensation opportunity will be available for public and private property that is damaged.

6. Visual Impact – I am advised that the waste rock dumps are proposed to a height of 115 metres. Has DMITRE been involved in developing these proposals, how does this height fit with other mine site operations in developed, agricultural areas.
7. Site rehabilitation – a key issue. Overwhelmingly I am told by people that if the mine is approved the result lands must be left in a state fit for the Yorke Peninsula community. Residents want to know why the rehabilitation plan does not include filling in the 2.5km, by 1 km by up to 450 metre deep mine hole. For an agriculturally rich, high visitor/tourist and potential growth area, the rehabilitation plan required by DMITRE should be that the mine is filled in, thus helping to fix the whole problem and the visual impact of high waste piles.

The mining proposal details that rehabilitation will result in up to 500mm of subsoil and up to 300 mm of top soil being put on top of waste rock site. How does this soil profile compare with the current soil profile and what is the anticipated level of agricultural production (the statement from Rex was that up to one

third of these areas would be returned to cropping). What level of financial bond is being required to ensure that rehabilitation is being carried out?

8. Marine Environment – real concerns have been raised about contaminated water flowing from the mining site to the adjoining coastal waters, while residents are also concerned about dust impacts on marine life.
9. Stress on property owners – I cannot enforce how difficult this has been for many people. I have spoken to people, many I have known for over a decade, who will tell me privately the impact this is having on them, their family unit and their social life. Uncertainty creates stress, this is a real issue for people and has to be recognised in the management of the application process by DMITRE, and by Rex Minerals having discussions with individuals and groups, and how Rex Minerals manages and negotiates with people over things such as property purchases, noise controls and dust controls.
10. Underground pipeline – the mining proposal includes a 12km long pipeline to Ardrossan that will be used to transport a slurry form of the minerals extracted. I am advised that burying the pipe is old technology, and indeed it does not allow for easy identification of leaks. Concerns have been expressed to me often about contamination of the farm land some sections of the pipe will be under (I believe 4 property owners are involved) and questions asked about why the pipe is not intended to be removed at the end of mining operations.
11. Economic Modelling – recent statements by Rex Minerals indicate that from a State Government perspective of mining royalties and taxes that 15 years of mine life will equate to \$ 600 million in Government revenue. Is this correct?

Will DMITRE commission economic modelling to look at the level of agricultural revenue, and resulting taxation return, from the approximate 2500 hectares of farm land taken up by the mine over this same 15 year period, and will it then extrapolate this out taking it to 50 years, 100 years, 300 years of farm income to consider what the short term and long term implications area.

12. Road diversions and Ardrossan Jetty upgrade – I am advised that these project requirements are being considered via section 49 of the Development Act and while consultation is being undertaken decisions may still be made with recognition of consultation feedback. Why was this step taken and why was it taken at the same time of the mining extraction application?
13. External mining proposals – while not linked to this mining extraction application, residents are concerned about public statements by Mr Mark Parry, CEO of Rex Minerals, that they are exploring up to 50 other sites on Yorke Peninsula, with the comment that if proven to be financially viable sites, the intention is to use haul roads to bring this material to the Hillside development for preliminary processing. I am advised that the haul roads will be up to 27 metres in width and will be on private property. Not only has this comment about Yorke Peninsula being dug up for mining alarmed and disgusted people, but the suggestion of haul roads across the region cutting through properties has people questioning the sanity of the miners.
14. Radioactivity of the site – Preliminary drilling one site indicating the presence of 10,100 ppm of uranium, when current requirements that the mine must operate at a level of 200 ppm are in place has alarmed people. The community want to know how this will be managed for the safety of workers, residents and visitors and what level of testing and public scrutiny will be in place.
15. Loss of agricultural land – with a rehabilitation plan that has determined that little of the 2500 hectares of the site will be returned to traditional agriculture, and indeed mining exploration taking place over much of Yorke Peninsula, questions are being raised about how this fits with the feed the world, clean and green agriculture production message that the Government uses.
What protections are in place for to ensure that the productivity of adjoining farms is not impacted by mining operations? What support will be provided if crops from adjoining properties are downgraded or refused from being accept at the Silo's.

16. Port facilities – I respect that port facilities should have the capacity for multi-commodity operations. Indeed, Ardrossan already does this, but I have been asked as to what level of surety exists that copper extracts will not be found on grain, dolomite or salt exports out of Ardrossan.

I have been shown the pictures of pressurised sheds, funnels to take the Rex Minerals products to ships, but how will dust be totally controlled to prevent food product, and the marine and coastal environment, from being contaminated.

17. Groundwater – many farmers on Yorke Peninsula rely on ground water for stock water. What measures are in place to ensure the continued availability of this water, the testing of it for contamination, compensation for impacts, flows to the marine environment if contaminated.

18. Property values – DMITRE would be aware that from an agricultural perspective, Yorke Peninsula land is highly valued in comparison to any other area in Australia – because it is able to produce a good crop even in the most trying of times.

Residential properties are also high in value, so what assessment against this proposal is DMITRE giving to the potential impact on values. Many of these properties involve borrowings and concerns have been expressed that mining will result in lesser demand for holiday homes, driving prices down.

Adjoining and nearby farm owners have expressed to me the real concern of a loss in demand for land, thus reducing their value and impacting on equity for those with borrowings.

19. Diversion of roads – this is happening to two roads. I am aware that current classifications of the roads will be maintained in the changed road network, but I have been asked for the 'Coast Road' (Yorke and St Vincent Highways) for example, how the road is able to be moved closer to the cliff in an area which is defined as Coastal Conservation Zone, and as such homes may not be built, but a major road is being constructed.

The issues brought to me over the last 5 years on Rex Minerals are numerous, but again I confirm that the company staff has been quick to respond to me with information.

I am a believer that processes exist to ensure that the right decision is made. I am a believer that community interests are considered as part of any development proposal but I have to ask that in the consideration of this mining application that the economic, social and environmental issues are given equal weighting before a recommendation is made to Minister Koutsantonis.

The history of Yorke Peninsula includes mining, and in some cases we are still dealing with the negative legacies of what was left behind. Whilst I respect it was a very different era of regulation to what exists now, but if mining is to be part of the future for Yorke Peninsula it HAS to be done in such a way that future generations benefit from the positives of it and negatives are managed continually, and fixed, as part of any mines operational conditions.

Yours sincerely



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Member for Goyder
Shadow Minister for Regional Development
Shadow Minister for State/Local Government Relations
Shadow Minister for Science and Information Economy
Shadow Minister for Business Services and Consumers