



Friends of the Earth (Melbourne) Inc

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Fingerboards Mineral Sands Project

Dear Inquiry and Advisory Committee members,

Please find attached our submission to the Environmental Effects Statement attached to the proposed Fingerboards Mineral Sands Project.

Friends of the Earth (Melbourne) (FoE) is a membership based environmental and social justice organisation which has been active in Victoria for more than 40 years. We are a member of FoE Australia and, in turn, part of Friends of the Earth International, the largest network of grassroots environmental organisations in the world, with more than 5,000 local branches, 3 million members and supporters, and active groups in more than 70 countries.

We appreciate the opportunity to provide a submission to this process. We strongly oppose the proposal and urge the IAC to recommend that the Minister refuse to approve the planned mine.

In short, ***we believe this is the wrong mine in the wrong place. The environmental, economic, cultural impacts are simply too great.***

We oppose the proposal for the following reasons.

1/ Risks attached to a company with no experience.

Kalbar Resources is a company that has no mining experience. The area in question, The Lindenow flats, are a high-value agricultural production region situated on the banks of the Mitchell River, and is as close as 500 metres from the edge of the proposed mine's boundary.

The Fingerboards mine will be an open cut mine to extract minerals including zircon, rutile and ilmenite — a titanium mineral, and rare earths. There are concerns about tailings waste and the need to contain radioactive materials, concerns about ground and surface water contamination, and dust effect on local communities. These issues are too risky to grant approval to an untested company.

Gippsland has previously suffered problems from companies causing problems that the state government has had to resolve. Failure at the Stockman/ Lake St Barbara mine site left the community with a tailings dam that leached poisons into the head of the Tambo River. A former operator of the Benambra copper and zinc mine went into receivership in the late 1990s, leaving taxpayers to foot the \$6.9 million bill for the rehabilitation of the tailings dam [1]. There is a risk of the Kalbar mine site not being rehabilitated (only one mine of the 150 operated in Victoria has ever been fully rehabilitated according to a study by The Australia Institute). How do we know this will not happen again?

2/ Impacts on a major food production area.

The Fingerboards area is a food bowl that is valued at more than \$150 million annually and employs up to 2,000 people.

It supplies vegetables to fresh markets, fast food outlets, cafes, restaurants, cruise ships and various businesses along the value-added product chain throughout Australia and overseas.

Kalbar will open cut an area of about 1,200 hectares to a depth of up to 45m. The minerals they seek are 4% of what will be removed - around 96% of the mined material is to be returned to the site. The proposed plan is to rehabilitate these areas and return them to farming. However, there is a real risk of contamination of this soil, and there will be decades of disruption to the land, and hence farming activities in nearby areas – the mine is expected to run for 20 years.

There is no doubt that this mine will have an enormous impact on farming activity in the area, including adjacent farms not directly part of the open cut.

There is also the risk of 'brand damage' occurring to this important farming area because of perception of contamination, which could be expected to impact on the economy of the region. As was shown in the case of the toxic waste dump proposed at Werribee in the 1990s, a major issue with mines and waste sites is perceived impact on the 'clean and green' brand currently enjoyed by the region. In 1995 CSR decided to turn its Werribee quarry into a "prescribed waste landfill". In March 1996 Werribee residents first learnt of the proposal and began a lengthy campaign of opposition. This campaign led to an unprecedented public meeting of 15,000 residents at the Werribee racecourse. After three years of campaigning, the community won against this proposal [2]. The campaign argued successfully that approving the dump would be a major "failure of planning" given it was 'adjacent to farms and internationally protected wetlands, close to vital market gardens'. Among many arguments used by the community was the threat of brand damage to products such as leafy greens which are produced there and distributed nationally and globally.

3/ associated impacts on local employment

Loss of farmland and possible contamination or perceived brand damage will all impact on local employment.

While we appreciate that the IAC process must simply consider the details of the EES and determine whether there is an unacceptable risk attached to the project, we would also urge you to think more broadly about long term options for the region. Mining is a single use option for land and will require substantial use of water. It will impact on the region for more than 20 years. Yet the claims that these costs will be offset by the employment that the project will bring needs to be considered carefully. While employment is to be welcomed, will it really benefit the local economy?

The company says it will create around 200 jobs, yet it must be remembered that 134 of Kalbar's 197 projected jobs are for contractor positions. It is likely that many of these contract roles will be filled by people from outside the region – fly/ drive in workforces are common in this sector. Mining also has specialist skill sets. The proposed mine threatens many more sustainable jobs in local agriculture and tourism than what is offered by the mine.

It is possible that a company will take over Kalbar after approvals and before mining operations begin. This raises additional questions about what workforce might be employed by a new owner, with even less connection to the local community.

4/ Water.

The Kalbar mine will require at least 4GL of water annually. East Gippsland has been experiencing extended drought conditions and this is expected to continue. The region currently has 'comparatively high' rainfall compared with much of the state, however on average, rainfall has declined since the 1950s, especially in autumn. As noted by research prepared for the Victorian government [3], horticulture is 'highly sensitive to reduced water supply and increased temperatures'. So why would we allocate large volumes of water to a mine in a region with already high water demands and a declining supply?

The same report notes that 'The Gippsland Lakes (into which the Mitchell River flows) are listed as 'Wetlands of International Significance' under the Ramsar Convention, and provide significant tourism and recreation benefits. With increases in demand for water, there will be a need to focus on protecting the world-class wetlands and surrounding environments'. The Lakes are Australia's largest inland waterway system and are facing many threats, including increased salt water entering the Lakes (turning brackish water to marine), through deeper dredging. Allocating water to mining can be expected to add to the problems this system is facing.

If the water required for this project was redirected to agriculture, it could employ an additional 1,000 people, as opposed to Kalbar's estimate of 200 predicted jobs.

The Woodglen reservoir which supplies water to about 29,000 homes and 3,500 commercial premises is 3.5 km downwind from the mine.

5/ Public health.

Silica dust poses a significant health risk, as the mine is located where people live, work and children go to school. Locally, tank water is a common source of drinking water for human and animal consumption, with the real risk of contamination.

Radioactive and other toxic substances are going to be mined. Kalbar has not released effective data about the content or hazard rating of the ore or of the concentrate. Heavy metals experts say it will contain arsenic, lead, thorium (which is radioactive), vanadium (associated with reproductive issues), chromium and zinc. Titanium dust is a known carcinogen when inhaled. The world's best practice Californian EPA standards have a maximum acceptable level of zero for Vanadium dust.

This proposal poses an unacceptable public health risk to the local community.

6/ Tailings dam.

This is a 'wet' mining process, requiring substantial water in the processing, which will then need to be stored on site. The tailings dam will cover 60 hectares, with 20m high walls lined with clay. The dam will be located very close to the Perry River catchment that feeds into Lake Wellington (part of the Gippsland Lakes) and Providence Ponds (a unique chain of ponds, one of the last of its type in Victoria). There is a very high risk of leaching and contamination.

Under climate change scenarios [4], the frequency and intensity of extreme rainfall events are projected to rise. Despite an overall trend of declining rainfall, 'more of the rain that does fall will be in increasingly extreme downpours. This is likely to lead to an increase in the incidence of flooding events', another issue of concern for such a large project which will need to manage – that is, contain - enormous volumes of soil and fill for long periods of time.

7/ Cultural Heritage.

Traditional Owners have not signed-off on this proposal. The Gunaikurnai Land and Waters Aboriginal Corporation says "the proposed mining operation will disturb and hurt the cultural connection of the Traditional Owners to the land, air and water that is part of the development area".

8/ Tourism.

Tourism is currently the 3rd largest employer in East Gippsland [5].

With the heritage listed Mitchell River only 350 metres downwind from the mine, there are potential serious impacts on tourism on the Ramsar protected Gippsland Lakes area.

The Gippsland Lakes is already under threat from decreasing flows and increasing salinity, which is affecting fish stocks and other recreational pursuits. Reduced flows from the Mitchell and existing shallow aquifers, and the threats of siltation from mine run off pose risks to the Lakes system and hence the tourism that relies on there being a healthy ecosystem.

The Fingerboards Loop, one of the iconic bicycle rides in Gippsland, will no longer be viable due to the dangers of so many B Double trucks using the local roads.

9/ Transport.

The mine will produce a concentrate which will be shipped overseas to be processed. During periods of peak production, this will involve large (80 B-Double) trucks on rural roads both day and night. Both the mineral concentrate and flocculants used on the tailings are to be transported by road and they are both expected to be hazardous materials. The route for taking the concentrate to port has not been disclosed.

10/ The community opposes it.

This fact alone should be enough to stop the project. There has been a long and determined campaign against the mine and local opposition has been amply demonstrated. For instance,

- 82% of the directly impacted landholders where the mining project is to be located have responded to a survey question and said they want their land free of mineral sands mining
- Over 4,200 people have signed a petition to the Legislative Assembly stating their opposition to the mine
- Over 240 local business owners and leaders of community groups have signed a petition to the East Gippsland Shire Council stating their opposition to the mine
- 75% (9 of the 12) horticultural business owners from the Lindenow Valley vegetable growing area (an industry worth nearly \$200M/ year and employing 1,500 people) have signed a letter of 31st January 2019 to Kalbar's CEO rejecting Kalbar's Horticultural Impact Study (part of the EES)
- A group called the East Gippsland Alliance has formed in opposition to the mineral sands and Benambra mines.

The Victorian government should do the right thing and refuse the application for this destructive project. We hope you will recommend this course of action.

[1] <https://www.abc.net.au/news/2018-07-26/benambra-stockman-mine-approved/10039390>

[2] <https://www.ourcommunity.com.au/files/Werribee%20Toxic%20Dump%20-%20van%20Moorst.pdf>

[3] https://www.climatechange.vic.gov.au/__data/assets/pdf_file/0021/60744/Gippsland.pdf

[4] https://www.climatechange.vic.gov.au/_data/assets/pdf_file/0021/60744/Gippsland.pdf

[5]

<https://app.remplan.com.au/eastgippsland/economy/tourism/output?state=wpyvhr!d94eFYXdeTj3JdnFQ03bpsmiyHrY5UwmjmWHLxOxqHAHMgHOHJUbzlpHkoa>