

# EES Presentation Fingerboards Mining Proposal

East Gippsland Community Action Group  
Supporting Ratepayer's and the Community

EAST GIPPSLAND  
COMMUNITY  
ACTION  
GROUP INC. 80098811G

# Acknowledgment

- EGCAG would like to acknowledge the Gunaikurnai, Monero and the Bidhawal people as the traditional custodians of the land that encompasses East Gippsland Shire.
- We pay our respects to all Aboriginal and Torres Strait Islander people living in East Gippsland, their Elders past, present and emerging, while acknowledging that sovereignty was never ceded.

# INTRODUCTION

The East Gippsland Community Action Group (EGCAG) was formed in 2016 to:

1. Act as a sounding board for the interests and benefit of the community.
2. Initiate and prepare submissions and pursue community interests and concerns.
3. Engage with Council, Councillors, Government and any parties in respect to these community interests and concerns.
4. Facilitate community input into Council decision making.



The current Management Committee has expertise, experience and background in: business, farming & horticulture, finance, the arts, research, advocacy, social work, trades, retail, wholesale, education, former EG Shire Councillors.

Thank you for the opportunity to present today in a forum designed to give submitters the opportunity to talk about their submissions, highlighting and or expanding on any and all key points for the IAC to consider.

Our presentation today will expand on some elements we would like to see from our original submission and place emphasis on the importance of trust while providing comment about the proponent and statutory authorities. We would like to add that this combination is far from irrelevant as the proponents Technical Note 0040 would suggest.

The concerns we are expressing and the examples we will be using today as you will see are genuine real and relevant to IACs task as a technical body that will make recommendations and provide advice to the minister.

EGCAG are aware of Kalbar's document TN 0040 that claims they have proposed a way to fix the failure of regulators.



Using the Stockman mine as an example of a possible success for this pathway to fix the failure of regulators is debatable we will be commenting on the stockman mine and its damaging legacy later in our presentation.

Our submission will be looking at the adequacy of the regulator but that is not the basis of our submission as to why the project should not be approved.

Kalbar and companies like them have created the lack of trust we speak about today and the regulators have enabled it. They are not separate or irrelevant as we will show.

We are here today because we understand this is about people. People's lives. People's wellbeing.

EGCAG has been concerned about the project for several years and members have been actively involved in activities to raise awareness.

Members have committed substantial amount time and money funding several different advertisement campaigns in the local newspapers including "Community Concerns" on various topics about the proposed project.

This has included letting the community know about the release of the EES, and assisting at community events such as community information nights that have been about raising awareness.

Awareness around the inappropriate location of this proposal and the risks posed to the environment and the Lindenow Food Bowl.



# FOOD SECURITY

The Lindenow food bowl region could not be replaced if destroyed.

The project hinges on a promise of restoring premium farming land to its original state. We don't believe this can be done without investing the same amount of funds that are used to extract the minerals.

Also bearing in mind the 2020 VAGO report we will look at later found **“the state is not effectively managing its exposure to liabilities from the rehabilitation of mines on private and public land.”**



The Lindenow Food Bowl is and will continue to be in the future even more important to Victoria and Australia.

We believe that East Gippsland's clean, green image is undoubtably and already under threat by this proposal the farmers and growers we speak with feel this threat to their livelihood's and are concerned they will be unable to pass on what they have built to the next generation in their families.

EGCAG does not believe mining should be a competing land, water and infrastructure use in East Gippsland, and certainly not competing with an already well established food industry who's importance taking into account climate change, is only going to increase in the years to come.

Kalbar speculatively claim that the mine will employ 200 people when in production (most mineral sands mines employ 20-50 people ongoing). The predicted job losses in the meat farming and vegetable growing processing industry could be far greater.



EGCAG are concerned for the farms and families close to the proposed site who export organic and other vegetables to Sydney, Melbourne and the overseas markets.

They provide vegetables for the fast food industry and have for generations employed a continually rising number of people.

Vegetables are regularly assessed for chemical levels, with one bad test putting the future of the region's whole industry in jeopardy.



# NOT ANTI MINING

EGCAG has and continues to consult widely with community.

None of the numerous business's, individuals, families or groups that have formed in opposition to the Fingerboards Mineral Sands Proposal that we speak with are anti mining....none.

EGCAG understands that we are all reliant on mining products in some way in the present systems, that's not the issue.

What the community we speak to see as a larger part of the issue is the way inexperienced junior explorers like Kalbar and the mining industry go about - business as usual - resource extraction, dividing communities and creating distrust.

At this point its also important to understand where this all started and why Kalbar are not wanted here by 85% of directly impacted landholder's and many, many more in the broader community.

Where it all started.....statements and information provided by impacted families.

The Glenaladale community was devastated by bushfires in February 2014.

Within two weeks of these fires Kalbar were contacting landowners asking permission to drill on their properties.

When the insensitivity of this action was pointed out to them their response was that they were not aware of the fires and that they were required to commence works as soon as possible.



In December 2014, Kalbar held a public meeting at Mossiface near Bruthen where they were also told they were not welcome.

It was later announced that they no longer intended to mine there but would shift their attention to Glenaladale.

Kalbar had to be approached after the Mossiface meeting by the concerned residents of the Glenaladale community members and asked to call a public meeting at Glenaladale for Kalbar to explain their intentions to the community.



Community consultation and engagement had begun to break down and became what many believe to be the catalyst for dividing and splitting the community.

The community was at this time concerned that Kalbar allegedly:

- decided to divide and conquer by contacting individual landowners expecting meetings to take place with as little as 24 hrs notice
- when meetings were held that Kalbar's consultant Coffey sent notes back to landholders from these individual meetings that were incorrect incomplete and inaccurate.

Many rumours started to circulate in the community and no answers could be found, at the same time Kalbar overall plan appeared to continue to change regularly with information hard to come by causing stress within the community.

Kalbar then allegedly went on to:

- make claims about a number of developing strategies around water storage that government department's were unaware of
- use misleading images in a number of their presentations
- make inappropriate comparisons of land use in other states



- used maps that did not clearly define landowner's homes and the \$150 million a year vegetable growing industry directly below the site...or include the heritage listed Mitchell River
- include several mistakes and missing information from their initial documents in relation to the heritage listed Mitchell River and the Ramsar Listed Gippsland Lakes.

This led to a growing **lack of trust** in Kalbar and certainly gave no confidence in the inexperienced junior explorer.



# LACK OF TRUST

EGCAG its members and supporters have looked closely at the broader context of this proposal that we believe must also be seen in context with the following examples.

Examples that will show why **a lack of trust** exists from community towards proponents and regulatory bodies In East Gippsland, and why EGCAG and groups formed to oppose the Fingerboards mining proposal continue to be highly concerned about inexperienced speculative mining companies with seemingly little due diligence being allowed to come in East Gippsland.

In doing so its hoped the panel is able to help take a message with the information presented here today to the minister.

And as discussed earlier we will be looking at the adequacy of the regulator but that is not the basis of our submission as to why the project should not be approved.

We hope the message that a well researched and driven community are prepared to fight, they can only see one constant in all of this over 7 years..... a serious a **lack of trust** in decision makers, government department's and Kalbar.



Those opposed to the Fingerboards mine and opening East Gippsland up to resource extraction that we speak with have no trust in our regulators or mining companies like Kalbar.

We are keenly aware of where outdated environmental protection process and policy is leading us.

Social impact assessments and ethical considerations leading to social license seem to receive no attention with the focus on outcomes, agreements, economics and employment results.

Legitimacy and credibility along with mutual trust are the foundations of gaining social licence.

Kalbar do not have the ongoing approval within the network of stakeholders that has evolved and do not have broad social acceptance, the network and community will not grant Kalbar a social license to operate.



# 2016 - Statement of Expectation

2016 A statement of expectation was issued by the then Minister the Hon Lily D'Ambrosio MP to the Department of Economic Development, Jobs, Transport and Resources (DEDJTR) for the Earth Resources Regulation Branch (ERR).

Clearly stating a need to improve the regulation of the earth resources sector.

In the Minister's statement, critical performance improvements were listed and ERR was to achieve these improvements within 12 months.

- 1.Role clarity;
- 2.Building capability and culture;
- 3.Risk-based strategies;
- 4.Clear and consistent regulatory activities;
- 5.Stakeholder consultation and engagement;
- 6.Timeliness;
- 7.Communication and transparency; and
- 8.Continuous improvement.



This statement of expectations was then superseded in 2018 by then Resources Minister Tim Pallas with the intent (yet again) to ensure the ERR met continuous improvement and resource projects were safe, sustainable and operate in a way that does not pose social, environmental or public health risks...safe....while in the same year the following occurred.

# Cassilis Mine -Omeo

An Article from the Age Newspaper shows regulatory decision making is far from clearer and more efficient and certainly not a safe, modern proportionate and robust regulator. Quote.

“Victorian government agencies inexplicably failed to deal with the “potentially catastrophic” load of explosives at a gold mine near Omeo, according to a scathing report by the state’s mining warden.

A large cache of explosives was abandoned for two years unsupervised in a defunct gold mine linked to high-profile criminal barrister Robert Richter, QC, and his former client, Matt Tomas, who beat a murder charge with Mr Richter's help in 1996.



# ERR -Inability to detect serious breaches

Mining warden Mr Campbell advised Minister Tim Pallas to follow up on Earth Resources Regulation's inability to detect up to nine "serious breaches" of the Mining Act by one of the de-registered companies formerly associated with the Cassilis mine.

He also lashed the government regulator, Earth Resources Regulation, over other "serious breaches" of the Mining Act, and said it appeared not to have acted on the danger of "shadow directors", a "fall guy" or a "straw person" to be involved in "unscrupulous" companies holding mining licences in Victoria."

The latest owners are ABA Co-op led by Marino Sussich, a Melbourne businessman with a colourful background and diverse business interests ranging from brewing to information technology.

Mr Sussich, who declined to respond to questions, was previously banned by ASIC from managing a corporation in the late 1990s.

Mr Campbell has called for greater investigative resources and training to be provided to Earth Resources Regulation."

Mining warden Mr Campbell advised Minister Tim Pallas to follow up on Earth Resources Regulation's inability to detect up to nine "serious breaches" of the Mining Act by one of the de-registered companies formerly associated with the Cassilis mine.



“In another damning finding, Mr Campbell rebuked the regulator for failing to ensure mining licence holders fulfilled their statutory requirement to hold public liability insurance. He advised Mr Pallas to direct Earth Resources Regulation to regularly check public liability insurance is in place across the life of a mine.

The Victorian government has recently received complaints from members of the public in Gippsland about the conduct of ABA Co-op representatives and at least two officers from Earth Resources Regulation.

Meanwhile, the owner of contractor Hercules Mining, Michael Proells, is still waiting for his court-ordered \$700,000 bill to be paid for work done at the mine six years ago.”

<https://www.theage.com.au/national/victoria/all-mine-explosive-findings-in-lawyer-s-golden-adventure-20180823-p4zzez.html>

Mr Campbell has called for greater investigative resources and training to be provided to Earth Resources Regulation.”

Mining warden Mr Campbell advised Minister Tim Pallas to follow up on Earth Resources Regulation’s inability to detect up to nine “serious breaches” of the Mining Act by one of the de-registered companies formerly associated with the Cassilis mine. End quote.

This is 2018



# 2019 - ERR Internal Audit Report

- A 2019 internal audit report on mine rehabilitation found that while ERR has a considerable number of policies and guidance documents, they are:
- fragmented, and do not link into a broader framework
- often out of date
- inconsistently applied by staff
- generally not used, as many staff are unaware of their existence.

Yet East Gippsland communities are being asked to trust in the science trust in the apparent robust process's in place by the government, local members and Kalbar despite attempts at distancing themselves via TN 0040.

<https://www.audit.vic.gov.au/report/rehabilitating-mines?section=33614--appendix-c-scope-of-this-audit&show-sections=1#33603--2-rehabilitation-liabilities>

# 2020 - VAGO Audit Report

**Found the state is not effectively managing its exposure to liabilities from the rehabilitation of mines on private and public land.**

The audit found regulators are:

- not effectively regulating operators' compliance with their rehabilitation responsibilities. This exposes the state to significant financial risk because some sites have been poorly rehabilitated or not treated at all. If not addressed, these sites also present risks to Victorians and the environment.



## Systemic regulatory failures that encompass:

- using outdated cost estimates
- not periodically reviewing bonds for their sufficiency—including a four-year bond review 'moratorium' for which there is no documentary evidence that it was duly authorised
- failure to assure that site rehabilitation had actually occurred before returning bonds
- approving inadequately specified rehabilitation plans
- a distinct lack of enforcement activities

# Stockman Mine

The highly controversial and murky Benambra Stockman mine sitting above the Tambo River yet again attempting to be resurrected that has to date cost taxpayers \$6.9 Million to date.

The government entered into a "post closure" agreement with the mining company Round Oak, a subsidiary of listed ASX company Washington H. Soul Pattinson and Company.



An exclusion zone was put on the dam attached to the project by the Government more than a decade ago to stop future use by miners.

But this was reversed when the Resources Minister Tim Pallas lifted the moratorium on the use of the dam.

The state government awarded a mining infrastructure license to massively extend the Benambra Mine tailing dam. A dam already holding 700,000 tonnes of toxic tailings that is currently leaking – despite massive expenditure by the State Government funded by the taxpayers.

The plan..... raise the dam wall another 25 meters allowing for an expected mine life of 10 years but with an additional **unknown** tonnage of toxic tailings to be added. Also, we have the possibility of 90 B - Double truck movements in 24 hours coming down the Great Alpine Hwy.



# Round Oak Minerals up for sale

April 2020.... Round Oak Minerals is up for sale.

No one knows what is going on with this company and are currently seen by the market as confusing and mysterious. What now happens with the promise to maintain the site FOREVER does that fall to the next proponent in a long line of owners.

The sale creates more questions yet again around this chequered mining legacy and certainly doesn't provide merit for the implementation of an ITR panel chosen and paid for by the proponents able to amend the terms of reference from "time to time"

# Stockman Mine -Independence Group

The following is again to give you an understanding of why as a community we are concerned about East Gippsland being ponded up to mining interests.

The following extracts from a public hearing schedule enquiry into greenfeilds mineral exploration Victoria

26 th September 2011 in Room G3 55 St Andrews Place, East Melbourne:

Present Mr N. Burgess, Mrs I. Peulich Mr M. Foley Mr G. Shaw, Mr W. Noonan, Chair: Mr N. Burgess

Deputy Chair: Mr M. Foley - Staff Executive Officer: Ms Y. Simmonds,  
Research Officer: Mr S. Martin

Approvals manager Independence Group NL,



# MINING SPEAK

Mr JACOBS - Perception there is a poor perception of Victoria. I knew that before I worked here, just from being in the industry. Perceptions are like reputations – they are almost like Chinese whispers that human beings pass on from one to another. You have to go digging to find if there are facts behind it or not. As the PR people say, they are a reality. Whilst they are out there being circulated, they are a barrier. They are stopping people from coming here.

# MINING SPEAK

Mr JACOBS –

We are used to taking to a regulator something like, 'This is my project. You either approve it or you don't', rather than having to justify why you chose a gen set that burns gas rather than diesel etcetera. At the moment we are finding that this is a little process that is ripe for an embedded interest group to get stuck into a little thing of interest.

Mr NOONAN- We have a few in the Parliament too.

The DEPUTY CHAIR - None on this side, however.



# MINING SPEAK

Mr JACOBS - my first thoughts were DPI, but I do not see much hope there.

They are basically missing in action, and I think it would be too big a cultural change to get there.

RDV look to be the best people culturally for that, and they seem to have connections within Government and the ability to talk to other departments and across silos. To me they look like they are the best bet.

The DEPUTY CHAIR - We might bring this back, maybe wind up the talk about roads and power, but you did not quite get to water.

# MINING SPEAK

Mr JACOBS - We deal with three different water departments a catchment management authority a regional water authority and the DSE we are right on the watershed so we have six of them. Less of them would suit me.



# MINING SPEAK

Mr JACOBS - We are reasonably confident that we will find water by exploring. There is no known deep water up there, but geologically there is pretty good reason why it should be there. We will go and explore for it and find it.

We are finding the system is a little different here where that does not give us any rights to it, but we are told **with a nod and a wink** that if you stand in line, you will probably be first in the queue, as long as it is not unreasonable.

We are willing to go and explore for that, I just do not see any other method of getting there.

[parliament.vic.gov.au/57th-parliament/edic/article/1392](http://parliament.vic.gov.au/57th-parliament/edic/article/1392)

Community members we speak with and represent are not only offended they are angry, angry that on top of the concerns we have already outlined and a lack of trust and faith in regulatory bodies they we feel a if our homes and lives are treated as little more than an operational inconvenience to Kalbar.

Kalbar have made it clear they are attempts to socilaise our East Gippsland communities to the ways of mining. An attitude that is prevalent throughout the mining industry and while they do achieving social licence via stakeholder networks continues to be eroded.



The mining industry and minerals council of Australia would have us believe there is a quiet resurgence for mining across Victoria.

For the directly affected landowners who have been living with the spectre of the proposed Glenaladale Mineral Sands Mine it has been anything but quiet for the last seven years.

The impacts on some of our communities in Gippsland East Gippsland include affecting their health and wellbeing, along with division and conflict between neighbours, family and friends cannot be denied by any who have been following the events that come from this apparently quiet resurgence.

We think its safe to say past and current attempts to turn East Gippsland into a mining province illustrate everything that is currently wrong with our business as usual politics around resource extraction and communities have had enough.

Our concern with what has occurred and continues to occur in East Gippsland is its all about perception with no substance, its false, this we are open for business – business as usual – ideology is damaging community.



People's lives have been turned upside down by the Kalbar Mineral Sands Mine proposal, siting above the Lindenow vegetable flats and the Heritage listed Mitchell River running into our Ramsar listed Gippsland Lakes.

Turned upside down by regulators who are not doing enough due diligence, legislative reform or regulation and neither have won the trust and confidence of network stakeholders or community.

EGCAG its member's and supporters are saying NO to inappropriate mining in and around environment's like East Gippsland.

Kalbar over the last seven years have consistently shown the same ingrained ideology and as the above examples in pursuit of its agenda in socialising the East Gippsland community to the ways of mining.

Articles and advertising about “anti-mining” and “premature” decision making, along with the | “EES is strictly regulated to meet the highest technical standards” are clearly just not true and offensive.

As stated at the beginning of our presentation no one we speak to expressing concerns for our heritage-listed Mitchell River, the Lindenow Food Bowl and other agricultural/ tourism industries that stand to be adversely impacted by the Kalbar mineral sand mine proposal has to date ever claimed to be anti-mining. Kalbar has attempted to inaccurately and unfairly mis-label those in opposition to the mine.



Opposing groups and individuals to this particular proposal consist of well-informed, educated people who have performed extensive research and consulted numerous experts.

These groups accept and understand that mining has its place, but also accept that the proposed mineral sands mine should not be a competing land use for East Gippsland, sitting above the heritage-listed Mitchell River and Lindenow Food Bowl.

The issue is not about the concept of mining, or the rights or wrongs of mining

It is the **inappropriate position** of this proposed mine which is extremely problematic for numerous sound ecological, environmental and economic reasons.

And the total loss of trust and respect for Kalbar who have no social license in project areas they propose to mine.



Kalbar Resources and its supporters are asking the East Gippsland community to put trust and faith in an outdated, unacceptable, ineffective process, heavily biased in favour of the interests of mining companies, a process that is certainly not reflective of best practice as internal and external audits have clearly shown.

A process that has been open to manipulation that mining companies, their supporters know inherently favours mining that have not been given any social license.

Served up to communities as “in their best interests”.

How can an outdated process be effective in developing critical considerations in planning development?

How can an outdated process effectively predict the environmental social and economic effects of a proposed development and find ways to reduce negative impacts?

How can an outdated process encourage best practice

Opening East Gippsland up to mining and resource extraction in and around our Heritage listed river Ramsar listed lakes and mountain biodiversity that is “the last” unbroken area of biodiversity from the mountains to the sea in Australia is a massive threat to community.



Mining companies have not proven they can bring high standards and the government cannot seem to address top regulatory compliance in the rush to open East Gippsland/Gippsland up to resource extraction to seemingly do little more than maintain investment appearances while inviting in a mining culture that bring nothing but distrust.

# SAYING NO

We are not saying NO for the sake of saying NO

It is the only option for this inappropriate mining proposal and East Gippsland.

We are saying NO to mining:



- transforming the land use, infrastructure, labour force and social fabric of East Gippsland to the detriment of already established local economic production and communities.
- a boom and bust, off the chain, rogue industry setting up camp in East Gippsland.
- to government agencies who promote and also regulate themselves.
- outdated, ineffective regulatory framework's that do not protect the environment and community.
- unscrupulous mining companies turning East Gippsland into a mining province.

EGCAG believes this proposal has divided the East Gippsland Community for long enough....it has taken time, resources and a huge toll on the health and wellbeing of local families for 7 years...who are saying No.

To continue in this false reactionary manner without a clear, honest and courageous response to the legitimate and numerous concerns of community and recognition of no social license being awarded around this proposal is a tragedy.



How is East Gippsland's environment and the communities living within it ever going to recover from the recent bushfires, when in their most vulnerable state speculative mining proposals like Kalbar are allowed to be pursued, dividing and further negatively impacting on the health and wellbeing of community?

Would the majority of clear and major concerns around the impacts of this proposal been picked up by regulators and government bodies if our community had not been well researched and prepared to fight ?

It is time for a mature, engaging and honest conversation about resource extraction and the negative impacts it has already had and continues to have on the East Gippsland community because right now its not happening.

EGCAG and its members will not see East Gippsland socialised to the ways of mining. The farming families of Glenaladale and the broader community deserve more.

It is the wrong place for a mine.

Kalbar have no social licence in East Gippsland.