

Peter Vaughan
Environmental Media Foundation Inc.

16 July 2021.

Mr Stuart Morris.

Dear Mr Morris.

I write to you, for clarification of information given in a statement that you made during the early stage of the, *Fingerboards Mineral Sand Project Inquiry and Advisory Panel* hearings.

At that time you made the claim that, “Kalbar” has to date, spend \$50 Million dollars on the Fingerboards Project.

We intend to use that quote in the documentary film we are currently producing. That film is focused on the Kalbar mine project, and mining regulation across Victoria.

I would like to give you the opportunity to explain where you derived the figure of \$50 Million dollar figure from. We have assessed all the ASIC financial returns for the company, Kalbar Resources, for the years 2012 until 2020. The total expenditure of that company, the owner of the project company Kalbar Operation Ltd (created in 2020), only comes to perhaps fifteen million dollars (or probably a small fraction of that figure). The contribution of Appian Capital Advisory, is reported in the 2020 Kalbar Annual Return, ASIC documents, at ten million dollars. However that money was cited for repayment (in the document), to certain shareholder, not the project development.

So a most generous possible estimate for Kalbars total expenditure since it was created in 2012, is no higher than perhaps \$25 Million dollars. That is at least \$25 Million dollars less than the \$50 Million you stated. And if we subtract Appian's theoretical contribution, that is \$35 Million less than your claim.

Your legal background would inform you that the Victoria Environmental Effect Act 1978, does not have any penalty for intentionally misleading a decision maker, or any other element of an EES process, including an inquiry panel.

As there is no evidence that Kalbar has actually spent \$50 Million dollars, did you or Kalbar personnel, simply make up the figure, with the knowledge that there is no legal prohibition in the Act against doing so ?

We would like to give you the opportunity to supply details of the information that was the basis for your claim that Kalbar has spent \$50 Million dollars on its' Fingerboards project. I hope you take this opportunity to correct the record or supply supporting documentation in this regards, in consideration of any future dispute or issue that may arise.

Thank you.

Regards.

Peter Vaughan

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