Submission Cover Sheet

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Fingerboards Mineral Sands Project Inquiry and Advisory Committee - EES

Request to be heard?: No - but please email me a copy of the Timetable and any Directions

Full Name: Jane Hildebrant

Organisation:

Affected property:

Attachment 1: Kalbar_EES_Submi

Attachment 2:

Attachment 3:

Comments: See attached submission

Planning Panels Victoria

Submission to Kalbar Fingerboards Project EES

Key Issues

Economic Benefits
The benefits of mining are usually described in terms of economic inputs, particularly jobs created. The Socioeconomic Impact Assessment [SIA] claims estimated net benefit to Victoria of $392.4 million in net present value (NPV) terms, comprising of $158.9 million and $234.45 million in direct benefits (a combination of company taxes accruing to Victoria and royalty payments) and indirect economic benefits ($25.0 million (NPV) to Victorian workers and $209.4 million (NPV) for suppliers. Total indirect costs of the Project are $20.1 million, i.e. GHG emissions and losses to other industries, including agriculture) (SIA, pp3-4, 34).

Regarding mining royalties: Payments are often cited as contributing to government revenue. However, they need to be weighed against the many subsidies provided to the mining industry and its ancillaries and the offset costs paid by other parties. Victoria received $109 million in royalties in 2019-20 (2019-20 Statement of Finances, Budget Paper 5, p201). Royalties are predicated on Kalbar making sufficient profit from its mining activities. Given the huge costs incurred in constructing and managing the mine and its impacts, it is most unlikely Kalbar would ever be in a position to pay royalties.

A proper cost-benefit analysis would account for the benefits lost. Claims of jobs created need to be verified by factual evidence and need to be weighed against jobs lost, e.g. from agriculture, tourism and ancillary businesses and services, including in health and education, should they decline or fail. The long-term sustainability of jobs should also be considered. As the waning of the mining boom shows, mining jobs are not permanent compared to jobs in agriculture, especially in dairy and horticulture where these industries are forecast to expand. Purported mining profits must be weighed against the cost to the taxpayer of restoring damaged environments, including the costs of processing mining waste products, costs to the health budget of dealing with damaged lives and the costs imposed on local governments including reduced social capital resulting from the “hollowing-out” of communities. Such assessment should be part of a normal cost benefit analysis.

The total of new jobs created varies. In 2014, Kalbar estimated that the mine would create 60-70 jobs (Weekly Times, Dec 3, 2014). The EES raises this number to 200, comprising 63 FTE jobs, the remainder contracting jobs, e.g. water carters, catering, maintenance and training (ABC Gippsland, May 28, 2018: *Mine Plan divides Gippsland Community with claims of harassment and intimidation*). The Agriculture Impact Assessment [AIA], p24, predicts 180 FTE over the life of the mine but the Socioeconomic Impact Assessmenr [SIA], p39, predicts the increase in Victorian jobs to be “around 110 FTE on average over the period”. Kalbar considers infrastructure benefits, **including water**, road upgrades, increased port infrastructure and utilisation at Port Albert and social infrastructure would deliver economic growth. However, this new infrastructure is only needed to support the mine and would otherwise be unnecessary. These costs would inevitably be transferred to local government, i.e. ratepayers, and State government taxpayers because Kalbar would only be liable, if at all, for upgrades close to their property, as is the convention.

In addition, the EES admits that impacts on agriculture and tourism will cause numerous job losses, which deducted from the number of predicted jobs created, will result in negative number of jobs in the region. The East Gippsland vegetable industry is a major employer with recent peak seasonal employment of 1,526 and a low of 656 in 2014/2015 (AIA, p24). Construction jobs are short-term and will not replace permanent jobs in agriculture, tourism, and ancillary services. Kalbar Resources claims it has a policy of employing local workers and using local businesses, wherever possible, but Kalbar Operations being a new company structure has no such obligation. So, there is no guarantee that mining jobs will be filled by locals. Looked at realistically, this project is a destroyer not a creator of jobs.

Agriculture

While most of the affected land is under grazing or timber plantations, by far the greatest agricultural income is derived from horticulture in the Glenaladale/Lindenow area within 5 km of the mine, which relies heavily on water from the Mitchell River. There is also one dairy farm "within one kilometre of the project boundary" (AIA, 2.6.3, p20).

In a media release dated 22 July 2019, the Minister for Resources, Jaclyn Syme, announced the exemption of almost 4000 hectares [of this area] from mining and minerals exploration, stating: "Geological studies show low potential for minerals development in the floodplain area, which makes mining in the area less likely to be commercially viable compared to the highly-productive horticulture businesses in that area." While exempting the land under horticulture, the Minister nevertheless ignores the fact that Kalbar's proposal will undeniably affect local agriculture.

The impacts on the substantial horticulture industry will result in financial losses to growers and could negatively affect the industry's reputation if vegetables are perceived by buyers and consumers to be contaminated by mining pollution. Livestock businesses must also comply with national biosecurity regulations which could be breached should the mine proceed. Food security is a matter of national interest. Countless taxpayers' dollars are spent on the marketing of Gippsland's "Clean, Green" image. The Gippsland economy relies heavily on its promotion as the nation's "food bowl". Clearly, the mine will compromise, if not destroy, the viability of agri-businesses (and their ancillaries). "ABS statistics estimate the total farmgate value of irrigated vegetable production for the Local Agriculture Region at $62.6 million. [As section 2.4, AIA, p23, notes], this is generally regarded by the local industry as an under-valuation". It is doubtful any profits from the mine due to "revenue leakage to non-Victorian based interests" (SIA, p36) will compensate for the loss of agricultural income to local and state economies.

There is absolutely no evidence to support Kalbar's claim that farmers "can choose to sell their property or rent their land while it is being mined. [And] In either case, this would be above market rates" (Weekly Times, Dec 3, 2014), Quite the contrary: who would rent a farm where the land is being bulldozed for mining? Most of the land under licence is dryland grazing. How could activities such as calving and lambing be managed under conditions of constant dust, machinery, diesel generators, workmen coming and going, lights and substantial truck noise, viz. 24 trucks leaving the mine every 24 hours (Groundwater and Surface Water Impact Assessment [GSWIP], p5)? Although Kalbar has agreed to buy or has bought three houses and adjoining properties within the project area (Land Use and Planning Impact Assessment [LUPIA], pii), many other affected landowners, some within 500 metres (LUPIA, p11) will see their wealth destroyed as their property values fall, and they may possibly be denied insurance. Unable to sell their properties (AIA, 5.1.5, p31), they will be trapped in an amenity nightmare, as have the many families affected by the PFAS crisis. This will undoubtedly lead to mental and physical health problems (AIA, 5.1.9, p32) which will also drain medical costs for all taxpayers. This is unconscionable.

Planning Controls

Although Clause 52.09 of the East Gippsland Planning Scheme outlines several purposes relating to extractive industry and its interest areas, where an EES is required no permits are required if the proposal complies with 77T MRSD (Clause 52.8.01). So, although there are statements in the scheme related to the protection of the environment, water quality, cultural heritage, amenity etc. these are all considered under the EES process. Unlike windfarms, feedlots and even dog breeding facilities, there are no designated buffer zones or guidelines to separate mining activities from farms and housing. Why is it reasonable to reject a windfarm proposal if its siting is within one kilometre of an existing dwelling and written evidence of consent is not provided (Development of Wind Energy Facilities in Victoria: Policy and Guidelines, 2.1.6) but a mining company can occupy and denude private land without the landowner's consent? "What other private commercial entity can enter your land without your permission for the sole purpose of making a profit and, adding insult to injury, eventually leave your property worthless? - John Nader QC (The Land, 8 Jan 2014, 'Mining Acts Need Severe Surgery')

The Land Use and Planning Impact Assessment considers that the "the net benefit of the project of an estimated $392.4 million in net present value terms" outweighs the. "gross margin loss of $58,000 to $83,000 per annum" due to farmland replaced by the mine (LUPIA, p43). A project is net beneficial if the net present value (NPV) of the sum of benefits minus the sum of costs is greater than zero" (SIA, p3). There is absolutely no evidence to support this conclusion. It assumes that all adverse effects, including rehabilitation of farmland, will be overcome but does not say how this will be achieved.

Rehabilitation

The VAGO Report Rehabilitating Mines, August 2020, found **"systemic regulatory failures"** relating to mine rehabilitation. It concluded that the Department of Jobs, Precincts and Regions (DJPR) "is not effectively regulating operators' compliance with their rehabilitation responsibilities and bonds generally do not cover actual rehabilitation costs. Determining the "total open (disturbed) area is the single largest factor in calculating the value of an operation's bond" (Rehabilitation Report, p7). VAGO found that some sites have been poorly rehabilitated or not treated at all. Undervaluing the bond exposes the state to **significant financial risk** and if rehabilitation issues are not addressed, **these sites also present risks to Victorians and the environment**" (VAGO August 2020, p1). VAGO also found that ERR has not effectively calculated and set rehabilitation bonds to cover the full rehabilitation costs (VAGO August 2020, p4), perhaps due to its reliance on the proponent's self-assessment of actual liabilities and desktop analysis (VAGO August 2020, p37). Rehabilitation often presents intractable problems—we need look no further than the Hazelwood dilemma so even with the best intention rehabilitation is problematic. Whatever the claim, the impacts of mining are not "temporary" (LUPIA, piii, etc.).

The mine is estimated to occupy approximately 1sq km (175 ha) of land at any time. Farms that are part of the mine would be mined over a two to three-year period (depending on size). Kalbar states: "Farmers **can choose** to adjust the topography of their land when the area is rehabilitated. The land is then rehabilitated to its previous state or better with the removal of weeds etc. As the process separates the sand from the clay, it is also possible to improve the overall soil condition of the rehabilitated land (Weekly Times Dec 3, 2014). This is fanciful. And, given the VAGO report on Mine Rehabilitation, these works are unlikely to be achieved. Soil health is not improved by separating sand from clay but by increasing soil biodiversity and its ability to retain water, nutrients and plant cover. Mining will remove fragile topsoils, bare the earth, destroy pastures and dry out the soil leaving what is effectively a biological desert. Rehabilitation is unlikely to be successful given the nature of many Gippsland soils and the considerable effort that now goes into maintaining and improving productivity. It is probable that mined land will never return to its original condition making the land unsuitable for agriculture for decades to come. This is contrary to the Victoria Planning Provisions for Farming Zone land, Clause 35.07, which has a primary objective *inter alia*:

- To ensure that non-agricultural uses, including dwellings, do not adversely affect the use of land for agriculture.
- To encourage use and development of land based on comprehensive and sustainable land management practices and infrastructure provision.

The loss of 443 ha of dryland agriculture may not seem much but 4700 ha of highly fertile river flats, if contaminated, would be significant. Across Australia, the cumulative losses of land suitable for agriculture is increasing due to urban development and mining pushing farming ever further into areas of lower fertility and more difficult climatic conditions. Climate change will further reduce agricultural viability, The removal of land suitable for food and fibre production is a major threat to Australia's food security and our economy, given agriculture's contribution to the national accounts (66.2 billion approx. in 2018-19), especially export income (48.7billion approx. in 2019).

Biodiversity
The mine is a controlled action under the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act). The EES Appendix A005 Detailed Ecological Investigations [DEI] admits that the habitat destruction will adversely affect significant numbers of flora and fauna, many listed as vulnerable, rare and endangered under the EPBC Act and/or the Flora and Fauna Guarantee Act 1988. In fact: "**Removal of all vegetation** within the mine path **will be required**" (LUPIA, p26). The claim that offsets can "compensate for unavoidable impacts, or those that cannot be effectively mitigated to low levels" ignores the fact that offsets do not compensate for lost in situ habitat. Scientific evidence supported by a recent report by the Australian National Audit Office (June 2020) finds that offsets do not guarantee replacement habitat for threatened species or ecosystems. Rather, the cumulative effect of habitat destruction results is rapidly pushing many species towards extinction. The ANAO Report, Summary and Recommendations, No. 10, also concludes that: "Referrals and assessments [under the EPBC Act] are not administered effectively or efficiently. Regulation is not supported by appropriate systems and processes, including an appropriate quality assurance framework. The department has not implemented arrangements to measure or improve its efficiency."

According to the State Government's own policy: 'Native plants and animals have an intrinsic right to exist, thrive and flourish. Multiple life forms contribute to biodiversity and have significant intrinsic value. Victorians have a duty to protect biodiversity, regardless of whether it provides tangible benefits to humans (Protecting Victoria's Environment – Biodiversity 2037, p6). These benefits include invaluable ecosystems services which sustain all life and ultimately human health and wellbeing. State and Commonwealth governments have contributed billions of taxpayers' dollars over the years to environmental protection. The State government recently contributed $1.6 million to the remediation of the iconic Providence Ponds and Perry River catchment area. A condition assessment of the chain of ponds waterways undertaken found nine rare or threatened plant species, previously not known to be in the area, and the most extensive occurrences of Wet Verge Herbland known in Victoria. (WGCMA 2020). Environmental projects stimulate local economies creating jobs for everyone involved in catchment management, e.g. works' contractors, nurseries and other suppliers, planners and design engineers, flora and fauna research scientists, Landcare and Traditional Owners.

Coincidentally, the State Government recently invited submissions to a Parliamentary Inquiry into Ecosystem Decline in Victoria. The terms of reference included consideration of "the adequacy of the legislative framework protecting Victoria's environment". The DEI report, p7, finds that the mine's construction and operational phases of the project will involve the "loss, reduction or reduced viability of ecological values within the project area and project locality." The loss of three billion animals in the 2019 fires should have raised a red flag to governments at all levels that we are facing a monumental environmental crisis. Protecting our flora and fauna is the highest priority if there is not to be a total collapse of biodiversity and ecosystems. It is bitterly ironic that, if approved, this mine will add to the cumulative losses of irreplaceable ecosystems and biodiversity which, apparently, the Government wants to protect. If we care about the future of life on our planet, this destruction must stop!

Climate Change

"Climate change poses one of the biggest threats to our future. How we respond will determine the future wellbeing and prosperity of Victoria. We cannot wait for others to take action on climate change; the science is very clear that we must start to reduce our emissions and prepare for the future now. The Andrews Labor Government will deliver strong and lasting action on climate change for the Victorian community" (DWELP Climate Change Framework).

Legal opinion now requires all companies and other organisations and agencies to respond to climate change or risk the legal consequences. (Centre for Policy Development, 2016 and 2019 'Climate Change and Directors' Duties"). The EES fails to take adequate regard for the climate change impacts, which not only include the amount of greenhouse emissions during construction and the mine's life but also the impacts on the health of waterways, aquifers and other environmental assets already vulnerable to accelerating climate change. "Pollutants of importance to climate change, associated with the Project, are carbon dioxide, methane and nitrous oxide (Air Quality and Greenhouse Gas Assessment" [AQGGA, 4.3, p86]. These emissions will surely add to Victoria's cumulative emissions and therefore contravenes State policy to reduce emissions and shift to renewables. No mention of climate change is contained in the Summary Report. The Detailed Ecological Investigations report is silent on climate change yet climatic changes are already affecting the survival of biodiversity, ecosystems and agricultural production.

Water

A reliable water supply is critical to the mine's viability (Groundwater and Surface Water Impact Assessment [GSWIA], p8). Kalbar plans access to "new water sources" from the Mitchell River (under a winter-fill licence allocation from Southern Rural Water (SRW)) and/or groundwater from the Latrobe Group aquifer (from a borefield south of the project area, subject to securing traded water allocations from existing users and a licence from SRW)" (GSWIA, pv). Approximately 1.5 GL will be required per annum during mine construction and initial start-up with 3 GL p.a. required for the 15-year operation period for ore processing, dust suppression and rehabilitation. (GSWIA, p8).

"Nineteen water management dams will be constructed to separately manage water from undisturbed areas and areas of disturbed ground" [with…] fifty-three potential impacts to affect the environmental values of groundwater and/or surface water (GSWIA, pvi), e.g. heavy metal contamination, reduced stream flows and groundwater levels and directions that may affect groundwater dependent ecosystems (GSWIA, pv-vi). If Mitchell River allocation is not granted, Kalbar would pipe groundwater from the Latrobe Group aquifer. Given, this aquifer is fully allocated, it would need to buy water from an existing licensed holder (GSWIA, p8-9). However, SRW has given no assurances that winter-fill licence allocations from the Mitchell River and licenced extraction of groundwater from the Latrobe Group aquifer will be granted (GSWIA, pv).

Kalbar claims that "constructing water storage and other infrastructure [eg pipelines, bores and pumping stations (PIA, p28)]… will benefit the whole area" (Weekly Times, Dec 3, 2014). The planned water infrastructure described—dams, pipelines, offtake structure, pumping stations, diversion bunds, in-ground septic system and a water treatment plant— seems extensive, complicated and expensive and will surely disrupt existing water and land assets (GSWIA, pvii; p12; p14; EES pp 5 and 11). Risks identified in the GSWIA, p252, are groundwater extraction from the Latrobe Group aquifer, surface water extraction from the Mitchell River, engineered and non-engineered structures and tailings disposals and flood events that result in contaminated water overflows and "permanent changes to the natural surface topography".

The Latrobe Group aquifer underlies productive farmland along the river valleys and flood plains of the Latrobe, Thomson, Macalister, Avon and Mitchell Rivers. It originates from an alluvial fan that formed at the foot of the mountain ranges between 4 and 10 million years ago. Prior and current streams have eroded the fan into beds of sand and gravel (SRW website). The GSWIA, piii, notes that climate change predictions that will affect water supply for the Gippsland region include increased daily storm rainfall totals, reduced annual rainfall totals and increased evaporation rates. The potential for areas beyond the mine area to be affected. e.g. the Macallister Irrigation District (MID) and stock and domestic water in dryland areas has not been explored. But, apart from being fully allocated and under stress, the Latrobe Group shows a long-term regional decline (SRW) which would be exacerbated by water diversions to this mine.

SRW estimates that groundwater in Southern Victoria contributes approximately $275 million, p.a. to Victoria's economy by supporting agribusiness and industry. Indigenous and wider communities also value groundwater for cultural and social reasons" (http://gwhub.srw.com.au/groundwater-basics). The livestock, dairy and horticulture district is reliant on groundwater for stock, domestic and fire-fighting resources and on river irrigation water for horticulture and livestock. Environmental impacts both in the vicinity of the site and further afield, eg Providence Ponds, RAMSAR Gippsland Lakes and Corner Inlet (proposed Port Albert infrastructure) will also affect the viability of existing tourism businesses based on the region's environmental assets.

The claim the mine will "have negligible or no impact" on the Lakes does not account for changes to the amount and quality of the Mitchell River environmental flows. Kalbar plans to take clean water from the Mitchell, then discharge polluted water back into the river where it will eventually flow to the Lakes. The Perry River and its catchment have been assessed as more sensitive to mine contact water overflows than the Mitchell River, the latter having higher flows that reduce the impact of uncontrolled discharges. To claim that "[c]hanges to the surface water flow regime to the Perry River and/or Mitchell River due to the project will not be perceivable downstream at the Gippsland Lakes Ramsar site is arrant nonsense. Lower flows, contaminants, including heavy metals, and "increased amounts of sedimentation" (LUPIA, p39) will further debilitate the health of the Lakes, already compromised. Mitigations will also alter natural flow regimes (GSWIA, pvii; p12; p14; EES pp 5 and 11). The GSWIA offers no evidence to show that an adaptive management approach will minimise impacts, especially if unforeseen, or that mitigation will be successful even if effected in a timely manner.

Cultural Heritage

Public policy acknowledges that the land has metaphysical, spiritual, cultural and economic significance for Aboriginal people and communities but we all gain value from celebrating these cultures and communities (Protecting Victoria's Environment – Biodiversity 2037, p2). The living environment or "Country" is fundamental to Aboriginal identity. The concept of "caring for country" is a spiritual and moral obligation which goes beyond protecting physical elements. Individual sites retain their full meaning when protected in their "in situ" context. This cultural history which stretches back over 65,000 years belongs to all Australians who for too long have been denied knowledge of their indigenous traditions. The Cultural Heritage Impact Assessment [CHIA], p25, acknowledges that: "Although it may seem axiomatic, it is important to state that while all known cultural heritage may have levels of 'cultural heritage significance', **the preservation of all cultural heritage may not be possible.**"

As happened with Rio Tinto's wanton destruction of the Juukan Caves, the protection of indigenous sites and artifacts is not considered important by mining companies, and sadly, even our governments. The application of an "overall significance rating" of indigenous cultural heritage "based on the cumulative score for [its] aesthetic, historic, scientific, social and spiritual value" demonstrates our abject insensitivity towards indigenous culture. Consent to disturb non-indigenous sites, such as the Sydney Opera House or the National War Memorial or even the Melbourne Cricket

Ground would never be granted to a mining company. All Australians have a right to know the cultural history of our country and that it is being protected for future generations. Its destruction is morally wrong, a tragedy for Traditional Owners, but also bad for tourism based on significant cultural heritage sites such as the Den of Nargun (not mentioned in the CHIA) and other eco-tourism experiences.

Financial Credentials

According to ASIC records, Kalbar Resources Ltd, headquartered in Perth, WA, is an unlisted public company, incorporated since 2011. Its strategy is to acquire and develop advanced mineral projects that can be approached as robust, **low capital operations** directed towards serving the Chinese market. In December 2014, then Managing Director, Bob Bishop, reported that the company needed to determine if the drilling results confirmed estimates of 1.6 billion tonnes of heavy minerals, (Stock and Land, Dec 18, 2014).

Its 2019 Q2 revenue was $9.8m rising to $12.2 million in 2020 Q4, although I have not found financial statements to support this. At the time, Kalbar had 55 employees. A shell company, Kalbar Operations formed in 2020 has two directors with assets seeming to be held in another shell company, Kalbar Property. The current company address is in Bairnsdale. An ASIC report states that Kalbar Resources itself is a $2000 company with 40,000 shares at 0.05 cents each. Yet, the Fingerboards proposal includes:

- the development of a mineral sands mine
- two mining unit plants
- wet concentrator plant (comprising mineral separation processing and tailings thickening and disposal plant)
- water supply infrastructure (inside and outside of the mining licence)
- power supply infrastructure (inside and outside of the mining licence)
- tailings storage facility
- additional site facilities, e.g. site office, warehouse, workshop, loading facilities, fuel storage
- new rail siding/ roads/ diversions/ intersections etc (outside of the mining licence).

In the absence of a business plan or project budget in the EES to prove otherwise, it is questionable whether Kalbar Resources and/or Kalbar Operations has the financial capacity to undertake this project, which is definitely not a "low capital" operation. By its own estimates, capital expenditure will be $266 million, including just under $200 million initially. This is for processing equipment, site works, construction and infrastructure, engineering, Kalbar's labour, water rights and contingency" (AIA, 3.2, p25). The Summary Report, p6, cites operating costs of A$2.4 billion and revenue of A$4.9 billion—presumably over the project life, though not stated. It is unclear whether the estimated royalties of $115 million and taxes of $650 million are included in operating costs. Financial statements for 2017 reveal that Kalbar had cash assets of only $3,683,467 and borrowings of $4,490,113. Although I requested a copy of the 2019 Annual Report, I have not received it. However, it is reasonable to conclude that Kalbar's financial position has not changed.

According to ASIC reports, 2020 directors' contributions via shares is between $15 to $18 million. 2020 Q4 revenue was stated as $12.2 million, The exact figures are murky due to several changes in directors, shareholdings, and company structures in the last couple of years. It is also unclear whether Kalbar is a foreign-owned or foreign-controlled entity. However, these sums are well below the funds needed for a rehabilitation bond, licence fees, the substantial project works, as well as compensation to affected landholders (Mineral Resources (Sustainable Development) Act 1990.

The 2016 Financial Report, p2, states that Kalbar received a federal government $660k grant to study the viability of using the mine void as a water storage for local irrigators, noting that "If the project proves feasible, it will have access to $2b of federal government funding". Could it possibly be that Kalbar's real plan is for Australian taxpayers to fund its mine?

Kalbar has stated that its intended market is Asia and China. China's rare earths reserves (44 million MT) are the largest in the world, followed by Brazil (22 million MT), Vietnam (22 million MT) and Russia (12 million MT). In comparison, Kalbar may produce 8 million MT over the project life (Summary Report, p4) or 1.9 billion tonnes (LUPIA, p3). Given these countries have a significantly lower wage base than Australia, Kalbar's production costs should be substantially higher, which will reduce its profitability. China is by far the world's leading rare earths producer (120,000 MT in 2018), so it is unlikely that China would seek to import the relatively small quantities from Kalbar. And given its current embargo on several of our products, it may continue to be an unreliable market for Australia.

Conclusion

This project fails to comply with the purpose of the (Mineral Resources (Sustainable Development) Act 1990 [MRSD], section 1: to encourage an economically viable mining industry that operates in a way that is compatible with the environmental, social and economic objectives of the State; and Section 2A Principles of Sustainable Development. It also fails to satisfy the objectives of the Catchment and Land Protection Act 1994, the Planning and Environment Act 1987, the Public Health and Wellbeing Act 2008, the Environment Protection and Biodiversity Conservation Act 1999, Heritage River Act 1992, etc. It also contravenes various government policies, some of which are cited above.

The EES is a flawed document with many inconsistencies, factual misstatements, inconsistencies and omissions. This is not a "user-friendly" document making its analysis a tortuous process even for expert professionals and daunting for lay persons.

Having assessed the documentation and other research, the nature of Kalbar's company structures (i.e. a shell company) indicates that its main objective may well be to secure the licences and permits with a view to on-sell them to another company, as is the common practice of many small exploration (and property development) companies. In fact, Kalbar, by its own admission, has a proven record of doing exactly this. A 2016 Linkedin entry for Kalbar Resources Ltd states:

"Kalbar was established in 2011 to develop the Landak Bauxite Project in Kalimantan, Indonesia. After discovering significant bauxite resources and **onselling the project**, Kalbar embarked on an extensive search to find another project in line with its strategy to develop high grade, low capital mining projects that can service China's growing demand for "new bulk" ores. It commenced its greenfields Northern Australia Bauxite Project [now discontinued], and in 2013 acquired Rio Tinto's Gippsland Mineral Sands Project" (Note: Kalbar has one other site in the Tiwi Islands, but "no work [is] planned for these licences at this stage" - Annual Report to ASIC, 2015-2016, p2).

All things considered, Kalbar fails the conditions for the granting of a mining licence laid down in the MRSD 1990, that is: it is not "a fit and proper person", i.e. it is not a genuine mining company and it lacks the financial capacity to make the mine economically viable, especially given the enormous costs required to develop, operate, mitigate adverse impacts and rehabilitate the mine over 15 to 20 years. And, if the ore deposit was so good, why did Rio Tinto decide the mine was not worth pursuing?

This is not a project that has any potential to improve the fortunes of the local community and wider Gippsland region. The proposal has no social licence due to its significant adverse amenity, financial and health impacts. It has already caused significant stress and anxiety to individuals and community division (ABC Gippsland, May 28, 2018: *Mine Plan divides Gippsland Community with claims of harassment and intimidation*). If approved, the outcome will result in untold social, economic, and environmental harm and misery. No responsible government would wreak such havoc on its citizens.