

## **Dean, Julie (DEM)**

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**From:** helen Grey-Smith <helengreysmith@hotmail.com>  
**Sent:** Friday, 20 September 2019 12:14 AM  
**To:** DEM:Mining Reg Rehab  
**Subject:** RE: PUBLIC SUBMISSION regarding Terramin Australia Ltd, Proposed Bird-in-Hand Gold Project

TO WHOM IT MAY CONCERN

Submission from Helen Grey-Smith

### **Introduction**

My partner and I live on Ridge Road, Woodside close to the proposed mine site (1 kilometre away, cross country). We live here because it is a beautiful part of the world, rich in diverse natural environment, agricultural and tourism activities, which so many of our overseas and interstate visitors enjoy as well. Many believe that it has the potential to become a World Heritage area.

We strongly value the bush qualities where we live and regard ourselves as stewards of the land, working with our local Natural Resource Management staff to manage and revegetate 8 hectares of bush. There is a significant and important stand of stringy barks within the remnant vegetation along with many wildflowers. We are committed to managing this bush block for future generations. We truly doubt whether Terramin shares the same consideration for the environment, particularly in the long term?

The direct impacts of the mine for us will be limited to increased noise, dust and heavy truck traffic. These same impacts will be felt by all of those who reside along the transport route from the mine to Strathalbyn. However, it will have far more negative impacts for those who depend on agricultural and tourism activities in our local community. It will be optimistic to think that a gold mine will be able to happily co-exist with these established interests.

We can understand that Terramin would like to make full use of their processing plant at Strathalbyn, which has been idle for some years, but at what cost to the environmental, economic and social cohesion of the area? Not just for the first mine at Woodside, but for the possible expansion of gold mining across the Adelaide Hills?

It was very clear at the Woodside community meeting on August 19, 2019 that the vast majority of our community does not support the mine, and we can easily see why. For example;

### **1. The Gold Mining Company**

Terramin's major shareholders are foreign investors. The Executive Chairman and Executive Director reside overseas, and our concern is whether this company will be acting in South Australia's best interests. Foreign investments in mining have a track record of not being concerned about the long-term sustainability of tourism, agriculture, environment or society in the local area. Who takes responsibility if this mine has a lasting detrimental effect on the region's water supply, or its future agricultural businesses, or tourism? Taxpayers? It is all very well for Terramin to guarantee that its insurance policy will cover all compensation claims, but the cost and time for small landholders to pursue a company in court is prohibitive.

How much bond is Terramin required to pay upfront to the SA Government for rehabilitation of the mine site if circumstances require this work to be completed?

## 2. Water

**Our main concern is about water.** The Onkaparinga Valley is an important water catchment resource to supply Adelaide, with an estimated 60% of its drinking water. As such, properties such as ours are therefore legislated in a way to protect the water; we are unable to sub-divide, which we wholeheartedly agree with and support. Yet, a gold mine within this water catchment is being proposed, one that could very well irreversibly damage Woodside's main water supply through underground blasting, tunnelling and drilling. An independent study by CDM Smith shows that it is almost impossible to accurately model and predict the behaviour of underground water. Terramin's hydrology analysis estimates the aquifer will drop up to 20 metres. This impact will be felt as far as 1.2 kilometres away and will affect at least 30 existing wells. This region has high value agriculture that relies totally on groundwater, on top of decreasing rainfall due to climate change. Any threat to water is a threat to horticulture and grazing in the region.

A more recent (August 30, 2019) independent final report by WGA, "Bird in Hand Proposed Mine Managed Aquifer Recharge Review, concludes that *"Significant risks to water quality and existing users have not been adequately identified in the work that has been undertaken concerning the option to adopt managed aquifer recharge as a water management strategy for the proposed Bird in Hand gold prospect. Furthermore, mitigation and management measures have not been adequately identified to offset or reduce the risks. Therefore, because of the significant gaps in the assessment completed to date it is considered that managed aquifer recharge remains a high-risk water management option at this location."*

There is no guarantee in my mind that in the mining process, the underground water supply and quality will not be affected.

## 3. Tourism

The Adelaide Hills region attracts 1.4m visitors annually with 744 tourism-based businesses in the area, including many award-winning wineries, high value agriculture and food production. These businesses provide a large proportion of local jobs, including our young South Australians, which we are all keen to retain so that can help drive our State forward.

Experts from the wine and tourism sector of the Adelaide Hills economy have publicly identified Woodside as an important hub of this regional development strategy.

Noise, dust and additional heavy truck traffic from a gold mine is not in keeping with the Adelaide Hills brand of green and clean. These activities will deter visitors.

## 4. Economy

There will be only short-lived benefits to the local economy from gold mining with an expected life span of around 5 years.

Over that same period of time, Terramin estimates a net profit of \$150m plus investing \$33m on wages and salaries for a total contribution of **\$183m over five years.**

However, over the same time, the economic value of existing agriculture in the Inverbrackie district is forecast to be **more than \$800 million** in Gross State Product;

The total employment contribution made directly and indirectly by these local businesses is expected to reach **772 full time equivalents (FTE) in the Adelaide Hills and 885 FTE jobs in South Australia** as a whole; and capital expenditure planned by businesses in the area is forecast at approximately **\$50 million**.

Tourism and agriculture in our area are both proven and appear to be far better long-term prospects for both the Adelaide Hills and the State.

Would Terramin consider mining gold in other areas that are not slap bang in the middle of pristine tourism attractions (award winning wineries) in the Adelaide Hills?

How many more gold mines in the Adelaide Hills are Terramin considering on developing? Is Terramin proposing to expand their mining interests into neighbouring communities and then operate these mines at the same time as the Bird in Hand project?

#### **Conclusion:**

Considering the long term benefits and costs to the Adelaide Hills community in particular, and to South Australia as a whole, we say it is **definitely not worth the risk**.

Submission from Dave Turner, (partner of Helen Grey-Smith)

### **BEING NERVOUS ABOUT TRUSTING AND HAVING FAITH**

The fears shared by many local residents of the possible impact of the Terramin gold mine may be somewhat moderated if they knew and trusted that the owner had a long term vested interest in the area – in particular with respect to the tourism, horticulture and agricultural industries. However, this is not possible, for the owners and real decision makers over the activities of the mine and its impacts on such vital elements such as water quality, do not have such an interest.

Terramin is owned by a consortium of international banks, developers and financial institutions that came together to invest and to mine. The nature of this consortium strongly suggests that Terramin does **not** have a track record of investing long term, let alone evidence of effective stewardship or concern for an Australian region or local community with an economy based upon wine, food and tourism.

It is therefore not surprising that the trust is not there, the fears are real and cannot be abated by words or promises from Australian staff of Terramin who actually do not have critical decision making powers over strategic investment and the environmental/community impact of the mine.

These same local staff seem to be approachable and helpful in terms of engaging with local residents. That has certainly been my experience, but they have limited influence and power over issues that really matter to the Woodside community and beyond. These powers are in the hands of the Board and the shareholders of Terramin. The Board members represent the interests of ASIPAC (Chinese strategic partnership), Citicorp, HSBC, Trenic and China Non Ferrous. (See Footnote below). They are not in the hands of Australian owned companies and/or long-term stakeholders of South Australia, let alone the Adelaide Hills. The Woodside community and so many key players across the Adelaide Hills have a lack of faith in the commitment of the Terramin mines to the physical, economic and social environment of the region.

No wonder, we all say it's not worth the risk.

## IMPACT ON THE FUTURE OF OUR YOUNG PEOPLE

As my own career has been dedicated to youth policy and employment, I have undertaken some very basic research into the impact of the Terramin mine for our young people; now and into the future. I also share the passionate commitment of our Premier and State Government to retaining young people as current and future drivers of our economy and way of life.

Here is a summary of the findings of my basic research:

1. Constructive plans, including the appointment of 2 full-time on-site trainer positions in SA, and a positive stated policy direction from Terramin are noted. Terramin is certainly developing strategies to engage/employ/ develop young people; for example; Mt Barker TAFE. **This is encouraging.**
2. The Terramin Angas mine in Strathalbyn does have a track record of employing young people (that is, in 2011) about 8% of the 115 full-time staff were under 25 years. It is worthy of noting that of these 8% (10) young people, 2 completed an apprenticeship at the mine. This information was kindly given to me by Terramin.
3. Professionals in the field of youth employment programs know that tourism related activity is a popular and significant employment sector with young people; and is relatively accessible for 18-25 year olds. Relatively speaking, mining may be as popular, but accessibility is generally limited. Underground mining has tended to demand maturity, good judgement (usually gained from experience) and therefore has justifiably tended to favour the employment of mature adults. This seems to have been the case with Terramin's Angas mine, where 92% of the 2011 employees were aged over 25 years.
4. Clearly, this information above, leads me to conclude that there is potential, yet limited evidence of Terramin mine being a large employer of young people, let alone a larger investor in their longer term career development and qualifications. The limitations become more stark if one compares them to the impact of tourism and food production on youth employment and enterprise.
5. I place a caveat on the above findings. The future of our young people is not purely about employment and training. Local young people do express hopes and concerns about the future of the environment and community, as well as thinking about their own employment. My small, informal and opportunistic sampling of local young residents suggests that they share the fears of many other residents regarding the political impact on our environment, as well as on the existing economy. For Terramin to promote the mine as being only "good for young people" may possibly be misleading, let alone be in harmony with the views and aspirations of many of our teenagers and young adults who live in the Adelaide Hills.

## FOOTNOTE:

**Foreign Investors - Terramin Australia's major shareholders are from overseas companies, mainly Chinese.**

**ASIPAC – 33.2%, Citicorp Nominees – 14.2%, Tronic – 10.6%, HSBC Nominees – 8.1%, China Non-Ferrous – 3.6%**

Feng Sheng – Executive Chairman  
Michael Kennedy – Non-Executive Vice-Chairman  
Angelo Siciliano – Non-Executive Director  
Kevin McGuinness – Non-Executive Director  
Wang Xinyu – Executive Director

Helen Grey-Smith, Dave Turner

133 Ridge Rd, Woodside SA 5244