

6th November 2013

Mr Mark Howe
Mining, Regulation and Rehabilitation Branch
Department for Manufacturing, Innovation, Trade,
Resources and Energy
GPO Box 1264
ADELAIDE SA 5001

Dear Sir,

Re: Rex Minerals Application for Mining Lease Proposal – Hillside, Yorke Peninsula - Australia's Largest Open Pit Ore Reserve

After reading relevant sections of the proposal by Rex Minerals (hereinafter referred to as REX), I hold grave concerns about this project on Yorke Peninsula (YP) should it proceed and make the following submission against the proposal.

Loss of Prime Agricultural Land

The Hillside proposal will deprive YP of some of the richest farming land in Australia and generations of family farming will be lost. REX have declared they will target 50 other neighbouring sites for mining possibilities. If any of these proceed further agricultural land will be destroyed. It has been proven from other mining operations that, once mined, this land will not be suitable for growing crops, albeit some of the surrounding areas may.

Under Section 9 of the Mining Act, cultivated land is exempt from mining operations unless the owners waive their rights. If landowners do not wish to relinquish their land, it seems totally unjust and downright undemocratic that REX can apply to the Environment Resources and Development Court to force the landowner/s to waive their rights. It poses the question then why the Mining Act in fact includes cultivated land in its exemptions.

In a videoed address to potential investors at the Brisbane Stock Exchange last year, REX's Chief Executive Officer/Managing Director, Mark Parry, stated that REX will vigorously pursue their 50 other exploration leases. However, at the public meeting in Ardrossan on 3rd November 2013 Mr Parry explained his reason for making that statement was because it was difficult to attract investors by offering only one project and that the other options may not in fact proceed but, if any did, it would be years down the track. Because of this conflict in statements I find it hard to believe that REX are being transparent in their dealings with either potential investors or the general public. As far as timing is concerned, farming land and farming families will still suffer at some stage. Hillside is just the first footprint.

Hazardous Dust

I find the contents of the consultant's findings alarming with so many provisos as to how the dust may be contained. While REX claim they will provide 2 water trucks to curb this problem, I suggest it would be impossible to contain much of the dust from so many sources. In fact the admission is made in the reports that there will be dust, but to what extent is not confirmed. REX state that they may cease operations on days of extreme wind, which is quite common on YP. That is why YP has been proposed for the Ceres Wind Farm project. If, in fact, REX did cease operating on extremely windy days, I doubt whether they would progress very far at all.

Apart from health issues with the constant inhalation of dust (whether contaminated or not) and the nuisance side of constant dust entering housing, almost all properties have rainwater tanks, some as their **only** source of water, and a large majority prefer to drink rainwater. Health problems are a definite concern from dust, possibly contaminated, infiltrating tanks. It also poses a threat of contaminating livestock drinking water and having a detrimental affect on crops.

It appears from the consultant's report that the dust will be at its worst during the first 3 years of mining operations.

So, we only have to suffer for a few years!

Noise

The proposal is for 24 hours a day, 7 days a week operation. Again, being only 2km from the site, the constant noise from blasting, crushers, trucks etc will present an unbearable lifestyle for residents in the close communities. Quoting from the proposal from REX:

3.2.1 Primary study area

Sense of Place and Social Values

Residents of Ardrossan are said to value its relaxed coastal lifestyle and the close, friendly relationships between locals that is often found in rural environments (SA Tourism Board, 2012). The same can be said of the other smaller townships within this study area. All located on the coast, the other towns in the primary study have consisted predominately of holiday houses in the past. Today, they generally comprise a mix of holiday and permanent residences.

The noise will certainly put a stop to the relaxed and peaceful lifestyle which attracted people to invest in properties in this area, whether holiday or permanent. Obviously permanents such as ourselves will suffer more.

The following excerpt from the consultant's report confirms there will be noise nuisance for Pine Point residents particularly:

NOISE Predictions

Modelling has shown that the first 2 to 3 years of mining operations has the greatest noise impact upon neighbouring receptors, particularly those located in **Pine Point**. This is primarily due to the building up of the southern WRD to shield Pine Point receptors from operational noise for the life of the mine. It is anticipated that the southern WRD would be completed and rehabilitated within 2 to 3 years of mining operations commencing.

So again, we only have to suffer for a few years!

Vibration

When the Proof Range at Port Wakefield (some 75km away) is operational, only spasmodically, our windows rattle so the impact, when blasting is going to occur at least once every second day, will be horrendous. During the time of the Proof Range operations, local fish stocks disappear so with such constant blasting it seems highly probable that fish stocks will disappear altogether.

It is also a major concern that the constant blasting could cause structural damage to houses, predominantly in Pine Point, particularly cracking to stone and brick veneer houses.

Blasting is planned above the fault line at the northern end of Pine Point, and above which houses are built. The possibility of causing major tremors is frightening, even though the consultant's report says the likelihood is minimal, with provisos in place – it is still possible.

Visual Impact

The waste rock dumps, the highest to reach almost 115 metres, will be an eyesore. Even if rehabilitation does camouflage them to some extent, it will take years for this to eventuate.

Groundwater

It seems that REX have carried out minimal testing in relation to groundwater as their consultant points out:

"All groundwater assessments carried out included drilling to depths not exceeding approximately 200 m, whereas the pit is expected to extend to depths greater than 400 m and the underground operations could occur at depths to nearly 700 m. The relatively shallow depth of assessment is considered a significant constraint to (dewatering) model reliability and confidence."

As in so many other instances, there is so much assumption as to possible outcomes, with no certainty whatsoever, again confirmed in the consultant's report.

• Discharge of Contaminated Water

Again, there are so many factors that are dependent on actions by REX to mitigate any future problems with discharge of contaminated water, which could affect people, livestock, marine life, wildlife and plant life. Nowhere in REX's proposal have they positively stated what they will actually do. It is full of possibilities and probabilities – no certainties.

Property Devaluation

Of concern also is the devaluation and possible non-saleability of our only asset, our house, being located only 2km from the proposed site, which will certainly be impacted by dust, noise and vibration. It's hard to imagine anybody wanting to move into an area suffering these conditions. It is not a supposition that these conditions will exist. It is confirmed in REX's proposal in their Introduction – Primary Study Area:

"It is noted, however that the coastal settlements of James Well, Rogues Point and Pine Point are located between Ardrossan and the Project and that **Pine Point** is the closest residential community to the Project. Their proximity to the Project means those communities will also be impacted by aspects such as Project traffic and potentially noise and dust from the Project, in some cases possibly even to a greater extent than Ardrossan."

• Location

The location of Hillside is far too close to communities, which will definitely be impacted by the mining operations. Even if the Mining Act is complied with during various stages of the operations, surely the regulatory obligations are applicable to mining operations in more isolated areas and do not take into consideration the affect on communities in such close proximity. It is just not suited on this scale to Yorke Peninsula, a popular tourist destination, rich farming area and peaceful retirement living for many.

Diversion of Main Highway

Stringent rules apply to activities within a Coastal Conservation zone, eg subdivision and housing are not permitted, yet it is proposed to excavate and lay a highway through this pristine land.

General

Overall, REX's proposal is so lengthy and technical, parts of which I understand are necessary, that the average person could not possibly comprehend it. However, with so many non-committal statements in their proposal, such as that this may be possible *or* could occur *or* has the potential to happen *or* where practical, it is extremely difficult to trust that their inferences will in fact eventuate. The consultants' reports also make a lot of assumptions in order that REX achieve acceptable results.

I believe REX have been less than forthright during their exploratory stage as to their real intent of mining on such a huge scale. Even the Community Consultation Group (CCG), which they established early days, was not made aware of the magnitude of the proposed Hillside operation or their proposal to pursue their other exploration licences on YP. It is my understanding that members of the CCG feel disappointed that their role of keeping the community informed was negated by lack of information from REX.

Summary

It would be a pity if the Government is willing to sacrifice the investments and assets of a few, in terms of state population, for the purpose of generating additional income for its coffers. While REX have invested heavily to date in their exploration operations, the people that the mining project will affect mostly have invested far more heavily in their farms and home assets and have more to lose than REX.

Perhaps the Government can redirect its attention to the recently announced massive coal find at Cooberpedy.

Many many more than those objecting are against this mining proposal, but feel it is a "done deal" and therefore deem it a waste of time to put in a submission, which I feel is very unfortunate. None of us are against mining as it is a great asset to this state and country, but mining in this location is totally improper. I therefore seek your support by **not** approving the Hillside application by REX.

Yours faithfully,

