



2017 Review of the Mintabie Lease and Mintabie Township Lease Agreement

**By the Mintabie Review Panel,
for the Government of South Australia.**

3 January 2018

Kyam Maher MLC
Minister for Aboriginal Affairs and Reconciliation
GPO Box 11071
ADELAIDE SA 5001

Tom Koutsantonis MP
Minister for Mineral Resources and Energy
GPO Box 2264
Adelaide SA 5001

Dear Ministers,

On behalf of the Mintabie Review Panel appointed to assist in a review of the Mintabie Township Lease Agreement, I am pleased to present the following report and recommendations.

The report has been prepared in accordance with the Terms of Reference and following consultation and discussion across the APY Lands and in Mintabie, and with State Government agencies and the Commonwealth Department of the Prime Minister and Cabinet, as described.

Yours sincerely,



Mr Paul Case
Chairperson, Mintabie Review Panel

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Acronyms

APY	Anangu Pitjantjatjara Yankunytjatjara
DECD	Department of Education and Child Development
DPC	Department of the Premier and Cabinet
MMPA	Mintabie Miners' Progress Association
MPSF	Mintabie Precious Stones Field
NPY	Ngaanyatjarra Pitjantjatjara Yankunytjatjara
RASAC	Regional Anangu Services Aboriginal Corporation
SAPOL	South Australia Police

Abbreviations

Agreement	Mintabie Township Lease Agreement (dated 20 April 2012)
APY Land Rights Act	<i>Anangu Pitjantjatjara Yankunytjatjara Land Rights Act 1981</i>
Lease	Mintabie Lease (dated 20 April 2012)
Mai Wiru	Mai Wiru Regional Stores Council Aboriginal Corporation
Nganampa Health	Nganampa Health Council
Review Panel	Mintabie Review Panel (see Terms of Reference, Appendix 1)
Sites	Residential, Commercial and other Licence sites pursuant to Mintabie Township Lease Agreement (dated 20 April 2012)

Acknowledgements

The Mintabie Review Panel wishes to acknowledge the traditional owners of the APY Lands, and their spiritual relationship to Country and cultural authority.

For their assistance during this review, the Review Panel would like to thank Mr Frank Young and the APY Executive Board, Mr Richard King, Ms Tania King, Mr Rex Tjami and Ms Kathy Edwards from APY, Ms Rose Lester, Ms Karina Lester, Mr Henry O’Loughlin from the Department of the Prime Minister and Cabinet, Ms Lena Taylor and Ms Nerida Baker from Aboriginal Interpreter Services, Aboriginal Community Care SA, Regional Anangu Services Aboriginal Corporation, the Department of State Development and the Department of the Premier and Cabinet. The Review Panel would like to especially thank Anangu, community members and stakeholders for their participation in the review, as well as staff of the Department of State Development (Aboriginal Affairs and Reconciliation) and the Department of the Premier and Cabinet (Mineral Resources Division).

Executive Summary

Mintabie is a remote opal mining town in northern South Australia, located within the APY Lands. The Mintabie area is subject to the Mintabie Lease (the Lease) and Mintabie Township Lease Agreement (the Agreement), which are periodically reviewed.

In June 2017, the Minister for Aboriginal Affairs and Reconciliation established the Mintabie Review Panel to review the Lease and Agreement. The review, overseen by an independent Chairperson appointed by the Minister, was undertaken by the State Government, in partnership with Anangu Pitjantjatjara Yankunytjatjara and the Australian Government. The role of the Review Panel was to make recommendations to the Minister for Aboriginal Affairs and Minister for Mineral Resources and Energy, on the future management of the township area.

Anangu were hopeful that this review would provide a clear direction for the future.

The Review Panel met on four (4) occasions, and conducted a series of telephone and community meetings which informed the review. Face-to-face community meetings occurred at Mintabie with residents and store owners. Community meetings were also held in Indulkana and Mimili. A meeting planned for Fregon did not go ahead due to the non-availability of key community representatives. Meetings were also held with major APY Lands service providers, in Alice Springs.

As a result of stakeholder feedback, the Review Panel considered there to be three main options with respect to the future management of Mintabie: 1. keep the township and opal field open, 2. close the township but keep the opal field open, or 3. close the township *and* the opal field. However, note that the closure of the opal field was not within the Terms of Reference of the review.

The Mintabie township is an untidy village, with many abandoned, derelict structures across the landscape. Numerous car bodies, general rubbish and disused mining equipment add to the need for a significant (expensive) remediation program.

Serious concerns were raised by community members about illegal and unconscionable practices in Mintabie, such as drug dealing, the distribution of alcohol into the APY Lands, and uncontrolled 'book-up' in some stores. The sale of overpriced and often unsafe (unroadworthy) vehicles to Anangu was also highlighted. Concerns about lawlessness and illegal practices (such as violence, arson, theft and drugs) are widespread throughout the community (from both Anangu and non-Anangu).

Residents in Mintabie (approximately 30 at the time of the Review Panel visited in October 2017), indicated that the current area being mined was depleted and that future mining was problematic, requiring new areas to be proclaimed and access roads constructed (by the State Government).

Most residents in Mintabie wish to remain there. Anangu were particularly sympathetic to the wishes of older residents and indicated their support for them to continue living in Mintabie. However, there is little support available for these residents in Mintabie, such as with health care.

Goods and services currently available in Mintabie (e.g. second hand furniture and whitegoods) are expected to become available in existing stores in other APY Lands communities.

School student numbers have reduced significantly at the Mintabie Area School, and several students attend from Marla. Future education requirements could be delivered as necessary from the Indulkana Anangu School, by transporting infrastructure to Marla, or by utilising existing infrastructure in Marla.

In summary, the Review Panel formed the view that the formal closure of the Mintabie township is an appropriate action to protect the interests of the APY residents and to remove the illegal and unconscionable practices taking place. Consideration should also be given to the closure of the Mintabie Precious Stones Field at the same time, or at an appropriate time in the future. This report details a total of fourteen (14) recommendations relating to the future management of the Mintabie township area.

Review

A review of the Mintabie Lease (the Lease) and Mintabie Township Lease Agreement (the Agreement) was undertaken by the State Government, in partnership with Anangu Pitjantjatjara Yankunytjatjara (APY) and the Australian Government, and in accordance with the review schedule in the Agreement.

The review was overseen by the Mintabie Review Panel. Terms of Reference for the Review Panel are provided in Appendix 1. In summary, the role of the Review Panel was to make recommendations to the Minister for Aboriginal Affairs and Minister for Mineral Resources and Energy, on the future management of the township area.

Mintabie Township

Mintabie is an opal mining town located approximately 1000 km northwest of Adelaide, South Australia, in the Anangu Pitjantjatjara Yankunytjatjara (APY) Lands (Figure 1, over page). During the 1970s and 80s Mintabie was the largest producer of opal in Australia, with over 500 people living and working in Mintabie. It is estimated that about 60 people live in Mintabie at various times throughout the year. The population is highly transient, and when the Review Panel visited Mintabie (October 2017) there were about 30 people in the township. As at 6 December 2017, there were 35 Mintabie endorsed Precious Stones Prospecting Permits and 33 Precious Stones Claims currently registered in the Mintabie Precious Stones Field (MPSF).

There are currently four commercial stores in Mintabie and a hotel:

- Sam's Place;
- The General Store;
- Mintabie Trading Post;
- New and Secondhand Clothes & Goods; and
- Mintabie Hotel.

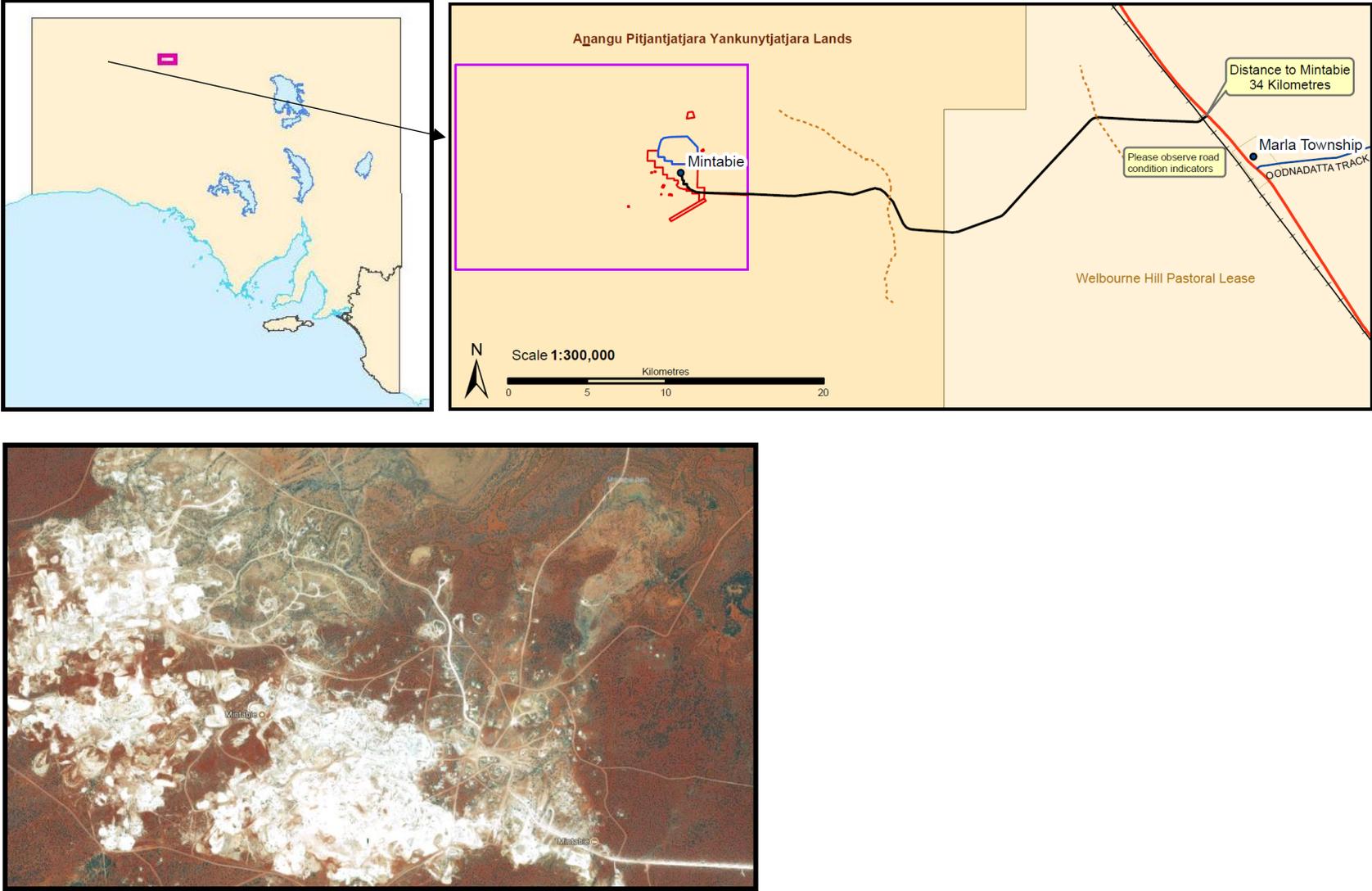
The stores sell a variety of goods, including groceries and second hand furniture, clothing and motor vehicles. Nobby's Mintabie General Store closed in 2017 following the successful prosecution (subject to appeal) and eviction of its operator, Mr Lindsay Kobelt (see Background).

Under the Agreement, residents require a Residential Licence (renewed annually) to live in the township, and store owners require a Commercial Licence (renewed annually) to operate a business in the township (Appendix 2). There are also licence categories for government and community activities, and for the hotel. In 2017-18, the annual fee for a Residential Licence is \$432.70 or \$581.70, depending on the size of the site (< 5000 m² and > 5000 m², respectively). The annual fee for a Commercial Licence is \$1,439.90 or \$1,927.20 (< 5000 m² and > 5000 m², respectively), or in the case of a residence being attached to the site, \$1,735.90 or \$2,223.20 (< 5000 m² and > 5000 m², respectively).

Town infrastructure includes the following:

- Telecentre (Post Office, internet café and government services e.g. Centrelink);
- SES / CFS shed;
- School and associated housing;
- Telstra tower;
- Town Hall (burnt down);
- Airport (decommissioned);
- Water pumps and bores;

Fig. 1. Location and aerial photograph of the Mintabie township.



- Dump;
- Explosives magazines;
- Church (not in use);
- Pistol Club (not in use); and
- Golf Club (not in use).

The township and surrounding area has a large amount of general domestic and mining rubbish, and there are numerous dilapidated and abandoned dwellings and structures etc., including the site of the former Nobby's Mintabie General Store. In addition, there are many hundreds of vehicles that litter the landscape, or are in designated yards (Figure 2).

There is a single access road (unsealed) from the Stuart Highway near the Marla township, approximately 40 km to the east, on the Stuart Highway. The road is adequately maintained by the Department of Planning, Transport and Infrastructure, although Mintabie residents suggested the road should be sealed.

APY is a body corporate established under the *Anangu Pitjantjatjara Yankunytjatjara Land Rights Act 1981* (APY Land Rights Act), having responsibility for the management and administration of the APY Lands. The Minister for Aboriginal Affairs and Reconciliation has responsibility for this Act. Through the Agreement, management of Mintabie is conferred to the parties of that Agreement, being APY, the Minister for Aboriginal Affairs and Reconciliation and the Minister for Mineral Resources and Energy. The Mintabie Miners' Progress Association Inc. (MMPA) is an organisation incorporated under the *Associations Incorporation Act 1985* that provides a voice for residents and provides some services. The MMPA did have the opportunity to be a signatory to the Agreement but chose not to exercise that right, and therefore does not have formal standing in negotiations between the Government and APY. There is no formal Local Government representation in Mintabie.

Police service the Mintabie area from Marla, which has a police station (see 'Issues'). It is understood that a Remote Area Nurse visited Mintabie, from Marla, up to twice per week (although it is unclear whether this still occurs and whether current health services are adequate). There is a health clinic in Marla and the airstrip there enables the Royal Flying Doctor Service to service the Mintabie area, should aeromedical evacuation be required.

Costs incurred by the State Government, to maintain the Mintabie township, relate to the administration and management of the Mintabie licensing framework, regulation of opal mining, policing, operation of the school and maintenance on the access road.



Fig. 2. Car yards in Mintabie (October 2017).

Background

The MPSF was proclaimed on 27 November 1980. On 30 October 1981, the APY Lands were vested in APY, a body corporate created under the APY Land Rights Act.

In recognition of the pre-existing status of the MPSF and township, the APY Land Rights Act made special provision for their continued existence. A 21-year statutory lease was deemed to exist over the township and the Minister of Lands was given discretionary power to grant 'campsite licences' which allowed people to live in the township.

The lease expired in 2002 and APY granted lease extensions while new arrangements were negotiated. The Minister for Mineral Resources and Energy took over from the Minister of Lands as the responsible Minister, and APY and the Minister for Mineral Resources and Energy entered into a new lease (the Lease) on 20 April 2012. The Lease will expire on 2 October 2027, but may be terminated earlier by the lessee with 12 months' notice (unless an earlier time is agreed to by both parties).

Also on 20 April 2012, the Agreement was entered into by APY, the Minister for Mineral Resources and Energy and the Minister for Aboriginal Affairs and Reconciliation. The Agreement provides for the management of the township lease area and other related matters, and details a licensing regime that allows people to reside and operate businesses in Mintabie.

The *APY Land Rights (Mintabie) Amendment Act 2009* commenced on 1 July 2012. This Act changed the residential and commercial licensing system so that the Minister administering the *Opal Mining Act 1995* can grant a Residential and/or Commercial licence in accordance with the Lease and the Agreement, pursuant to section 29D of the APY Land Rights Act.

Since new administrative arrangements commenced in 2012 there has been significant challenges associated with enforcing the residential and commercial licensing system under the Agreement (Appendix 2 presents a summary of licensing requirements in Mintabie). Many residents and shop owners have been non-compliant with respect to required licences in recent years.

The Review Panel was informed that the practice of book-up was still occurring in some stores in Mintabie (as well as some stores elsewhere in the APY Lands). Book-up is an informal credit system whereby customers can leave their ATM cards (and PIN) with store operators, who will withdraw money from their accounts, usually on the day they are paid, to pay off the purchase of the item by agreed amounts in several instalments. This has often resulted in much more than the debt being removed from the accounts of Anangu by some unscrupulous operators who also refuse to return the cards when the debt is finalised. All available funds are sometimes removed from accounts at the first opportunity, resulting in no funds being available to the card owner.

On 9 November 2016, the Federal Court found that the operator of Nobby's Mintabie General Store, Mr Lindsay Kobelt, contravened the *National Consumer Credit Protection Act 2009* (Cth) by engaging in credit activity by selling vehicles with a book-up system, without holding the appropriate licence to do so. It also found that Mr Kobelt contravened the *Australian Securities and Investments Commission Act 2001* (Cth) by engaging in a system of conduct or pattern of behaviour that was unconscionable with respect to his book-up system. On 13 April 2017 Mr Kobelt was ordered to pay \$167,500, but he has appealed the decision and the outcome of this is pending.

In late 2016 both the Minister for Aboriginal Affairs and Reconciliation and the Prime Minister visited the APY Lands on separate occasions. Both expressed a clear desire for book-up practices and the exploitation of Anangu to be addressed as soon as practicable (Appendix 3). The Prime Minister wrote to the Premier in January 2017, reiterating his commitment to work with the State in exploring the option of terminating the Agreement.

The Review Panel was informed that despite the prosecution of Mr Kobelt, book-up practice continues at some stores in Mintabie. It is understood that three Commercial Licence applications are currently being assessed by DPC with respect to the abovementioned policy.

The Minister for Aboriginal Affairs and Reconciliation released a commercial licensing policy in June 2017, at the same time as a review of the Agreement was announced. Whilst the review was

underway, Commercial Licences in the township lease area may be renewed for existing licence holders (but may not be issued to new applicants). In addition, Commercial Licence applicants were required to demonstrate a) they have the financial and technical capability to operate a business within a remote Aboriginal community, and b) how the business provides significant benefits to the welfare of Anangu.

Review Methodology

The Review Panel met on four (4) occasions between July 2017 and December 2017, in Adelaide and Umuwa (Appendix 4). Engagement occurred in October 2017 through a series of meetings between Review Panel members and stakeholders, in Adelaide, the APY Lands and Alice Springs (Appendix 5), including a visit to the MPSF (Figure 3). Stakeholders included government agencies, non-government service providers, Anangu (Aboriginal people living in the APY Lands), the APY Executive Board, Mintabie residents and the MMPA. Written correspondence was also received by the Review Panel from some stakeholders (Appendix 6). The purpose of engagement was for the Review Panel to understand the issues relating to Mintabie that were important to stakeholders, as well as their views on various management options. Their feedback was used to inform the recommendations of this report.

As a result of stakeholder feedback, the Review Panel considered there to be three main options with respect to the future management of Mintabie: 1. keep the township and opal field open, 2. close the township but keep the opal field open, or 3. close the township *and* the opal field.



Fig. 3. Members of the Review Panel and State Government staff inspect an open cut in the MPSF as part of the review (October 2017).

Issues

Mintabie township

There were about 30 residents living in Mintabie when the Review Panel visited in October 2017. The town is unstructured in practice, with unformed roads and sites linked by tracks. Infrastructure in the township is generally in a poor condition. There is also a large amount of rubbish, including car bodies and general building waste. For example, the site of the former Nobby's Mintabie General Store is in a particularly poor condition, with several hundred car bodies. Mintabie residents advised the Review Panel that the store was ransacked shortly after Mr Kobelt departed, to the extent that significant repairs would be required before another business could occupy the site. There is a need for a wide scale clean-up to be undertaken, regardless of what recommendations are adopted. Any decision to close the Mintabie township will require a *significant* clean-up and remediation program (see photographs in Appendix 7). In circumstances where the township is closed but the MPSF is retained, opal miners would need to relocate to Marla or another location outside of the APY Lands.

Clean-up of sites

Currently under the Agreement, licence holders are required to 'make good' their sites prior to departure. However, compliance with this requirement has been poor. Many sites in the township have been abandoned, with rubbish remaining and derelict structures left standing. The Review Panel understands that the Department of the Premier and Cabinet (DPC) recently completed an audit of sites. This audit determined that the required rehabilitation works would take around 360 hours to complete. However, this audit was incomplete, as it was not possible to inspect all licence sites, nor did it describe the works required outside of these sites. There will need to be a full audit of the remediation required, including that associated with potential site contamination. The Review Panel estimates that the cost of the clean-up of *all* sites in the Mintabie township could be in the vicinity of \$2-3m (should the township be closed).

Remediation actions may also be required with respect to previous damage to sacred sites in the area. The Review Panel was advised of significant concern amongst Anangu about such damage to sacred sites and the potential for more damage with increased unmanaged activity at Mintabie and during unsupervised clean-up operations.

Anangu told the Review Panel that Aboriginal people should be contracted (or employed to support a contractor) in the clean-up of sites. Staff of the Land Management Program of APY also suggested that local land management workers / rangers (including those in Indulkana) could assist with the clean-up of sites, as well as weed management. Of note is a significant population of cactus in and around the township that is not being managed. Regional Anangu Services Aboriginal Corporation (RASAC) have indicated an interest in assisting with the clean-up of sites, and their involvement could create significant training and employment outcomes for Anangu.

Given the support of the Prime Minister (see Appendix 3) and the Federal Minister for Indigenous Affairs, the cost of this clean-up should be shared between the State Government and Commonwealth Government, commencing with discussions between the Minister for Aboriginal Affairs and Reconciliation and Federal Minister for Indigenous Affairs.

Compliance

There has been a very high level of non-compliance with respect to required licences (pursuant to the requirements of the APY Land Rights Act and Agreement), over a long period. For example, State Government agencies estimate that there may be about 20 persons residing in Mintabie at any one time without a licence to do so (these are counted in the estimate of 60 persons living in Mintabie from time to time during the year). To address non-compliance, a taskforce was set up to coordinate compliance, involving a range of stakeholders from the Commonwealth and State Government. This group last met on 9 June 2017. Appropriate compliance actions (e.g. arrangements for the eviction of

non-complaint residents) are being addressed by the current authority (Minister for Mineral Resources and Energy or delegate, through DPC), in association with stakeholder organisations involved in the compliance taskforce, as a matter of priority.

In the Mintabie community meeting, a number of residents argued that because some had not paid site fees (apparently by instruction from their lawyer), those who did pay should receive a refund or credit for future payments. It is the view of the Review Panel that, as a principle, all licence holders should be required to pay site fees, both in the current financial year as well as any previous years' fees that may be owing. An exemption of fees (if legally possible) going forward should not impact past obligations.

It is critical to have the support of SAPOL in any compliance action, although the Review Panel heard from community members and stakeholders that the presence of police has been inadequate. Consequently, compliance actions by Government have failed.

Law and order

Serious law and order issues occur regularly in Mintabie. For example, in December 2017, there were reports of an arson attack which destroyed a house, a woman being imprisoned in her house and sexually assaulted, verbal threats towards store owners, three cars being set alight, a deliberately lit grass fire near the school, a break and enter at the school, numerous residential property break-ins, 'hooning' and drug dealing. Note that these matters have been brought to the attention of SAPOL.

Serious concerns were raised by Mintabie residents and the MMPA about police availability in Mintabie to protect and support the community. Police numbers in Marla are variable, depending on staff availability. At the time of writing, there were (temporarily) no police based in Marla. Instead, police in Coober Pedy were provided with additional duties to cover the Mintabie area. There are major concerns by Mintabie residents that the community is not safe, and that further major crimes are inevitable.

APY

It was clear from both Anangu and APY Executive Board representatives that they thought APY should be the responsible authority for issuing permits to persons to live in Mintabie. Some Anangu and APY Executive Board representatives on the Review Panel expressed a view that they were happy for the miners and older residents to remain living in Mintabie (under a permit issued by APY), providing they were not acting unlawfully (the supply of drugs and alcohol to Anangu were key concerns). Indeed, the Agreement foreshadowed that the management of the township would transition to APY (from the State Government) at some point in the future. None of the recommendations in this report would preclude APY from issuing permits to persons who wish to remain in Mintabie, should the Lease and Agreement be terminated. These arrangements would be the same as those for access to the APY Lands currently (pursuant to the APY Land Rights Act).

There were strong views expressed by other APY Executive Board members that Mintabie should be closed and be returned to APY to manage. In the early stages of the review, it was postulated that APY could take over the management of the current licensing regime in Mintabie, and therefore require a significant increase in resources to do so. However, if the township was closed, and only a handful of elderly residents applied to APY to remain in Mintabie, this would not create a significant increase in the volume of permit applications processed by APY (and therefore no requirement for additional resources from the State or Commonwealth Governments).

Book-up and stores

A review conducted in 2012¹ highlighted the prevalence of book-up in the APY Lands, as well as other concerns such as ‘humbag’ (unreasonable demands on family within Aboriginal communities), gambling, alcohol and other substance abuse, and sexual abuse and exploitation.

Anangu and other stakeholders told the Review Panel that book-up was still occurring at some Mintabie stores. A few Anangu consider it to be an acceptable, informal credit system not unlike similar systems in major towns, whilst others strongly thought that it was unacceptable and demanded that book-up cease immediately, with all cards returned by the store owners. There was wider concern (particularly amongst service providers) that book-up, as it occurs in Mintabie, does not provide adequate transparency and is prone to exploiting Anangu (e.g. through overcharging), as was demonstrated in *Australian Securities and Investments Commission v Kobelt* [2016] FCA 1327. It was also suggested by stakeholders that stores in Mintabie create a ‘leakage’ out of the Anangu economy.

The Review Panel heard that book-up was once widespread across the APY Lands, until around 2002. It heard that Anangu were initially aggrieved, but learnt to live with doing business without book-up. Despite this, the Review Panel also heard from Anangu that book-up is available at some other stores across the APY Lands, including in Watinuma. However, the system of book-up that occurs in those stores may not necessarily constitute ‘unconscionable conduct’ or the provision of credit. There was no information provided to the Review Panel that suggested overcharging or the “theft” of funds was occurring elsewhere on the APY Lands.

The Review Panel heard from Anangu that one of the key drawcards at Mintabie stores is the availability of affordable second hand goods, such as clothing, furniture and whitegoods. Mai Wiru Regional Stores Council Aboriginal Corporation (Mai Wiru) is currently investigating the potential to sell second hand goods in its stores, and does not consider there to be significant barriers to this (except for second hand vehicles). The Regional Operations Manager at Mai Wiru told the Review Panel that the organisation could provide these services almost immediately within its existing stores in other APY Lands communities.

Money Mob Talkabout provides financial counselling services to Anangu, and assists Anangu with other banking-related tasks. However, they informed the Review Panel that their staff in Indulkana do not assist Anangu with the cancellation of ATM cards on more than three occasions, when they know these clients engage in book-up in Mintabie. This is an incentive for people to desist in the practice.

Second hand vehicles

Mintabie stores have had a long history of selling second hand vehicles to Anangu. Due to issues encountered in the past (which are still occurring), section 30 in Schedule 3 of the Lease explicitly stated that persons residing on or visiting a site with a Residential Licence can only sell vehicles to persons entitled to be on the MPSF pursuant to sections 19(5), 19(8), 29C or 29D of the APY Land Rights Act. It is understood the intention of this clause in the Lease was to prohibit the sale of second hand vehicles to Anangu living in the APY Lands. This has not had the desired effect.

The vehicles sold to Anangu are likely to be unroadworthy and are exploitative of the community, with book-up being the focus of the purchase. The roadworthiness of the vehicles in the APY Lands is not closely policed as it is considered that access to transport (in the context of family violence) is a priority. There are many abandoned vehicles across the APY Lands that have broken down and are left on the side of the road (they are soon stripped and burned).

The Review Panel understands that options for the sale of second hand motor vehicles in the APY Lands are being investigated by the State and Commonwealth Governments, with the outcome to be determined in parallel to or shortly after this review. Ngaanyatjarra Pitjantjatjara Yankunytjatjara

¹ Schomburgk D (2012) Action Plan to Address the Recommendations from the Financial Management Support Services Scoping Study – Amata and Mimili. Unpublished report obtained from the Department of the Prime Minister and Cabinet.

(NPY) Women’s Council suggested the option of providing a weekly bus service from the APY Lands to Alice Springs, for consumers to access goods and services, including the ability to purchase vehicles. Others including APY Executive Board members indicated that this is not a critical issue and that Anangu wishing to purchase second hand vehicles could (and do) travel to Alice Springs, Coober Pedy or Adelaide to purchase roadworthy vehicles. It was the opinion of these stakeholders that Anangu had the means to travel as necessary, and that the provision of alternative arrangements was not necessary for this purpose.

Additionally, the issue of warranties is problematic. If a car breaks down in the APY Lands under warranty, it is considered unlikely to be brought back to the retailer or a mechanic for repair. Whilst RASAC services government vehicles at its Umuwa workshop, it advised the Review Panel that it does not currently have the capacity to repair or service additional privately owned vehicles. The General Manager of RASAC advised that there were significant difficulties recruiting enough qualified staff to manage existing workloads and obligations. The Regional Operations Manager of Mai Wiru told the Review Panel it was concerned about the reputational risk for Mai Wiru and potential community conflict, if it sold second hand vehicles to Anangu, who were not able to have them repaired locally. Mai Wiru is concerned about its ability to properly manage a second hand vehicle business on the APY Lands and indicated that it would not be prepared to provide this business arrangement. It indicated that to transport roadworthy vehicles from Adelaide would probably render them too expensive for Anangu.

The Review Panel also heard from SAPOL that they were concerned about the APY Lands Main Access Road Upgrade project creating a much better road, which will enable faster travelling speeds. This would create the real possibility for more serious accidents (in unroadworthy vehicles).

Mintabie as an access point for drugs and alcohol into NPY region

The Review Panel was informed by Anangu in Indulkana and Mimili that Mintabie was a supply point for drugs and alcohol into the APY Lands. Similarly, Nganampa Health Council (Nganampa Health), Money Mob Talkabout (Money Mob) and NPY Women’s Council all considered Mintabie to be the supply point for most of the drugs (mainly cannabis) and alcohol in the APY Lands (plus unleaded fuel prior to the introduction of the low-aromatic ‘Opal’). NPY Women’s Council and Nganampa Health believe the use of cannabis has increased significantly in recent years. These service providers and Anangu elders are very concerned about the potential for “ice” (methamphetamine) to be brought into the APY Lands through Mintabie. Whilst not currently a major issue, it could have serious implications across the APY Lands if access is not prevented.

It is thought that the persons who supply illicit substances in Mintabie are both from within and from outside the township (they are easily identified by residents). The Review Panel has been informed by many stakeholders that SAPOL does not maintain a strong enough presence in Mintabie to combat these incursions. Service providers are generally of the view that the issues relating to drugs and alcohol in Mintabie will remain, so as long as people remain in the township. An alternative source of alcohol is Coober Pedy, however, the Review Panel understands that takeaway liquor cannot be sold in Coober Pedy to persons who live in ‘prescribed lands’, which includes the APY Lands.

Stakeholders stated that the impacts of drugs and alcohol in the APY Lands included death and injury resulting from motor vehicle accidents, family violence and mental illness.

Tourism

Tourism opportunities for Mintabie were raised with the Review Panel early in the review, although no specific initiatives were identified. Community members in Mimili told the Review Panel they supported some tourism (not in Mintabie specifically), but those in Indulkana did not. Any proposal for a tourism venture would need the endorsement of the APY Executive Board, who in turn would require agreement from traditional owners pursuant to section 7 of the APY Land Rights Act. Tourism

opportunities in the APY Lands have been investigated and implemented in some situations over the years, but often fail to gain traction in this complex environment. Tourism ventures do not rely on Mintabie and could just as easily be operated out of other communities in the APY Lands.

School

Whilst the Mintabie Area School has a capacity for 100 students, the Department of Education and Child Development (DECD) advised the Review Panel that the school currently only has 8 students, none of whom are Anangu (although it is believed that 1-2 Anangu students attend the school from time to time). The Review Panel was informed by the Commissioner for Public Sector Employment that there were 6 Public Sector employees in Mintabie (4.7 FTEs) as at June 2016, and these were all employed by the DECD at the school, most of whom live in Mintabie (these include both teachers and support staff).

DECD advised school closures are managed in accordance with the *Education Act 1972* (Part 2A). The final decision rests with the Minister for Education and Child Development on advice from a Review Committee, who must consider the educational, social and economic needs of the local communities likely to be affected. Should the township close, the requirement for a school in Mintabie would end.

Whilst the school in Indulkana is an 'Anangu school', it is understood by the Review Panel that non-Aboriginal students may also attend. Additionally, School of the Air may be an option for students impacted by the closure of the Mintabie Area School. The Review Panel understands that suitable infrastructure may exist in Marla, otherwise transportable school infrastructure could be relocated from Mintabie. Indeed, some of the current Mintabie students live in Marla and commute the 40 km (one-way) trip daily.

Alternative uses of buildings

The Review Panel understands that APY and some traditional owners have an interest in developing a cultural, language or arts centre in the APY Lands. Thought could be given to the use of existing buildings in Mintabie for that purpose, particularly those that are transportable, subject to the agreement of the owner. Cultural and language courses would be commercial business ventures promoted and delivered by the APY community. The only structures suitable for this purpose are the school buildings. The facilities at the school are substantial and the Review Panel was concerned that any period of vacancy would almost certainly see the buildings ransacked and vandalised.

Mintabie Precious Stones Field

Whilst the issues related to the MPSF were not within the Terms of Reference of this review, the Review Panel heard from opal miners at the Mintabie community meeting that the MPSF is now a 'depleted field' (at least within the area that has been mined over the last 40 years). Because of this, community members proposed that the State Government open a new field to the south of Mintabie, as well as construct new roads into these and other areas (including the inaccessible areas of the MPSF). The Minister for Mineral Resources and Energy could consider doing this, now or in the future. However, the Review Panel does not consider an extension to the MPSF to be a reasonable option and is not supported by APY Lands communities or the State Government.

In all years between 1981 and 2010 (except 2005), DPC estimates that annual production in the MPSF exceeded capital investment (Appendix 8; Figure 4). However, from 2011 onwards, capital investment was higher than production, often significantly so. For example, in 2016, annual production was estimated to be \$1.91m, from a total capital investment of \$2.89m. There has also been a steady decline in the number of miners operating in Mintabie and the number of registered precious stones claims. The Review Panel considered these data to support the miners' notion that the mined areas are now of very limited value.

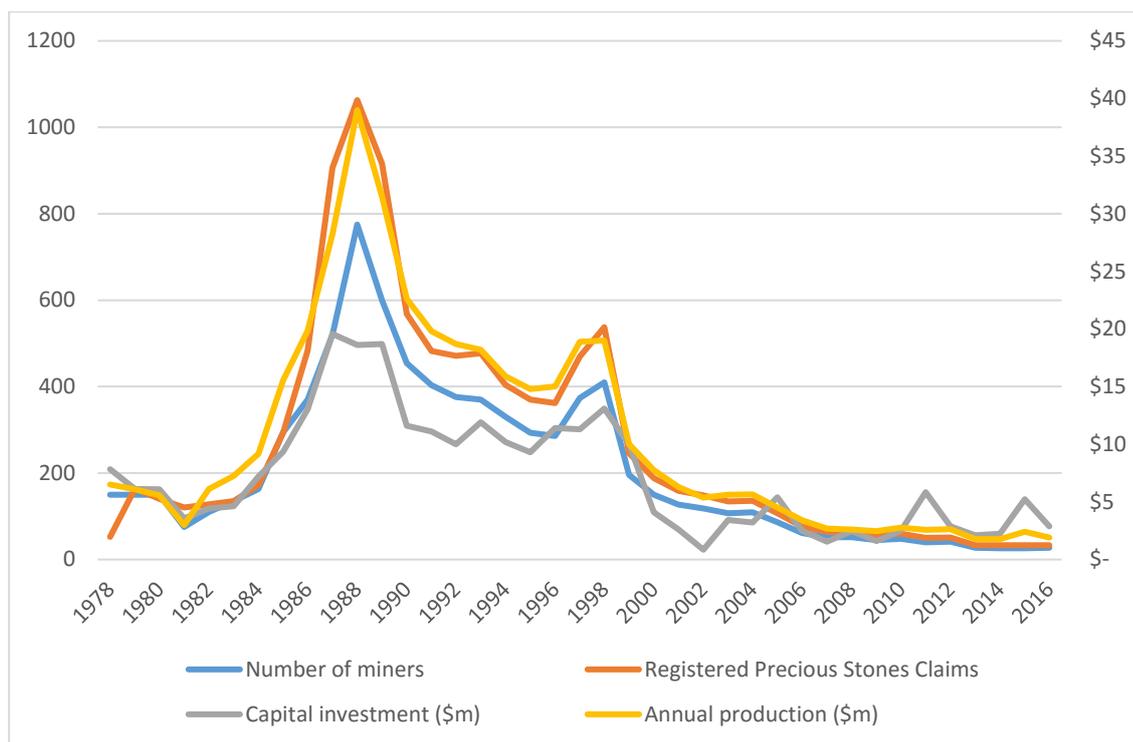


Fig. 4. Number of miners, registered precious stones claims, capital investment and annual production from the Mintabie Precious Stones Field between 1978 and 2016, estimated by the Department of the Premier and Cabinet.

A recent report from the Principal Geoscientist, Geological Survey of South Australia (Appendix 9), showed that:

- After 40 years, an area less than 2 km² has been intensively mined;
- The total value of the opal mined in Mintabie (to 2016) was estimated to be \$412m²;
- There are significant additional prospective areas within the MPSF that have yet to be mined;
- The unidentified opal in the MPSF could be worth >\$4b if exploited (noting that production history and personal histories were used to estimate this future potential); and
- The natural distribution of opal within host formations is very irregular, rendering conventional resource assessment methodologies inappropriate.

The MMPA informed the Review Panel that the mining of new areas within the MPSF was constrained by inaccessibility, and the cost and dangers associated with excavating the 10-30 m layer of sand sitting above host rock formations. The Review Panel is of the view that the serious mining of any new areas within the MPSF is unlikely to occur without investment by the State Government (as identified by miners in Mintabie).

Whilst outside of the Terms of Reference of the Review Panel, the option of the closure of the MPSF could not be ignored when considering the future of Mintabie. Should the township be closed but the MPSF remain open, the continued access to the area could negate the positive outcomes achieved through the closure of the township. As such, the closure of the MPSF should be considered as a priority. To ascertain the viability of closing the MPSF, DPC (Mineral Resources Division) should provide the Minister for Mineral Resources and Energy with a briefing outlining the issues associated with such

² Royalty payments are not collected in relation to opal mining in South Australia and so obtaining the value of this industry is difficult.

a plan. Ideally, any closure should occur in concert with a decision to close the township. DPC have advised this could be completed by March 2018 and that this work has already commenced.

Should the township and/or MPSF be closed, it would be advisable to give residents and Commercial Licence holders as much notice as possible (at least 12 months), allowing them adequate time to make necessary preparations to depart and move to another locality. Mintabie residents requested that information about the future of the township be provided to them as soon as possible after a decision has been made, to give them an opportunity to plan for their future. The Crown Solicitor's Office has advised that 12 months' notice is an adequate time to ensure procedural fairness.

Elderly residents in Mintabie

The Review Panel met with Mintabie's elderly residents in the Mintabie community meeting. They told the Review Panel they have nowhere else to live, and wanted to continue living in Mintabie for the rest of their lives.

The Indulkana and Mimili communities are aware of these elderly residents. However, several APY Executive Board members and Nganampa Health were strongly of the view that assistance should be provided to enable these elderly residents to find alternative and better supported arrangements elsewhere.

Alternatively, these individuals could apply to remain in the area under a 'Permit to Enter and/or Remain in the APY Lands' issued by APY, under the current permit system pursuant to the APY Land Rights Act. This is an issue for the APY Executive Board to consider.

The conditions the elderly people are living in are substandard, and they have very limited support (advised by Mintabie community members, who say they are not their responsibility, and by service delivery organisations). Their immediate and longer-term health care needs should be assessed under the Commonwealth Government's National Disability Insurance Scheme and by local health care providers. It is understood that a Remote Area Nurse previously visited Mintabie, from Marla, up to twice per week, however, most appointments are apparently now at Marla.

The level of lawless behaviour in and around Mintabie presents serious risks for these older residents. The Chairperson of the MMPA expressed concern for their welfare, indicating that the isolation of their camps made them susceptible to break-ins and injury, or worse.

Compensation

During the community meeting in Mintabie, residents proposed that they should receive compensation if a decision was made to close the township (\$500,000 for businesses and \$250,000 for individuals). Most residents present at the Mintabie community meeting indicated they would leave the township if offered compensation of this amount (most said they could not afford to leave otherwise). However, there are currently no provisions in the APY Land Rights Act, Lease or Agreement which would facilitate compensation. Importantly, these instruments do not provide licence holders with an interest in realty, ongoing legal rights, or any legitimate expectation of future rights. However, it is likely that this matter will be raised by community members again in the future.

Water supply

Residents expressed concerns regarding the supply of potable drinking water in Mintabie. Water is currently supplied to residents via a bore, maintained locally by the MMPA. The cost of operating and maintaining this supply is about \$30,000 per annum. This cost has been funded annually by the State Government, but the Review Panel understands that consideration is currently being given to withdraw this funding. If this occurs, the cost of operating and maintaining the bore and associated water delivery infrastructure will become the responsibility of Mintabie residents. This would be

problematic for the community, with some potentially unable to afford to contribute to the cost of bore maintenance and therefore may lose access to water. The Review Panel could not determine the quality of the water from the bore.

Conclusion

Mintabie has been a valuable opal mining field for many years, but production has now significantly reduced. It is unlikely that this will change without significant Government funding for road infrastructure improvement and an expansion of the opal field.

APY Lands communities are keen for the management of the area to return to APY. Goods and services (e.g. second hand furniture and whitegoods) in Mintabie are expected to become available in existing stores throughout the APY Lands.

The Mintabie township has up to 60 residents over the year. It is unstructured and seriously degraded, with residents living, for the most part, in substandard buildings and shacks. There are several elderly residents living unsupported in the area. A significant number of people in Mintabie are living in the township without authority, and there have been significant difficulties with compliance in respect of these requirements. There is increasing lawlessness, drug trafficking and violence in the area, and unconscionable book-up practices continue.

The Mintabie Review Panel has formed the view that in the circumstances identified herein, the State Government should consider the closure of the Mintabie township and return the management of the area to APY. The closure of the town would not require the provision of additional administrative support to APY, as the infrastructure for the issuing of permits is already in place, and no significant increase in demand for permits will result from this proposal.

A major cleanup and rehabilitation task is evident in and around the village, providing employment and training opportunities for Anangu.

Recommendations

The Review Panel, in accordance with the Terms of Reference, has considered the options for the Mintabie township and makes the following recommendations:

1. The Mintabie township be closed as soon as practicable after a decision to do so by both the Minister for Mineral Resources and Energy and Minister for Aboriginal Affairs and Reconciliation (the management of the area described in the Mintabie Lease to revert to APY).
2. The Minister for Mineral Resources and Energy assess the impacts of revoking the proclamation of the Mintabie Precious Stones Field pursuant to section 4(2) of the *Opal Mining Act 1995*, following a report from DPC.
3. Residents, Commercial Licence holders and government service providers be notified as soon as practicable of:
 - the Ministers' decision to close the township;
 - the decision that all Commercial and Residential Licenses will cease within 12 months of the Ministers' decision to close the township and any persons not otherwise authorised under the *Anangu Pitjantjatjara Yankunytjatjara Land Rights Act 1981* will be required to vacate the township; and
 - the requirement to make good Commercial and Residential Licence sites in accordance with the provisions of the Mintabie Township Lease Agreement.
4. APY consider the circumstances under which current elderly residents in Mintabie could gain a 'Permit to Enter and/or Remain on the APY Lands' within the existing framework pursuant to the *Anangu Pitjantjatjara Yankunytjatjara Land Rights Act 1981*.
5. Relevant State and Commonwealth Government service providers assess arrangements for the continued support of elderly residents in Mintabie.
6. SAPOL be requested by the Minister for Aboriginal Affairs and Reconciliation and Minister for Mineral Resources and Energy to assist with the eviction of persons residing on the APY Lands unlawfully, and to maintain a regular presence in the Mintabie township area leading up to the closure of the township.
7. The Australian Securities and Investments Commission be requested by the Minister for Aboriginal Affairs and Reconciliation and Minister for Mineral Resources and Energy to undertake compliance visits and take steps to ensure that any personal ATM cards held by commercial stores within the Mintabie township are returned to Anangu (or any other persons) as soon as possible.
8. The State Government facilitate the 'making good' of all sites, abandoned fixed infrastructure, the dump and other similar features, with due consideration given to Aboriginal heritage.
9. The Minister for Aboriginal Affairs and Reconciliation discuss cost sharing arrangements for the remediation of the Mintabie township area, with the Federal Minister for Indigenous Affairs.
10. The Department of State Development (Aboriginal Affairs and Reconciliation) facilitate discussions with stores in the APY Lands about the provision of new and secondhand clothing, furniture and whitegoods within APY Lands communities.
11. The State Government consider contracting appropriately skilled Anangu from APY Lands communities in the making good of sites, and the treatment of weeds (e.g. cactus) in and around the Mintabie township area.
12. The Department of State Development (Aboriginal Affairs and Reconciliation) to support Service SA in its provision of services in the APY Lands.
13. The State and Commonwealth Governments to support Money Mob Talkabout in the delivery of financial counselling services to Anangu.
14. Relevant sections of the *Opal Mining Act 1995* and *Anangu Pitjantjatjara Yankunytjatjara Land Rights Act 1981* be amended in accordance with the adopted recommendations.

APPENDICES

Appendix 1. Terms of Reference: Mintabie Review Panel.

Terms of Reference: Mintabie Review Panel

Background

In April 2012, the Anangu Pitjantjatjara Yankunytjatjara (APY) Executive Board and the South Australian Government signed the Memorandum of Lease and Mintabie Township Lease Agreement.

On 1 July 2012, the *Anangu Pitjantjatjara Yankunytjatjara Land Rights (Mintabie) Amendment Act 2009* came into operation. This legislation enacted the Mintabie Township Lease Agreement and introduced changes to OPAL fuel sales, alcohol consumption, the sale of motor vehicles and residential and commercial site licences.

Under the Mintabie Township Lease Agreement, the Agreement and the Lease are subject to periodic review.

Purpose

The State Government will review the Mintabie Lease and Township Lease Agreement in partnership with Anangu Pitjantjatjara Yankunytjatjara (APY) and the Australian Government.

In the context of the new arrangements introduced in 2012, the review may include – but is not limited to – determining:

- any longstanding issues regarding the management of the Mintabie Township that have been of concern to Anangu.
- the status of residential licences in the Mintabie Township and the future arrangements for residents in Mintabie.
- the status of commercial licences in the Mintabie Township and the future arrangements for shops in Mintabie.
- if APY wants to take overall responsibility for the Mintabie Township over time (refer clause 5.6 of the Lease) and if so, what assistance would APY require from both governments to build its capacity relating to the additional responsibilities.

The review will also consider if activity at Mintabie has reduced to a level which makes the town of doubtful viability (refer clause 3.2 of the Agreement).

The review will refer to the relevant sections of *Division 4 - Mintabie Precious Stones Field* of the *Anangu Pitjantjatjara Yankunytjatjara Land Rights Act 1981* (i.e. those sections which refer to the Mintabie Township Lease Area).

Mintabie Review Panel

The review will be conducted by the Mintabie Review Panel. Members are listed below:

- Mr Paul Case (independent Chairperson)
- Mr Murray George (APY Executive Board member)
- Mrs Nyukana Norris (APY Executive Board member)
- Mr Bernard Singer (APY Executive Board member)
- Mr Rex Tjami (Director of Administration, APY)
- Mr Richard King (General Manager, APY)
- Ms Rose Lester and Ms Karina Lester (representing the Lester family);
- Mr Paul Heithersay (Deputy Chief Executive, Department of the Premier and Cabinet)

- Mr. Daniel Woodyatt (Director, Resource Policy and Engagement, Department of the Premier and Cabinet)
- Ms Melissa Muller (Principal Policy Advisor, Department of the Premier and Cabinet)
- Ms Alex Reid (Deputy Chief Executive, Department of State Development)
- Ms Nerida Saunders, Executive Director, Department of State Development - Aboriginal Affairs and Reconciliation)
- Mr Craig Macauley, Manager, APY and West Coast, Department of State Development - Aboriginal Affairs and Reconciliation)
- Mr Mike Fordham (Regional Manager (SA), Indigenous Affairs Group, Department of the Prime Minister and Cabinet)

Role of the Panel

The Mintabie Review Panel will consult with Anangu, relevant non-government organisations that deliver services on the APY Lands and government agencies. It will then provide a report with recommendations to the Minister for Aboriginal Affairs and Reconciliation, the Minister for Mineral Resources and Energy and the Commonwealth Minister for Indigenous Affairs.

Appendix 2. Summary of current licencing requirements in Mintabie pursuant to the Mintabie Township Lease Agreement¹.

Licence type	Situation	Legislation/legal instrument(s)	Relevant Authority
Residential Licence	Residing in the township lease area (i.e. non-Anangu).	<i>Anangu Pitjantjatjara Yankunytjatjara Land Rights Act 1981</i> , Mintabie Lease, Mintabie Township Lease Agreement.	Minister for Mineral Resources and Energy.
Commercial Licence	Operating a business (e.g. shop) in the township lease area.	<i>Anangu Pitjantjatjara Yankunytjatjara Land Rights Act 1981</i> , Mintabie Lease, Mintabie Township Lease Agreement.	Minister for Mineral Resources and Energy.
Community Licence	Undertaking general community activities for the benefit of all community members or for the members of clubs in the township.	<i>Anangu Pitjantjatjara Yankunytjatjara Land Rights Act 1981</i> , Mintabie Lease, Mintabie Township Lease Agreement.	Minister for Mineral Resources and Energy.
Government Licence	Undertaking government activities in the township.	<i>Anangu Pitjantjatjara Yankunytjatjara Land Rights Act 1981</i> , Mintabie Lease, Mintabie Township Lease Agreement.	Minister for Mineral Resources and Energy.
Hotel Licence	Operating a business supplying alcohol.	<i>Anangu Pitjantjatjara Yankunytjatjara Land Rights Act 1981</i> , Mintabie Lease, Mintabie Township Lease Agreement, <i>Liquor Licensing Act 1997</i> .	Minister for Mineral Resources and Energy, Liquor Licensing Commissioner
Short-term Visitor Permit	Visiting parts of the APY Lands outside the township lease area (non-Anangu).	<i>Anangu Pitjantjatjara Yankunytjatjara Land Rights Act 1981</i> , Mintabie Lease, Mintabie Township Lease Agreement.	APY (delegated to SAPOL).

¹Note: other licences/permits may be required under other legislation, depending on the activity. Codes of practice may also apply to specific activities.

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PRIME MINISTER

Reference: MS16-003644

20 JAN 2017

The Hon Jay Weatherill
Premier of South Australia
GPO Box 2343
ADELAIDE SA 5001

Dear Premier

I write to follow up on our conversation late last year about the township of Mintabie in South Australia.

In November 2016 I attended a meeting held with Empowered Communities representatives for the Ngaanyatjarra, Pitjantjatjara and Yankunytjatjara region during my recent visit to the Anangu Pitjantjatjara Yankunytjatjara (APY) Lands.

At this meeting, the representatives expressed strong concerns about the adverse social and economic impacts of entities in Mintabie on Indigenous residents of the APY Lands. This included unscrupulous business practices of local traders which have contributed to high levels of poverty amongst APY Lands residents.

The representatives emphasised the anti-social issues associated with Mintabie to be longstanding and sought a firm response from governments. The community leaders expressed their desire for the closure of the township, and I indicated a preparedness to engage with you on this matter.

You may be aware that, on 9 November 2016, the Federal Court handed down its decision on the Australian Securities and Investment Commission's (ASIC) prosecution of an unlicensed Mintabie-based credit business. The court held that the trader engaged in a credit activity without a licence and its conduct in the book-up system was unconscionable.

It is understood that following this decision, your Government is considering its ongoing commitment to lease arrangements at Mintabie.

It is important to emphasise that the Commonwealth effort, through ASIC, Australian Crime Commission and the Department, over recent years in seeking to address serious issues associated with Mintabie has been considerable. While the successful prosecution is a good

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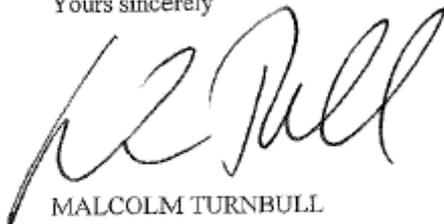
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outcome, it will not address all of the concerns raised by local representatives about the range of other anti-social and potentially criminal activities associated with the Mintabie township.

I reiterate my commitment to work with you to closely explore the option of terminating the Mintabie Township Lease Agreement and closing down the Mintabie township at the request of local Indigenous leaders on whose lands the township operates. During my trip to the APY Lands, this outcome was seen to be extremely beneficial to the ongoing social and economic wellbeing of APY communities and its residents.

I look forward to your support and leadership in progressing this matter.

Yours sincerely

A handwritten signature in black ink, appearing to read 'M Turnbull', written in a cursive style.

MALCOLM TURNBULL

Appendix 4. Details of Mintabie Review Panel meetings.

Meeting	Date	Location
1	6 July 2017	Umuwa & Adelaide*
2	24 August 2017	Adelaide
3	26 October 2017	Umuwa & Adelaide
4	6 December 2017	Umuwa & Adelaide*

*Meeting also attended by the APY Executive Board (i.e. members additional to those on the Mintabie Review Panel).

Appendix 5. Summary of engagement undertaken by the Mintabie Review Panel for the 2017 review of the Mintabie Township Lease Agreement.

Activity	Location	Date	Number of participants (including Review Panel members and State Government support staff)	Details
Meeting with nominated State Government representatives.	Adelaide	4 October 2017	13	A meeting of State Government agency (PIRSA, SA Health, DEWNR, Office for the Public Sector (DPC), DCSI, AGD, DECD, DCP and DCS) representatives nominated by their respective Chief Executives, for members of the Review Panel to understand the nature of State Government service delivery in Mintabie.
Meeting of the service provider subgroup of the Mintabie Cross-Agency Working Group.	Adelaide	11 October 2017	12	A meeting of relevant State and Commonwealth Government staff and non-government service providers operating in the APY Lands to discuss service provision in Mintabie (with a particular focus on alternative arrangements for the sale of second hand motor vehicles).
Meeting with the Coordinator, State Operations Service, SAPOL.	Adelaide	12 October 2017	5	A meeting to discuss relevant matters concerning SAPOL and policing in and around Mintabie.
Presentation at meeting of APY Executive.	Umuwa	19 October 2017	14	Department of State Development representatives updated the APY Executive Board and senior managers at APY on upcoming community meetings.
Community meeting.	Mintabie	23 October 2007	32	A meeting for community members to state their concerns about Mintabie, the current management of the township and future aspirations for the township.

Meeting with office bearers of the Mintabie Miners Progress Association.	Mintabie	23 October 2017	10	A meeting to discuss specific concerns regarding the management of the township and operation of the Mintabie Township Lease Agreement.
Community meeting.	Indulkana	24 October 2017	33	A community meeting to allow Anangu from Indulkana and other communities to state their concerns about Mintabie and their future aspirations for the township.
'Meet and greet' session.	Mimili	25 October 2017	24	An informal session with community members in Mimili to meet with the Chairperson of the Review Panel and state their concerns about Mintabie and their future aspirations for the township.
Meeting with the Regional Operations Manager of Mai Wiru Regional Stores Council Aboriginal Cooperation.	Alice Springs	27 October 2017	4	A meeting to understand the concerns of Mai Wiru with respect to Mintabie.
Meeting with the General Manager of Regional Anangu Services Aboriginal Corporation (RASAC).	Alice Springs	27 October 2017	4	A meeting to understand the concerns of RASAC with respect to Mintabie.
Meeting with representatives of Ngaanyatjarra Pitjantjatjara Yankunytjatjara Women's Council Aboriginal Corporation & Naganampa Health Council.	Alice Springs	27 October 2017	13	A meeting to understand the concerns of NPY Women's Council and Naganampa Health with respect to Mintabie.
Presentation at meeting of APY Executive.	Umuwa	8 November 2017	18	Department of State Development representatives updated the APY Executive Board and senior managers from APY on the outcomes of the community meetings held in late October 2017.
Telephone conversation between the President of the MMPA and the Chairperson of the Mintabie Review Panel.	By telephone	14 December 2017	2	The President of the MMPA telephoned the Chairperson of the Review Panel to discuss a range of issues in Mintabie, particularly law and order issues and recent disturbances of the peace.

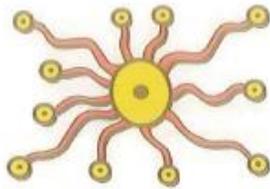
Appendix 6. Written correspondence received by the Mintabie Review Panel.

Stakeholder	Date received
Department of Education and Child Development	9 October 2017
Commissiner for Public Sector Employment	13 October 2017
Nganampa Health Council (see over page)	18 October 2017
Money Mob Talk About (see over page)	30 October 2017
Mintabie residents / store owners: <ul style="list-style-type: none"> • Ivan Fiolic • Christine W • CA Watkinson • Robert Haanstra • Salvatore Zito • Bill Henderson • Dinny O'Brien • Geoff Watson • Mary Kopczynski • Kevin Davies • Emma-Lee • Robert Haanstra • Jefferson Curtis • Jabo • Margaret Venturi 	13 December 2017

Note: this correspondence arose from either a request for further information by the Chairperson of the Review Panel, or from stakeholders who were aware of the review. Formal submissions were not sought as a part of the review.

Other correspondence sighted by the Mintabie Review Panel:

- Letter from Chairperson, NPY Women's Council, to Chairperson of the APY Executive Board (cc. Premier of South Australia, Prime Minister, General Manager APY), dated 15/9/17.



Nganampa Health Council Inc

Mr Paul Case
Chair
Mintabie Review

17th October 2017

Dear Paul

At the Nganampa Health Council Board meetings held on both the 12th of September and the 17th of October Mintabie was discussed. The contents of this letter were unanimously agreed to at the meeting on the 17th of October 2017.

Nganampa Health Council (NHC) is aware that a review of the Mintabie Township Lease Agreement has been a point of discussion for at least the last four months.

To date the Council has received no draft terms of reference for comment and no request for a submission.

NHC is mindful that there is a long history of Anangu requesting Mintabie's closure.

In fact agreeing to a 21 year township lease was the final "bitter pill that Anangu had to swallow" in order for them to gain title to their Land in 1981. A 21 year lease was reluctantly agreed to and AP minutes from the 1980s and 90s constantly reflect the decision that Anangu had made that the lease not be renewed after 2002.

Since the 1970s Anangu have suffered and been damaged and traumatised through many of the illegal activities at Mintabie.

NHC is frequently advised by Anangu that much of the alcohol and marijuana that is consumed on the APY Lands is supplied from Mintabie. It is our opinion that these sales have caused death through alcohol related motor vehicle accidents and an increase in domestic violence. In addition, many of the cases of mental illness on the APY Lands are the result of substance abuse. We are also deeply concerned that Mintabie could also be a supply point for methamphetamines or ice. We are aware that other organisations are of the same opinion.

In 2007 at an APY AGM a resolution was passed requesting that APY send a letter to the South Australian Office of Consumer and Business Affairs (OCBA) asking OCBA to withdraw credit facilities from businesses at Mintabie.

You would of course be aware that in April 2017, a trader from Mintabie was found guilty and fined for engaging in unconscionable and unlicensed conduct in relation to the provision of credit. NHC was supportive of the Australian Security and Investments Commission (ASIC) pursuing this. This particular trader was in 1993 and 1994 ordered by AP to leave Mintabie. He ignored that direction

Alice Springs Office: ph. (08) 89525300 fax. (08) 89522299
Amata Clinic ph. (08) 89562910 fax. (08) 89567825
Fregon Clinic ph. (08) 89562918 fax. (08) 89567816
Iwanja Clinic ph. (08) 86707986 fax. (08) 86707967
Mimili Clinic ph. (08) 89562974 fax. (08) 89567801
Nyapari Clinic ph. (08) 89567441 fax. (08) 89567441

Pipalyatjara Clinic ph. (08) 89567503 fax. (08) 89567836
Pukatja Clinic ph. (08) 89562946 fax. (08) 89567528
Pukatja Aged Respite ph. (08) 89567033 fax. (08) 89567288
Umuwa Office ph. (08) 89549040 fax. (08) 89567850
Watarru Clinic ph. (08) 89562852 fax. (08) 89567835
Yunyarinyi Clinic ph. (08) 89567721 fax. (08) 89567721



PO Box 2232 Alice Springs 0871

and the then Lessee [PIRSA] failed to act. We are advised by Anangu however, that unconscionable conduct at Mintabie continues and that the practice of Anangu leaving their key cards at stores located at Mintabie still takes place.

It is our opinion that this practice contributes to the poor health of Anangu as Anangu are unable to purchase food and other essentials if they do not have their key cards.

This practice is also disadvantaging Anangu businesses and the Anangu economy as a whole. The amount of money spent at Mintabie and not in the community owned stores amounts to a substantial leakage out of the Anangu economy. Money that would normally be spent in Anangu businesses is being spent in Mintabie. This creates an obvious economic disadvantage to the communities. We believe it also makes food on the APY Lands more expensive as higher prices need to be charged by the stores so that they can remain viable.

The assets at Mintabie are owned by APY Land Council and are leased. As with any lease, there is a risk that the owner will cease the lease and take possession of the assets. This is a normal risk of any lease arrangement and this should not prevent APY Land Council from closing Mintabie particularly where the requirements of the Lease are not being met by the Lessee which we understand has historically been the case and is also sadly currently the case.

Finally there has also been long term substantial damage to a number of important sacred sites which has caused distress to the traditional owners and prevented them from carrying out their cultural responsibilities critical for cultural maintenance.

In 1979 in a joint statement from Mimili and Indulkana communities regarding Mintabie said that "ideally they would like to see the mining activity stopped and all sacred sites fully protected from infringements in the future."

By the time the Pitjantjatjara Land Rights Act was passed in 1981 one important site had already been "substantially damaged by a bulldozer and trail bikes."

For all these reasons we ask that APY as the Lessor of the Mintabie Township Lease seriously consider revoking the Lease and closing Mintabie.

Yours sincerely



Jamie Nyangu
Chairman

Cc: Richard King – APY Land Council, General Manager



MoneyMob Talkabout
ABN 11 609 278 677
PO Box 3866
Alice Springs NT 0871
P: 08 8953 2410
F: 08 8952 7092
www.moneymob.org.au

26 October 2017

Mr Paul Case
Independent Chairperson
Mintabie Review Panel
paul.case51@gmail.com
CC Mr Craig Macauley
Department of State Development – Aboriginal Affairs and Reconciliation

Dear Mr Case,

Re: Review of Mintabie Township Lease Agreement

Thank you for this opportunity to provide written input to the above Review. I make this submission in my capacity as the Managing Director of MoneyMob Talkabout, a not-for-profit financial counselling and capability organization which provides support and counselling to Anangu across the APY Lands and has offices located therein. We have been providing these services since early 2012, under contract from both the Commonwealth Department of Social Services and the South Australian Department for Communities and Social Inclusion. Part of our contract requirement is to advocate for appropriate financial services for Anangu.

My submission relates predominantly to the Review term which seeks to determine "any longstanding issues regarding the management of the Mintabie Township that have been of concern to Anangu". Myself and my team have collectively spent many thousands of hours in the APY Lands over the last six years. During this period, we have consistently experienced and observed the detrimental effects on Anangu individuals, families and communities of the interactions between themselves and the Mintabie traders. Amongst Anangu and service providers, the illegal, unconscionable and damaging activities emanating from Mintabie are widely known of and discussed. This includes the selling of drugs, second hand cars and other goods, often through the provision of informal credit known as "book up." As you are likely aware, the practice of book up (as it occurs in Mintabie) was recently found to be unconscionable at law by the Federal Court of Australia in the case of *ASIC vs Kobelt*.

This submission is based on evidence documented in our client case notes and consistent feedback from the team. This evidence shows persistent and systemic issues which are of concern in relation to Anangu and the Mintabie Leasehold. As our case notes are confidential, I have not quoted them directly nor included details which may identify individuals. Rather I have grouped the issues into themes in the sections that follow. The case notes to which I refer pertain to more than 70 individual clients. We know that Mintabie affects more Anangu, in situations we have yet to discover or document.

I am available to discuss any aspect of this submission with yourself or the panel, should you wish to do so. I return to work on the 4th December 2017.

Yours sincerely,

o/c Carolyn Cartwright
Managing Director
MoneyMob Talkabout

Alice Springs
Shop 16 & 17, 63 Todd Mall,
John Cummings Plaza,
Alice Springs PO Box 3866,
Alice Springs 0871
P: 08 8953 2410
F: 08 8952 7092

Amata – APY Lands office
(Opposite the Shop)
Amata Community via Alice
Springs NT 0872
P: 08 8954 0133
F: 08 8954 7059

Pukatja – APY Lands office
Wellbeing Centre
Emabella Community, PMB 193
via Alice Springs NT 0872
P: 08 8956 7284
F: 08 8954 0139

1. Traders taking all or nearly all available money from Anangu bank accounts/overcharging for goods/renegeing on agreed book up repayment amounts & taking additional money without permission

Since we began operating on the Lands, this group of issues has been by far the most common problem with which Anangu have presented to us in relation to Mintabie. Our case notes document that as well as Lindsay Kobelt's store, Anangu have also reported these issues in relation to both Sam and Frank Zito. Some examples of how these issues have manifested are:

- Clients without money for food, resulting in a cycle of dependence on Mintabie traders. One client noted she had not seen any of her money in over three years
- Clients not able to make fine repayments due to key cards being held at Mintabie
- Clients taking (or wanting to take) out Centrelink loans as they have no money in their accounts after having had it all taken by Mintabie
- Client who had paid over \$10,000 to a trader for a car ostensibly purchased for \$5000
- Clients discovering that despite verbal agreement, trader had taken more than the agreed repayment amount (often the whole amount of their pay). Some clients contacted the trader directly on our advice to request refund of excess amount. At times refunds were denied by the trader.

On a number of occasions clients have noted that they are paying for a car on book up.

2. Additional Pressure on Service Providers & Banks Refusing Service

In the first few years of MoneyMob Talkabout providing services, there was high volume demand for our staff to assist Anangu to cancel and re-order key cards that had been left at Mintabie, and to assist Anangu to transfer money to other accounts so that Mintabie could not access funds in their bank. This would regularly occur outside of office hours – for example when we were opening or closing the office for the day. Anangu were well aware of the exact times at which Mintabie traders would utilise their key cards to withdraw funds. Staff (including myself) have at times come under enormous pressure from Anangu desperate to avoid the loss of their money. They would often be angry if we refused to assist them on the basis that the requests came outside of our working hours. Some of my staff have observed that at times, in some communities, cancelling and re-ordering key cards constituted the majority of their work; they have noted that this is particularly prevalent in Indulkana.

In the last 12 months, we have introduced an internal policy that staff will not provide assistance to Anangu on more than three occasions to replace a key card, when we are aware the client engages in book up at Mintabie. We have tried to address Anangu claims of needing to purchase food at Mintabie by setting up regular Centrepay deductions to the local store or affordable direct debit payments to Mintabie and discussing budgeting with them. However, some clients refuse to engage with any alternative solution – preferring to maintain their arrangement with Mintabie. We have also declined to provide No Interest Loans to people as long as they have book up at Mintabie. We do this as an incentive to encourage people to desist from the practice and because we cannot be confident that the client will be a reliable candidate for loan repayment.

The Commonwealth Bank, one of the two banks with which Anangu overwhelmingly hold accounts, has in the last two years begun to refuse to re-issue key cards to clients where they can see that the client persistently "books up" at Mintabie. We have on a number of occasions assisted clients to ring the bank, and have the client told by Commonwealth Bank staff that they will not be provided with any more key cards, as they have continually left them with the Mintabie traders.

Further pressure is placed on other services: for example, NPY Women's Council's emergency relief program, where we have documented occasions of clients requesting ER when they have no funds due to their money being taken by Mintabie. Centrelink is also at times called upon to become involved in addressing the fallout from book up – for example their officers have had to work jointly with us to ensure that clients will not have large superannuation or lump-sum pension payments taken out of their accounts by Mintabie.

3. Financial Abuse of the Elderly and Vulnerable

We have documented cases of financial abuse of the elderly and vulnerable involving Mintabie.

- In one instance, an old and chronically ill woman's daughter took her key card to Mintabie and purchased a \$4000 car for herself on book up, causing the elderly woman serious financial hardship. She then came to us and asked us to cancel her mother's key card, and was dismayed when we explained that we could not do this without the mother's express instruction.
- In another case, a disabled woman applied for a Centrelink advance which was then all taken by Mintabie without the woman receiving a cent of the money.
- We have further cases of elderly people's key cards and Basics cards being taken to Mintabie by children, leaving them with insufficient funds for their food or daily needs.

There is very little we can do to protect the vulnerable in these situations other than talk to family members and urge them to stop doing this to their relatives, or set up regular Centrepay arrangements to try to provide for them. Basics Cards have proven an ineffective safeguard for the vulnerable, as they can so easily be taken/used by others. Centrepay arrangements are only effective in so far as they are not cancelled, or the person does not travel to another place. When this occurs, the person is again without access to funds.

4. Drugs

Mintabie is widely spoken about as a source of drugs entering the APY Lands. Anangu have told me that the going rate for a bag of marijuana from Mintabie is around \$300, and that Anangu purchase larger quantities of drugs from Mintabie to on sell so they can themselves make a bit of extra money. I have also heard Anangu laughingly refer to others in the community as the "Mintabie green runner", a euphemistic reference to running drugs from Mintabie.

Our case notes document instances where staff ask clients what it is they need to purchase at Mintabie; the difference in the amount of clients' stated expenditure and the purposes on which they claim they spend money, versus their absence of funds in practice, suggests the discrepancy is attributable to drug purchases. We particularly suspect this in cases where:

- the client is evasive, or refuses to make any changes to alleviate their financial difficulties
- the client tells us they purchase food and clothes, which can readily be obtained at the local community store without the need to travel to Mintabie

On occasion, clients have reluctantly admitted to purchasing drugs from Mintabie. One noted this as a reason for being unwilling to pursue a complaint against a trader for taking all their funds, as they were afraid of police involvement regarding the drugs.

Many service providers openly discuss the impact of drugs on Anangu families. It is commonly observed that domestic violence escalates when people have run out of drugs and have no money to buy more.

5. Poor Quality Second Hand Vehicles

Anangu have told us of having purchased second hand vehicles from Mintabie, which then break down and become useless very soon after purchase. Anecdotally, this is widely spoken of by service providers as one of the well-known practices at the Mintabie leasehold. There are documented instances in our case notes of clients who have purchased cars on book up where the car no longer works or the clients say it broke down and Mintabie would not fix it. In one instance, a client claimed to have been charged \$9000 on book up for a vehicle he never received.

6. Conclusion

The sum of our experience and the evidence we have collected over the last six years reveals Mintabie to be a significant contributor to Anangu impoverishment, poor health and wellbeing. Traders consistently:

- disregard the limited capacity Anangu have to take on credit/service debt;
- prey upon their lack of financial capability to deceive them in regard to how much money they take from them;
- take advantage of their limited consumer choice to peddle poor quality products
- appear to ignore with impunity regulations intended to prescribe how they must conduct themselves commercially

Drugs from Mintabie impact on Anangu physical and mental health, financial wellbeing, family functioning and employment prospects. The leakage of funds to Mintabie competes with and impacts upon Anangu controlled enterprises. The flow on effects of the practices at Mintabie consume substantial time and resources of service delivery agencies.

In short, we can see no persuasive argument for continuing to operate the leasehold in its current format, or with the current commercial operators.

Appendix 7. Example photographs of the clean-up and remediation required in Mintabie, obtained from the *Mintabie Camp Sites Rehabilitation Report* (an unpublished report obtained from the Department of the Premier and Cabinet).







Appendix 8. Mintabie Review - an unpublished report obtained from the Department of the Premier and Cabinet.

Mintabie Review

Mintabie Precious Stones field was proclaimed as a precious stones field on the 27th November 1980, the Mintabie Opal Field is 213 square kilometres in area. There are currently 33 claims on the Mintabie precious stones field consisting of 22 extra-large claims, 9 Large Claims and 2 Small Claims.

There are 38 current Mintabie Endorsed Precious stones permits issued to Miners.

The Department of the Premier and Cabinet Opal Program have conducted a total of 69 inspections in the last 12 months. There were 62 first inspections carried out 54 of those inspections were compliant and 8 non-compliant, these 8 where issued letters of compliance and all miners have complied with the requests. There has been no miner taken to court for any breach of the Opal mining act or regulations.

Activity between 1-Sep-2016 and 31-Aug-2017

Inspections done between 9/1/2016 and 8/31/2017
(inspection events with the event date within the reporting date range)

	1st Inspection			2nd Inspection			Total
	Compliant	Non-compliant	Total	Compliant	Non-compliant	Total	
Andamooka	136	9	145	9	0	9	154
Coober Pedy	703	102	805	94	7	101	906
Mintabie	54	8	62	7	0	7	69
Total	893	119	1,012	110	7	117	1,129

The Department of the Premier and Cabinet - Opal Program estimate from physical inspections and local knowledge estimate that there are 11 noodlers on the Mintabie opal field. We estimate that there are 3 Anangu noodlers on the Mintabie opal field and 8 Non Anangu on the Mintabie Opal Field. There are tourists that visit Mintabie throughout the year that fossick/noodle as part of their visit to the township.

We Estimate 3.89% of the field has been opal mined which is approx. 8.3 square kilometres of the 213 square kilometres Opal Field. We believe that there is approximately 55 square kilometres of highly potential opal bearing ground remains this does not take in to consideration to the north east of the town as this has remained unexplored at this time.

There is 1 area of dangerous ground that has been identified on the Mintabie Opal Field this is located on the old field diggings. A claims has currently been pegged over the dangerous ground and a cessation order has been put in place pending a safe working plan from the miner, this is required to be approved by SafeWork SA prior to commencement of work. Once the approval has been given this will remove the dangerous ground from the Mintabie Opal Field.

All opal fields have open cuts and shafts these are dangerous and need to be treated with care, once entering the precious stones field a duty of care is need to be shown in regards to dangers. There are signs indicating the dangers involved when entering the precious stone field and should be adhered too.

Year	Field	Number of Miners.	Registered Precious Stones Claims	Capital Investment (\$ Million)	Annual Production (\$ Million) (per field)	Annual Production (\$ Million) (combined all fields)
1978	Coober Pedy Andamooka Stuart Creek Mintabie	1 000 50 20 150	897 254 14 52	17.83 3.17 0.08 7.83	32.00 2.50 0.75 6.50	41.75
1979	Cooper Pedy Andamooka Stuart Creek Mintabie	1 000 125 - 150	1 006 279 12 164	18.46 3.71 - 6.11	32.67 4.52 - 6.10	43.29
1980	Coober Pedy Andamooka Stuart Creek Mintabie	1 000 125 - 150	886 231 - 140	19.31 3.60 - 6.10	30.93 4.12 - 5.57	40.62
1981	Coober Pedy Andamooka Stuart Creek Mintabie	900 100 - 75	667 214 - 120	18.05 2.62 - 3.57	27.97 3.25 - 2.99	34.21
1982	Coober Pedy Andamooka Stuart Creek Mintabie	625 60 - 110	621 200 - 128	14.53 3.14 - 4.43	20.18 2.46 - 6.12	28.76
1983	Coober Pedy Andamooka Stuart Creek Mintabie	650 60 - 135	669 206 - 135	16.24 3.82 - 4.61	21.24 2.66 - 7.25	31.15
1984	Coober Pedy Andamooka Stuart Creek Mintabie	475 105 - 163	547 195 - 172	16.15 4.59 0.18 7.21	16.38 3.96 0.08 9.17	29.59
1985	Coober Pedy Andamooka Mintabie	455 65 295	536 152 294	13.71 3.60 9.35	15.07 2.80 15.56	33.43
1986	Coober Pedy Andamooka Mintabie	455 75 370	576 170 484	14.12 4.53 13.03	15.97 2.97 19.87	38.81
1987	Coober Pedy Andamooka Mintabie	535 83 520	744 236 906	15.72 4.72 19.57	18.34 3.46 28.22	50.02

Year	Field	Number of Miners.	Registered Precious Stones Claims	Capital Investment (\$ Million)	Annual Production (\$ Million) (per field)	Annual Production (\$ Million) (combined all fields)
1988	Coober Pedy	625	1 032	18.0	21.3	63.5
	Andamooka	8	266	3.6	3.2	
	Mintabie	775	1 063	18.6	39.0	
1989	Coober Pedy	600	936	16.0	19.9	55.6
	Andamooka	100	277	5.9	4.2	
	Mintabie	600	916	18.7	31.5	
1990	Coober Pedy	680	851	12.3	20.7	47.1
	Andamooka	96	240	5.2	3.8	
	Mintabie	454	568	11.6	22.6	
1991	Coober Pedy	564	706	8.0	16.1	39.3
	Andamooka	76	191	4.7	3.2	
	Mintabie	403	482	11.1	19.8	
1992	Coober Pedy	554	680	11.7	16.8	38.8
	Andamooka	85	214	3.9	3.2	
	Mintabie	376	471	10.0	18.7	
1993	Coober Pedy	543	679	11.0	16.7	38.8
	Andamooka	99	247	4.0	3.9	
	Mintabie	370	477	11.9	18.2	
1994	Coober Pedy	650	812	11.0	19.5	39.7
	Andamooka	112	280	5.2	4.3	
	Mintabie	330	404	10.2	15.9	
1995	Coober Pedy	654	818	10.3	18.9	38.3
	Andamooka	110	276	6.7	4.6	
	Mintabie	293	370	9.3	14.8	
1996	Coober Pedy	663	829	11.8	20.0	40.0
	Andamooka	132	330	6.2	5.0	
	Mintabie	286	362	11.4	15.0	
1997	Coober Pedy	627	784	9.1	18.1	40.6
	Andamooka	116	292	2.8	3.6	
	Mintabie/Lambina	374	470	11.3	18.9	
1998	Coober Pedy	582	728	6.4	16.1	38.6
	Andamooka	114	286	2.6	3.5	
	Mintabie/Lambina	410	538	13.1	19.0	
1999	Coober Pedy	544	680	8.2	15.7	37.6
	Andamooka	117	294	5.3	4.4	
	Mintabie	196	246	5.2	10.0	
	Lambina	243	325	4.7	7.5	

Year	Field	Number of Miners.	Registered Precious Stones Claims	Capital Investment (\$ Million)	Annual Production (\$ Million) (Per field)	Annual Production (\$ Million) (All fields)
2000	Coober Pedy	620	775	10.2	18.3	38.8
	Andamooka	113	282	5.8	4.5	
	Mintable	150	188	4.1	7.75	
	Lambina	228	304	8.9	8.25	
2001	Coober Pedy	546	683	6.76	15.3	35.6
	Andamooka	107	268	4.17	3.84	
	Mintable	127	159	2.61	6.28	
	Lambina	248	309	13.70	10.21	
2002	Coober Pedy	645	806	9.38	18.78	36.07
	Andamooka	114	284	6.18	4.59	
	Mintable	118	148	0.85	5.38	
	Lambina	221	277	6.28	7.33	
2003	Coober Pedy	630	783	9.46	18.26	34.78
	Andamooka	112	280	6.60	4.69	
	Mintable	107	134	3.43	5.63	
	Lambina	193	242	6.28	6.20	
2004	Coober Pedy	458	573	8.93	13.90	28.50
	Andamooka	104	260	6.25	4.40	
	Mintable	109	136	3.20	5.65	
	Lambina	130	163	4.42	4.55	
2005	Coober Pedy	524	655	11.68	16.40	27.70
	Andamooka	89	222	5.57	3.80	
	Mintable	86	107	5.40	4.50	
	Lambina	79	99	3.45	3.00	
2006	Coober Pedy	487	559	9.65	13.71	21.97
	Andamooka	66	169	5.80	3.30	
	Mintable	61	76	2.49	3.40	
	Lambina	39	48	2.08	1.56	
2007	Coober Pedy	402	502.5	7.91	12.0	19.07
	Andamooka	71.2	153	5.91	3.24	
	Mintable	51.6	64.5	1.55	2.69	
	Lambina	23.6	29.5	1.93	1.14	
2008	Coober Pedy	327.5	409.5	6.25	9.78	15.66
	Andamooka	56.6	141.5	4.07	2.62	
	Mintable	51.6	64.5	2.47	2.59	
	Lambina	14.4	18	.99	.65	
2009	Coober Pedy	281.6	352	4.62	8.27	13.06
	Andamooka	51.6	126	4.51	1.95	
	Mintable	45	56	1.6	2.45	
	Lambina	11.2	14	.39	.389	
2010	Coober Pedy	253	316.5	8.43	8.70	13.74
	Andamooka	43	107.5	2.89	1.91	
	Mintable	47.6	59.5	2.48	2.77	
	Lambina	6.4	8	.70	.36	
2011	Coober Pedy	279	349	10.67	10.00	15.14
	Andamooka	42	106	3.44	2.07	
	Mintable	40	50	5.84	2.58	
	Lambina	8	9	2.11	.49	

Year	Field	Number of Miners.	Registered Precious Stones Claims	Capital Investment (\$ Million)	Annual Production (\$ Million) (Per field)	Annual Production (\$ Million) (All fields)
2012	Coober Pedy	250	312	11.9	9.67	15.69
	Andamooka	40	100	6.56	2.91	
	Mintabie	41	51	2.87	2.63	
	Lambina	6	7	1.10	.47	
2013	Coober Pedy	228	285	8.90	8.27	12.63
	Andamooka	33	82	4.57	2.17	
	Mintabie	27	33	2.11	1.77	
	Lambina	6	8	.85	.42	
2014	Coober Pedy	216	270	12.8	9.07	13.56
	Andamooka	29	74	4.99	2.27	
	Mintabie	26	33	2.23	1.77	
	Lambina	8	8	1.06	.46	
2015	Coober Pedy	213	266	15.5	9.12	14.01
	Andamooka	52	65	3.49	2.5	
	Mintabie	26	33	5.22	2.4	
	Lambina	0	0	0	0	
2016	Coober Pedy	245	306	14.8	10.61	15.11
	Andamooka	53	66	4.1	2.54	
	Mintabie	27	33	2.89	1.91	
	minor	1	1	0	.05	
2017	Coober Pedy					
	Andamooka					
	Mintabie					
	minor					

Above is the opal production report for all the Opal fields in South Australia since 1978, this is based on a formula developed by Jack Townsend Senior Geologist for the Department. Highlighted in red is the production figures for the Mintabie Precious Stones Field. In total 411.13 million has been found in the Mintabie opal field between 1978 and 2016. It shows a decline in the production of opal over the past 10 years with the size of the township declining and ageing.

Attached is the Mintabie Opal Drilling Program, The Campsite Rehabilitation Report and quote estimate on a per hour rate.

Appendix 9. Mintabie Opal Resource Evaluation – an unpublished report obtained from the Department of the Premier and Cabinet.

Mintabie Opal Resource Evaluation: current value of opal resources and projected value of undiscovered resources.

Laszlo F Katona, Principal Geoscientist. Geological Survey of South Australia

Executive Summary

A detailed spatial analysis shows that after 40 years of mining in Mintabie, an area totalling less than 2 square kilometres has been intensively mined. A conservative estimate of the most prospective region within the Mintabie Precious Stones Field (PSF) is 20 square kilometres in area. Complimentary analysis performed in 2002 reveals further prospective regions within the Mintabie PSF totalling an additional 44 km². Within the 20 km² region of high prospectivity, the Mintabie opal field will support Mining for 400 years at the levels already experienced in its lifetime to date. The total value of the opal mined at Mintabie to 2016 is estimated by the South Australian Government to be \$412M³. An area based analysis concludes that this represents less than 10% of the total estimated contained opal at Mintabie. The opal resource in Mintabie, including the opal already found is therefore estimated to have a value of over \$4B.

Scope, Context & Methodology

The aim of this review is to provide an informed view with a level of precision suitable for understanding the tenor of remaining opal resources at Mintabie. The natural distribution of opal within their host formations is very irregular (i.e. extreme nugget effect) and accordingly renders the application of conventional (predictive) resource assessment methodologies inappropriate. Accordingly, an empirical approach has been applied in this review which recognises the production history of the field to date (inclusive of mining methods and production output) and the author's extensive personal history as an opal miner at the Mintabie field (15 years) with over 30 years' experience in opal processing and manufacture at wholesale and retail levels, together with the author's experience as a geoscientist, specifically in the area of resource potential mapping using GIS. This assessment also benefits from the availability of present day remotely sensed data that previous assessments have not benefitted from. References to the dollar value of opal production are based upon statutory publications. Previous technical publications by the GSSA are also considered in this evaluation.

³ Opal production report for Mintabie Opal field South Australia since 1978, based on a formula developed by Jack Townsend, Senior Geologist for the Department.

Introduction

Opal at Mintabie (Figure 1) is said to have been discovered in the early 1920s, with the first official record reported in 1929 by the Queensland Government Mining Journal (Barnes et.al., 1992). In 1931, The Mining Review (Adelaide) stated “A new occurrence of opal has been found at a place 15 miles southwest of Mount Johns... similar to, but of a darker shade than that found at Coober Pedy” (Barnes et.al., 1992). This darker shade of opal has become globally recognised as Mintabie semi-black opal. Mintabie also produces fine quality crystal, light and black opal all of which have become highly regarded globally for its quality and internal stability. In 1992, Barnes indicated that from 1985 to 1989 Mintabie was the largest producer of opal in Australia in terms of value, even though a greater volume of opal was produced by Coober Pedy. This statement underlines what is well known throughout the wider opal community – that Mintabie produces some of the finest quality opal in the world.

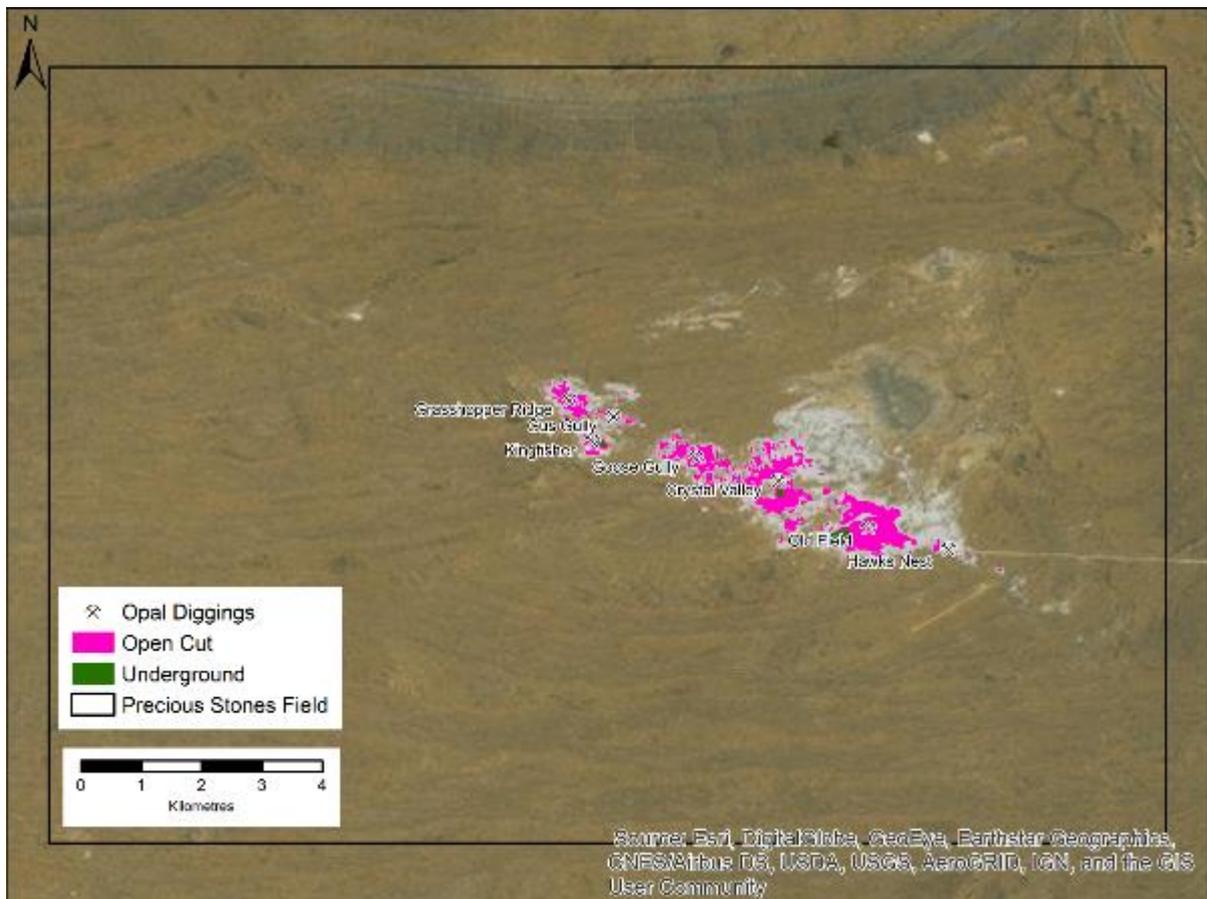


Figure 1: The Mintabie Precious Stones Field. The magenta areas are those that have had intensive mining activity.

Geology

The geology of the Mintabie precious stones field differs from all of the other major opal producers in South Australia, being the only field that produces opal within Palaeozoic rocks. The host rock for the opal at Mintabie are the Mintabie beds which comprise well sorted, white kaolinitic sandstone with minor claystone interbeds, thought to be important in the opal formation, as they are interpreted to be acquicludes. The Mintabie beds crop out extensively along the Mintabie escarpment which the opal field developed around and dip gently to the south west. The beds are overlain by a thin veneer of Cretaceous sandy shale, silicified

Tertiary sandstone and Recent sand dunes. The upper sediments are often found to be silicified, forming a massive silcrete capping which is present in many areas. This capping known locally as “cap-rock” requires blasting to penetrate in most areas. The main structural controls for opal formation at Mintabie are joints in the sandstone that strike in a north-westerly direction, crossed by joints striking south-west. The joints can carry opal and connect with horizontal silicified bands in the sandstone that produce opal in horizontal seams known locally as “pockets”. The silicified bands define the opal bearing levels, but are not regularly distributed throughout the field either laterally or vertically, making it difficult for miners to consistently find opal using underground mining methods.

A History of Mining in Mintabie

After the discovery opal along the Mintabie escarpment the presence of quartz-rich sandstone as a host rock and the silcrete capping deterred mining for decades. It was not until the introduction of heavy machinery in the mid-1970s that the field came into large scale opal production. Since that time, open cut operations have been the preferred method for mining for opal in Mintabie, although there were some underground mining operations in the field. Early mining equipment was not capable of efficiently mining open cuts to great depths and, with the 50 x 50 metre limit on precious stones claim size during the 1970s and most of the 1980s, managing overburden from open cut mining operations limited the depth of exploration. For these reasons open cut depth during this period was limited to around 10 to 15 metres depth. At these depths, miners often located a greenish coloured clay band and the belief at that time was that the ground became unproductive below this level, so mining would stop once the “green ground” was reached. From the 1970s to the early 1980s almost all of the opal mining took place in the “Old Field”.

During the 1980s there was a surge in opal mining in Mintabie after the expansion of the old field in a north westerly direction along the escarpment which resulted in the discovery of Goose Gully and Crystal Valley fields. A large influx of mining families soon followed which saw the population increase to over 1000. Several additional new fields along the Mintabie escarpment were then discovered: Gus Gully, Kingfisher, Hawk’s Nest and Grasshopper Ridge. This period also brought new and larger machinery, including scrapers and excavators capable of mining to greater depths. The introduction of the Large Claim (up to 100m x 50m) and scrapers meant overburden from open cut operations could be managed more effectively and overburden could be deposited some distance from the open cut mines. Opal claims in the Old Field began to be re-worked to depths from 15 to over 30 metres and many large discoveries were made, including discoveries below the green clay bands. This period also saw the introduction of skid-steer loaders which made underground mining easier, as the opal bearing levels could be accessed from the wall of a disused bulldozer cut.

From the mid-1990s to the present day, mining methods evolved to utilise excavators and dump trucks which cut operating costs, although the time taken to work claims increased using this method. A combination of these methods and traditional open cut mining are still in use today in parts of the opal field.

Current Activity

A GIS analysis of the Mintabie Precious Stones Field using recently acquired satellite imagery identified the following equipment operating in the field: 6 bulldozers, 2 dump trucks, 2 excavators, 2 front-end loaders and 1 noodling plant. With the exception of 2 bulldozers, all of the equipment was located in the Old Field (See Figure 2). As a random sampling of activity in recent time (the imagery is assumed to be less than one year old), it is an encouraging sign of mining activity at Mintabie.

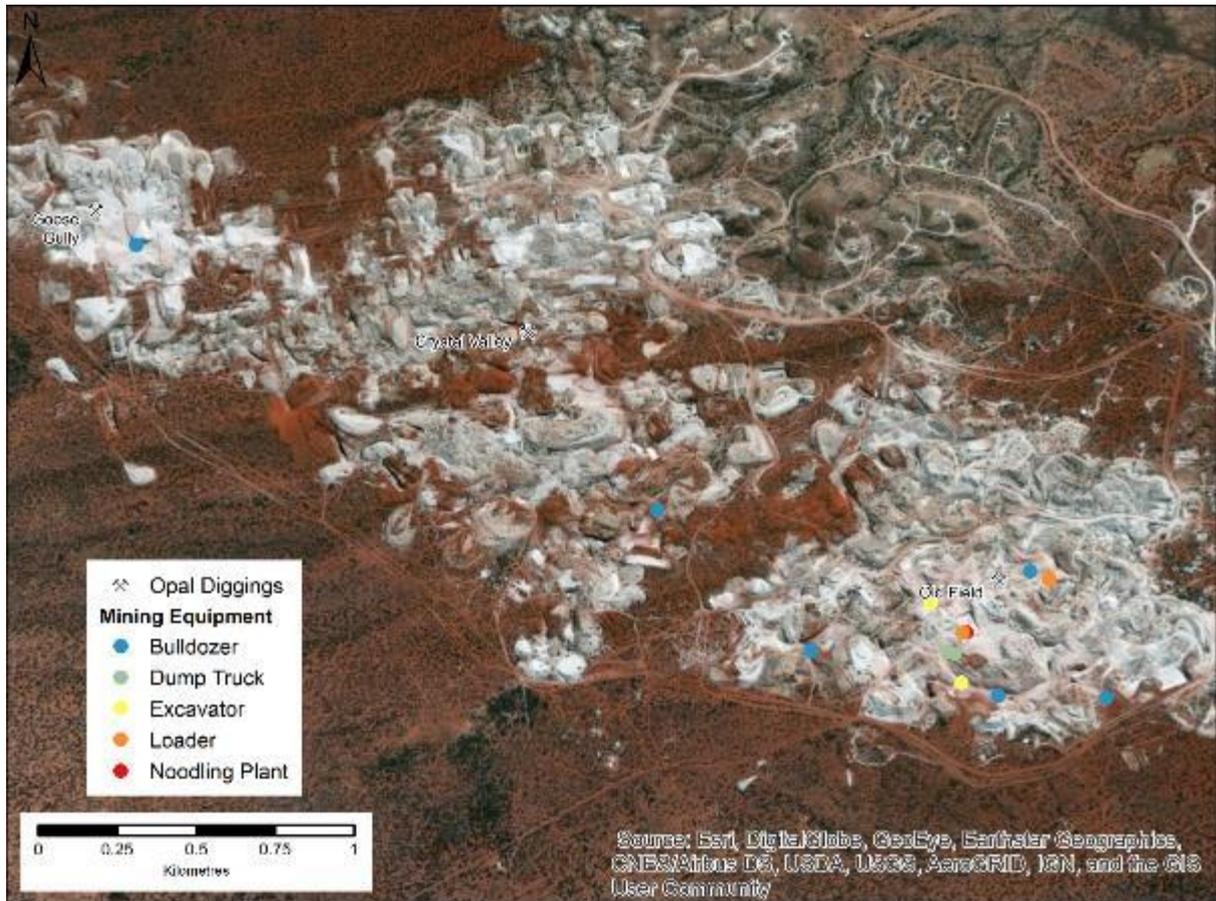


Figure 2: Mining equipment present on the Mintabie Field in 2017. Most of the operations are currently taking place in the Old Field.

A recent conversation with an opal miner in Mintabie (November 2017) revealed that all of the miners currently operating in Mintabie are finding precious opal, although the amount of opal produced is not known.

Analysis of Current Diggings

The logistics of open cut mining using bulldozers dictate that there must be a rear access ramp with a gradient of approximately 30 degrees for the bulldozer to access the open cut and a mullock ramp with a gradient of approximately 20 degrees to push the overburden out of the cut. The impact of these logistics is that for a given bulldozer cut, at least 50% of the opal bearing level is hidden beneath the ramps. In ideal circumstances, an operator can progressively work a line behind the rear ramp, taking all of the ground in the ramp and filling the cut in front, but when there are many operators in the area at the same time competing for working space, this can become unfeasible and as a consequence virgin ground is left behind or buried. Local miners are currently in the process of reworking the existing fields in preference to seeking out new fields.

Areas affected by intensive open cut mining and adjacent underground mined areas have been digitised (Figure 3), leaving out areas that have not yet been mined, or are covered by mullock heaps or scraper dumps, the latter having a high probability of fresh sandstone underneath. The areas of intensive activity all lie south west of the Mintabie escarpment, shown in Figure 3 as a red line, digitised from the Shuttle Radar Topography Mission (SRTM) Digital Elevation Model (DEM).

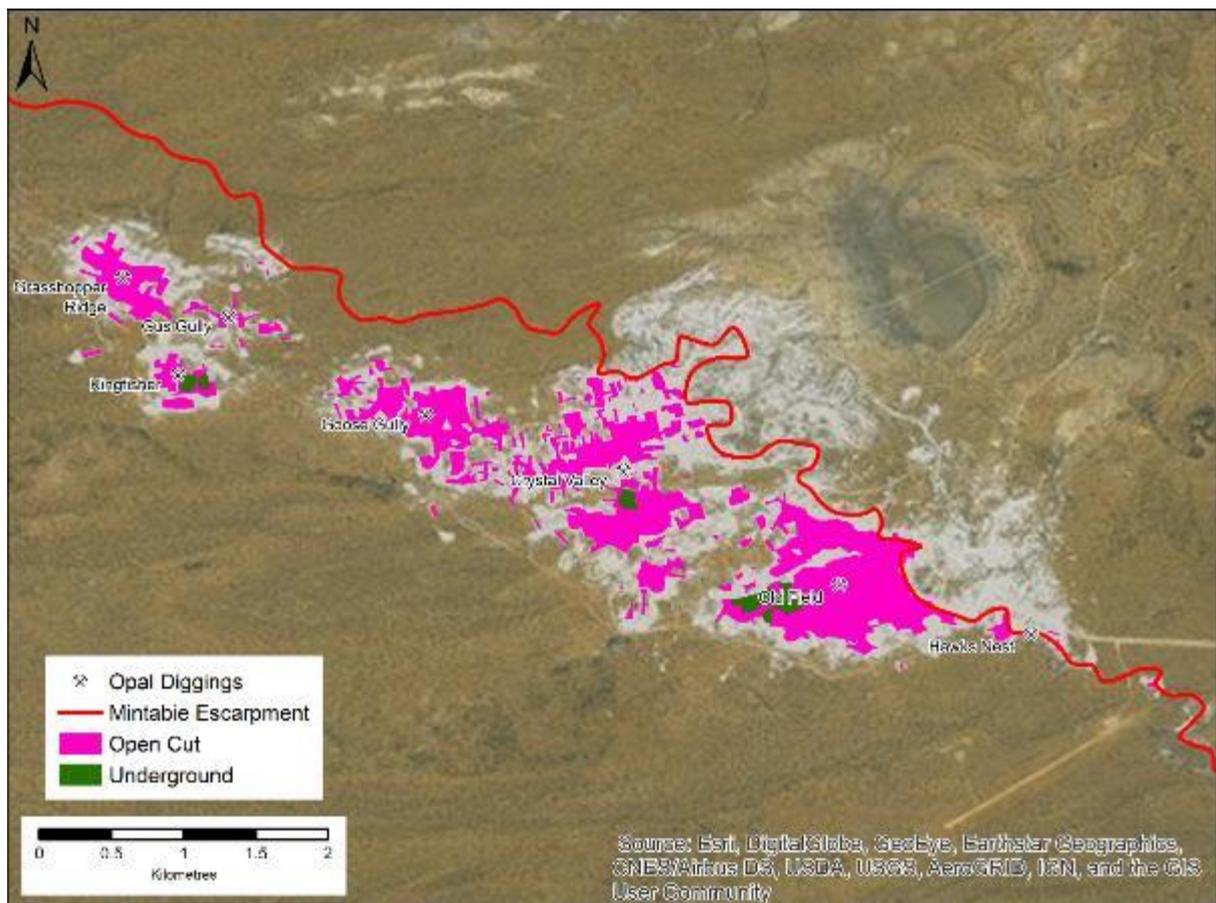


Figure 3: Actual diggings (as opposed to areas covered by overburden or weathered surface material) have been digitised to calculate the area of intensive mining activity at Mintabie. The Mintabie airstrip is visible in the south-eastern corner of the image.

Previous Departmental Report

Between the years 2000 and 2002, the Mintabie opal drilling program drilled exploration drill holes to the north-west and south-west of the current workings. A report on the program by Gum (2002) delineated tracts prospective for opal based on drilling results. The drilling program located prospective sandstone and recovered common opal from a number of holes some distance from present workings, confirming the potential of the drilled areas to host opal. Figure 4 displays the drilling results and prospective zones. The tract adjacent to the Mintabie escarpment that encompasses and expands the current diggings to the northwest and southwest is 31.5 Km² in area. The region to the south-east of the current workings was not drilled, most likely due to the presence of the Mintabie Airstrip. A second tract, approximately 5 kilometres southwest and running parallel to the escarpment is 27.3 Km² in area.

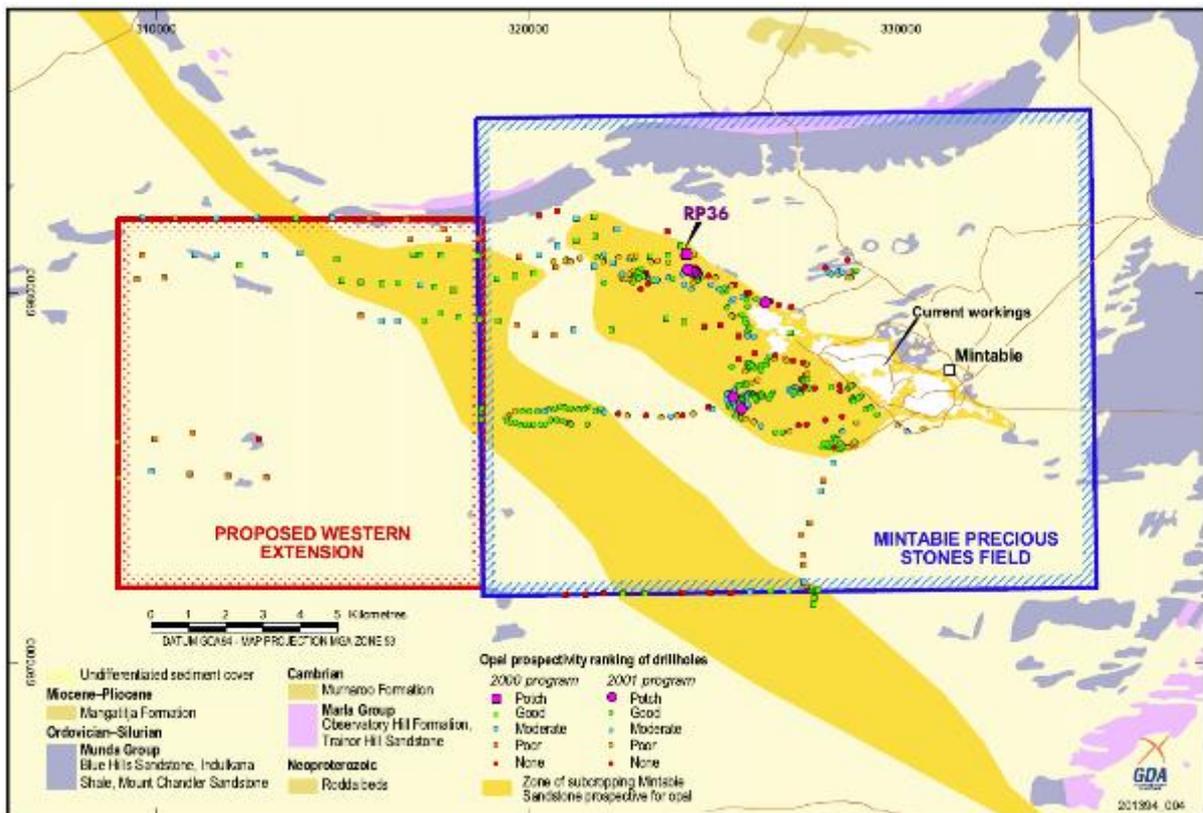


Figure 4: Drilling results that helped define areas permissible for further production of opal at Mintabie, based on the presence of Mintabie Sandstone (after Gum, 2002)

Potential for Further Opal Production

The Mintabie Escarpment is delineated by the SRTM digital elevation model (Figure 5). The escarpment runs for about 12 kilometres in a north westerly direction. The opal bearing Mintabie beds outcrop at and near the face of the escarpment over much of its length. Opal producing sandstone has been found in a line parallel with the escarpment, on the up-thrown side, currently mined over a distance of approximately 1 to 1.5 kilometres from the face of the escarpment over a distance of about 6 kilometres.

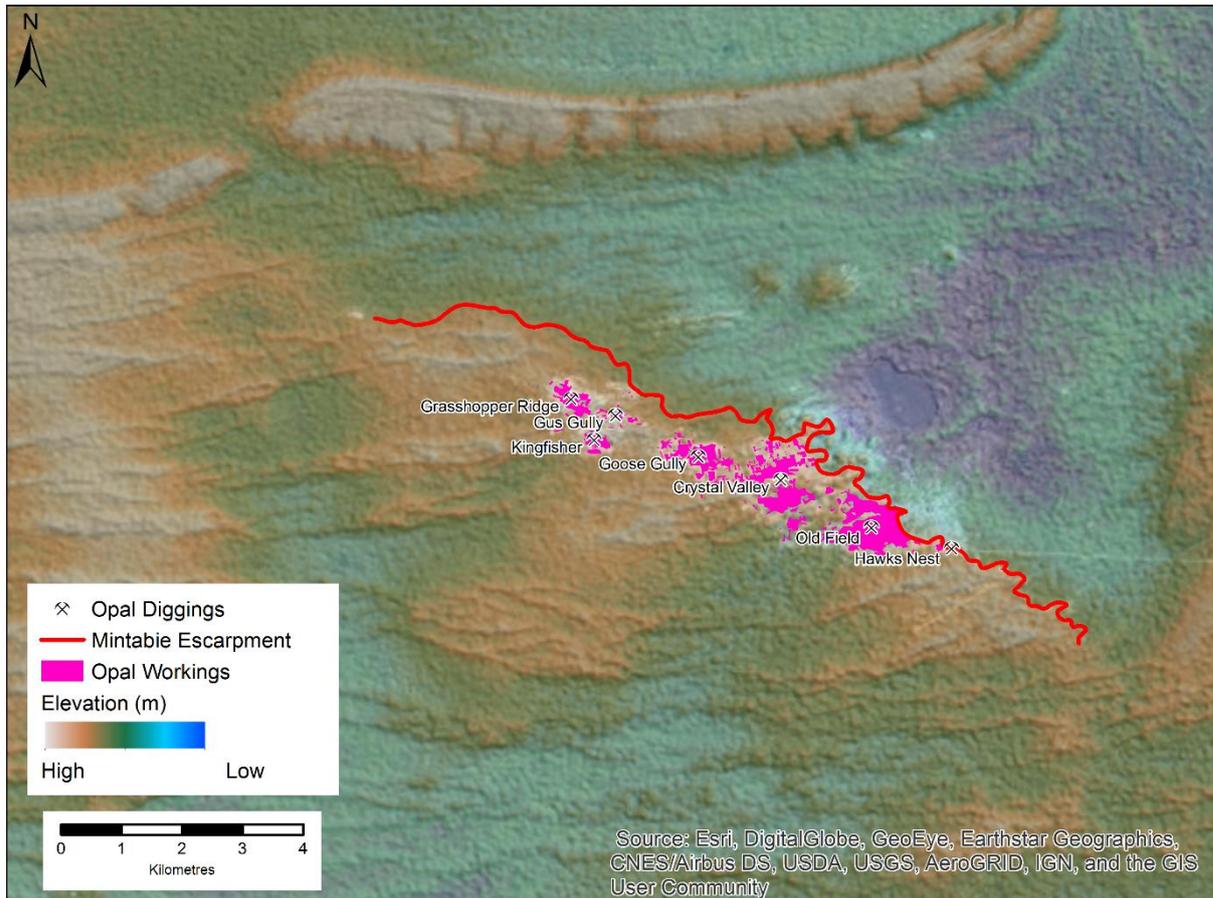


Figure 5: The Mintabie Escarpment as shown in the SRTM DEM. The opal fields are situated on the south west side of the escarpment on the up-thrown side.

The potential for further sustained opal production from the Mintabie Opal Field is very high. The GIS analysis of the current workings using recent satellite images reveals significant areas within the known fields are still under-explored and unworked. The only impediment to further mining of the areas between the existing fields is the increased thickness of the sand covering the opal bearing sandstone (up to 10 metres of sand, where sand hills intersect the field in an east-west direction). Moreover, the deeper opal bearing levels in the existing mined areas (particularly the Old Field) are highly prospective and are currently being re-worked by miners who understand that there are numerous ramps with unmined opal bearing levels and previous work that left unworked sandstone at mine-able depth. Re-working this ground has been made possible in part due to the lower number of precious stones claims in the area, allowing miners to better manage overburden to reveal and mine the deeper levels. Figure 6 shows a bulldozer at work in a large open cut mine in the Old Field. This mine is a clear example of re-worked ground.



Figure 6: A bulldozer works a large area in the heart of the Old Field, indicating significant unmined areas within previously worked ground.

Given the current diggings occupy about half of the strike length of the escarpment, as interpreted using the DEM image shown in Figure 5, it is highly plausible that the un-mined sections along the Mintabie escarpment are highly prospective and the prospective region broadly coincides with the elevation of the up-thrown section of the escarpment shown in Figure 5. Figure 7 displays the region deemed to be the most prospective, as guided by the DEM and location of the known diggings along the escarpment, with further prospective regions delineated by the drilling programs performed in 2000 and 2002 (Gum, 2002). The most prospective region concurs broadly with the findings of the report by Gum (2002) with the key difference being the inclusion of the area in the southeast that overlies the Mintabie Airstrip. The most prospective region is 20.8 Km². The remaining prospective regions delineated by the drilling programs (not including the most prospective region) cover an area 44.3 Km².

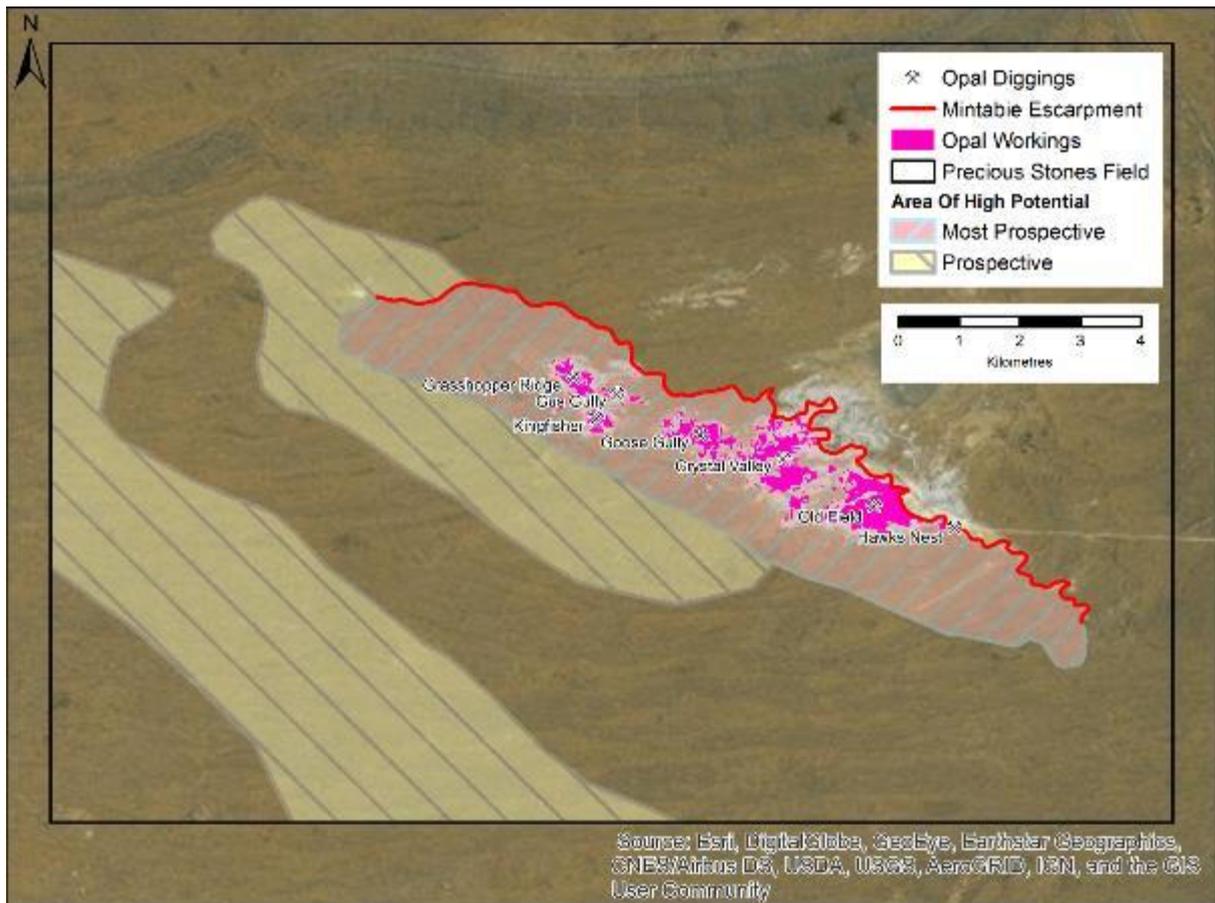


Figure 7: The Mintabie Escarpment as defined by the SRTM DEM guides the interpretation of the most prospective area within the Mintabie Precious Stones Field.

Table 1 considers the area that has been mined intensively, shown in magenta in Figure 7. The intensively worked regions total 1.9 Km². This is significantly less than the 8.3 square kilometres stated in an internal publication known as the Mintabie Review. It has been confirmed that the discrepancy is due to the Mintabie Review using an older, low resolution satellite image to delineate the worked areas. As a result, weathered sandstone northeast of the escarpment was included in the evaluation as well as mullock heaps and scraper dumps surrounding the diggings, under which there is fresh, unworked sandstone.

Of the 213 square kilometres of the Mintabie Opal Field, the area considered to be the most prospective is that area along strike of the escarpment for a width of about 2 km, producing a region with an area of 20.79 Km². Subtracting the worked regions leaves a highly prospective opal bearing area 18.9 Km² in size. Since 40 years of mining operations have worked through only 1.9 Km², the remaining most prospective area will require at least 400 years to exhaust the resource, if worked at the same rate as the first 40 years.

REGION	AREA
AREA OF INTENSIVE WORKINGS	1.9 Km ²
MOST PROSPECTIVE AREA	20.8 Km ²
REMAINING AREA (HIGH POTENTIAL MINUS WORKED AREAS)	18.9 Km ²
PERCENTAGE OF MOST PROSPECTIVE AREA WORKED	9%
OTHER PROSPECTIVE AREAS (GUM, 2002)	44.35 Km ²

Table 1: Evaluation of intensively worked area as a proportion of the total prospective region at Mintabie.

It is expected that the areas within and immediately surrounding the current diggings will be the focus of mining activity in the immediate future. Only after these areas are perceived to be exhausted will effort extend to those areas laterally adjacent to the current workings, unless drilling results in new discoveries.

Value of the resource

Information collected by the department since 1978 estimates the value of raw opal produced from Mintabie from 1978 to 2016 to be \$412M in raw opal product. This raw opal has a wholesale processed value of \$825M. The retail value of the processed product is valued at approximately \$2477M. These estimates use plausible market values within the opal processing and retail industry. The analysis of the undiscovered Mintabie resource estimates a value of around \$3.6B in raw product, based on superimposing the production figure estimates on the ground mined to date over the un-mined high potential region around the existing diggings. The challenge for South Australian Government is to ensure that the value chain for opal products is kept within Australia.

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Mintabie Review. Internal Departmental document, authorship unknown.