

Pareta Farms Pty Ltd

Clare SA 5453

2nd February 2014

Mark Howe Business Support Services Officer Mining Regulation and Rehabilitation Branch DMITRE GPO Box 1264 Adelaide SA 5001

Re Kara Resources Mining Lease MC4322

Dear Mr Howe

We write to provide some background on our farming business, Pareta Farms Pty Ltd, and also to highlight some concerns with regard to the impact of the above proposed mining project on our operations.

Business background

Pareta Farms Pty Ltd conducts farming operations in two principle locations. The central base is located at 67 Kuhlmann Rd, Freeling. From this base we service land adjacent to Kuhlmann Road, Richards Road, Nurse Rd, Job Road, Wandel Road, the Freeling Daveyston Road and the Thiele and Sturt Highways. Importantly, this also includes parcels of land located along Old Kapunda Road. A total of 850 ha is involved in the Freeling area.

The second location is a parcel of land north of Kapunda on the Kapunda to Eudunda Road. "Illawarra", totalling 3000 ha, is a significant very long term lease. In combination the two parcels total 3850 ha. Old Kapunda Road, passing the proposed mine, is our principle access route between the Freeling and Kapunda properties.

Our enterprise mix includes wheat, canola, beans, straw, oaten hay (for export) and prime lambs. Given these enterprises, and our scale of operation, we have significant plant requirements of a large size. This includes headers, trucks with trailers, tractors, a seeder, a self propelled sprayer, balers, mother and field bins. All plant is housed at Kuhlmann Road, Freeling and is moved to paddocks and between properties along Old Kapunda Road on an as needs basis. We employ four full time farm staff, each with their own utility vehicle, who all travel from the Barossa Valley on a daily basis. We also have up to an additional 4 FTE at peak times of year.

The above establishes that the Freeling to Daveyston Road, Kuhlmann Road and particularly Old Kapunda Road are critical to our being able to move plant freely in the conduct of our business operations.

Mine impacts

Our concerns on the impact of the Kara Resources Mining lease on our farming operation, and safety of our employees are as follows.

i. Increase in road traffic making movement of equipment difficult

There will be a significant increase in freight movement along Old Kapunda Road, with trucks moving dolomite on a regular basis. Other quarry plant movement will also be required. Quarry employees will also require access. Accordingly, traffic volumes will increase markedly.

This increase in traffic will increase difficulty and risks involved when moving equipment to our paddocks located along Old Kapunda Road and when moving to our Illawarra property. Of particular concern will be when trucks are turning left from Old Kapunda Road onto the Freeling Daveyston Road to head to the Sturt Highway. This necessitates a tight, greater than 90 degree turn that is immediately followed by a narrow bridge above a deep creek. Both Old Kapunda Road, the cross road intersection with Kuhlmann Road and the bridge on the Freeling Daveyston Road will require an upgrade.

ii. Run off of water into Walkers Creek, the possibility of flooding and water quality effect

Walkers Creek continues from the proposed mine location site and follows downstream on its path through the 67 Kuhlmann Road property where we are based. On three previous occasions, in 1983 and twice in 2010 we have experienced flooding associated with significant rainfall events. Diversion of water and sandbagging has been required to avoid property damage.

The tailings dam that forms part of the proposed mine operation is in our opinion, not of sufficient size to handle the increased water runoff volumes that will result from mining operations. Flood risk therefore increases. It should also be noted that Walkers Creek continues into the North Para catchment. Water quality needs to remain unaffected.

iii. Impact of quarry dust on agricultural produce

As mentioned, we farm paddocks adjacent to Old Kapunda Road, which are therefore within close enough range to be impacted by dust emitted from quarrying operations.

Our markets for produce include both oaten hay for the Japanese export market and also straw that is used in producing stockfeed pellets for animal consumption. Japanese export markets have stringent quality control requirements in terms of both chemical composition and colour of product. Quarry dust could impact on each of these factors. Similarly, quality of the pelleted product may also be affected. Markets for produce may be impacted.

iv. Weed incursion possibility

The spread of weeds to neighbouring land used for agricultural purposes is possible, if Kara Resources do not adequately control weeds on the site of quarry operations. Weed control is already a significant expense for farming enterprises in both dollar and time terms, without being exacerbated when near neighbours contribute to weed spread when inadequate control exists. Given paddocks are located on Old Kapunda Road, this is possible.

v. Location of the mine and community consultation practices

The Kara Resources mining lease application document describes the mine site location as "remote". Given the proximity to the communities of Nain, Greenock, Daveyston and Freeling, we believe such a description to be inaccurate.

We also believe that the community consultation by Kara Resources regarding the mine proposal have been less than adequate. Although we farm land in close proximity to the proposed site we have received no correspondence. We would appreciate being kept better informed as further progress on related matters is made.

We require clear evidence that the issues highlighted above will be adequately addressed by Kara Resources. Until such time we do not support the quarry development.

If you require any further clarification in regard to any of the above mentioned matters, please contact me on

Yours sincerely

David Heinjus

Managing Director

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Pareta Farms

