



P138

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25 August 2011

The Executive Officer
Economic Development and Infrastructure Committee
Parliament of Victoria
Parliament House
Spring Street
EAST MELBOURNE VIC 3002

Dear Ms Simmonds

Inquiry into Greenfields Mineral Exploration and Project Development in Victoria

I refer to the letter from Mr Neale Burgess MP seeking submissions addressing the terms of reference for this Inquiry.

Gannawarra Shire Council is interested to promote the search for and the environmentally responsible development of mineral sands resources in the Shire.

We believe that the western half of the Shire may have significant 'prospectivity' for mineral sands, possibly including rutile, zircon and various rare earths. In fact, old riverine sands throughout the Shire may be prospective.

I note that the Department of Primary Industry's web site refers to a \$5 million Rediscover Victoria initiative which provides support for targeted drilling by exploration companies. The generation of geological information [referred to in g) in your letter] seems to be critical as a role of the State government in encouraging the search for mineral deposits.

The western part of Gannawarra Shire is also a valuable and productive dryland farming and livestock-producing area. It is essential that any on-ground prospecting for mineral sands and any subsequent development of the resource must be conducted without detriment to farming.

With the proviso of respecting farming and environmental values, a program of geological research and limited localised drilling would seem to be an appropriate starting point for investigating and assessing the economics of developing a mineral sands resource.

The management of potential conflicts between exploration and other uses including farming [referred to in i) in your letter] will be of particular concern to this Council. In regard to drilling for mineral sands, it may be possible to drill on land where farming would not be disturbed [such as roadsides], or on farming land only where landholders have given their consent. In this way, the potential for conflict would be minimised.

In summary, in relation to the Committee's matters to be examined in its Terms of Reference, I suggest that:

- The Committee consider and investigate mineral sands including rare earths as part of Victoria's mineral endowment [a].
- The experience of mining companies developing mineral sands deposits in Western Victoria may be instructive, in terms of the companies' economic viability, environmental performance and community relations [e]. Impacts of their exploration activities before any actual mining would also be pertinent.
- The Committee advocate the provision of geological survey information on mineral sands [and other mineral deposits] as an important role of government [g].
- The costs and benefits of exploration must include any negative impacts on farming and environmental values in broad-scale farming lands such as the western part of Gannawarra Shire [i].
- Opportunities to reduce potential conflicts between exploration and farming could include setting requirements in relation to mineral sands, such as a requirement to confine drilling to non-farm lands such as road reserves [with the consent of the road authority, either VicRoads or the municipal council], and to farming lands only with the consent of the landholder [i].

Thank you for the opportunity to put these matters before the Committee. I look forward to your report and recommendations.

Yours sincerely



Rosanne Kava
CHIEF EXECUTIVE OFFICER