

1. Background

- a. WA company Bauxite Resources Ltd (BRL) has blanket pegged Exploration Licences (ELs) over more than 23,000km² (2,300,000 Ha) of the land left behind by Alcoa and Worsley Alumina as sub-economic, in 37 local government areas in the Darling Ranges.
- b. The land includes large areas of "rural suburbs" so-called because they are within 1 hour of major city centres (Perth and Bunbury) and host tourist destinations, parks and reserves, rare flora and fauna, water catchments, agricultural holdings, food production areas, residential small holdings, horticulture, wineries, scenic roads and views, retirement farmlets, orchards, tree covered hills, villages, schools and aged persons facilities.
- c. 88% of BRL's tenement applications cover private farmland. The other 12% is forest. These areas are the earliest settled areas in the State and have never been mined. Many communities such as Bindoon are prized agricultural areas, self-sustaining for over 100 years and include Swan-Avon water catchments, stunning topography and landmarks, peaceful rural character and a burgeoning tourist industry.
- d. It is BRL's intention to conduct large scale, broad hectare strip mining at multiple locations throughout the Darling Ranges over 25 years and to haul bauxite using public infrastructure through environmentally sensitive and populated agricultural and tourism areas to ports for export, as well as develop an alumina refinery at Kemerton.
- e. The scale of these proposals are of State significance in several aspects but especially their intended location in the Darling Ranges in some of the most densely populated rural areas of the State, involving complex land uses and substantial long term planning and investment. Is there a net benefit to the State both in economic and non-economic terms from mining the Darling Ranges?

2. Impacts of BRL's Stage 1 "trial" at Chittering under an Extractive Licence

- a. Bindoon residents experienced BRL's trial operation from August 2009 to February 2010. Stage 1 comprised 130,000t bauxite mining, crushing and screening operation on pre-1899 private farmland on the top of the Bindoon Scarp, hauling 16km using 70t double road trains on Great Northern Highway and local roads to Moolabeenee Siding for stockpiling and loading onto trains to Kwinana. The environmental and social impacts were severe.
- b. The worst of these impacts included: noise and dust emissions at all points in the production train impacting on residences and businesses; unauthorized clearing of siding vegetation; dangerous road conditions caused by the size and rate of haul trucks; 1 truck every 3-4 minutes on a school bus route and scenic tourist drive. The road/rail transport task during Stage 1 was chaotic and the local infrastructure could not cope with the trial production rate.
- c. The rural lifestyle and tourism based investment in the area has been paralysed as a result of uncertainty. Many life-long farmers are preparing to leave if large scale mining proceeds.

3. Key concerns

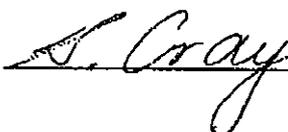
- a. The circumstances in which BRL's Stage 1 Trial was permitted to occur demand inquiry. In particular:
 - BRL mined bauxite under an Extractive Licence for "gravel" although the Chittering Town Planning Scheme clearly does not permit mining in the Shire;
 - BRL did not obtain a Works Approval from DEC as required under the Environmental Protection Act (EP Act) to process 130,000t of bauxite ore;

- Bauxite was stockpiled at Mooliabeenee Siding without BRL's contractor Westnet Rail obtaining development approval from the Shire of Gingin for a change to Industrial use, despite being adjacent to residences and a vinyard. Stockpiling minerals is not within the approved "railway purposes" that apply to the disused Siding;
- No part of the Trial was referred to the EPA for assessment under S38(5) of the EP Act prior to its commencement, despite it being likely to significantly impact on the environment;
- BRL undertook no public consultation at all in connection with the Trial;
- Government authorities were selectively informed and unaware that the Trial was a prelude to a large scale, long term mining operation at >3mtpa from 2011 for 10 years.

In every part of the process, the rights of affected residents and businesses were ignored, overridden or compromised. The permitting system applicable to mining pre-1899 land is deficient if a company can manipulate the system to mine bauxite in 2009 without complying with our laws and processes. It was left to residents to act to protect their environment and their amenity at their own expense to prevent further exploitation by BRL under a Stage 2 Extractive Licence which the Shire rejected.

- BRL is now looking to develop a >3mtpa – 6mtpa Direct Shipping Ore (DSO) operation from multiple mines in various Shires in the North Darling Ranges. It declines to release information about the locations of its proposed mines and haul routes and is adopting a "salami" approach to approvals submitting a 1.2mt /6 month mining proposal to the EPA for assessment. This does not meet the standards of responsible mining practice – it abuses both the EPA process and residents, prolongs uncertainty and places our environment at greater risk from cumulative impacts.
- Bauxite mining on this scale in the Darling Ranges, and the construction of an alumina refinery, are of State significance and require a State Agreement. BRL has been listed on the ASX for less than 3 years and has demonstrated an opportunistic approach to mineral exploitation. Is it an appropriate company to be mining in one of the State's most precious locations where thousands of people live?
- The impacts described in Paragraph 2(c) felt at Chittering are starting to be felt through many Darling Range communities and will persist until there is certainty.
- Before BRL's (or any other) proposals proceed any further a strategic assessment is required, if necessary based on historical data, of (1) the environmental impacts and (2) the land use planning, social and economic impacts of mining and hauling bauxite in the Darling Ranges from multiple locations using public infrastructure.
- These proposals raise a mountain of issues across almost all portfolios of government – environment, mines, water, planning, transport, agriculture, health and local government. It calls for a detailed inquiry to address whether large scale, low margin mining in the Darling Ranges is environmentally and economically feasible, taking into account the environmental and conservation values of the area as well as the history and future of the area as a vital agricultural/food production, residential and recreation/tourism zone.

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