

To: PlanSA, Department for Trade and Investment

Re: Draft Kangaroo Island Regional Plan

6 June 2024

Introduction

AMEC appreciates the opportunity to provide a submission to the PlanSA Department for Trade and Investment on Draft Kangaroo Island Regional Plan. We welcome the extensive consultation materials that have been released to support development of the Plan.

About AMEC

The Association of Mining and Exploration Companies (AMEC) is a national industry association representing over 570 member companies across Australia, with over 37 member companies with direct project interests in South Australia. Our members are mineral explorers, emerging miners, producers, and a wide range of businesses working in and for the industry. Collectively, AMEC's member companies account for over \$100 billion of the mineral exploration and mining sector's capital value.

State of the industry

Mineral exploration and mining make a critical contribution to Australia's economy, directly employing over 274,000 people. In 2022-23 Industry generated a record high \$413 billion in resources exports, invested \$4.1 billion in exploration expenditure to discover the mines of the future, and collectively paid over \$63 billion in royalties and taxes.

South Australia's minerals sector has long been a key economic sector, directly employing 16,000 people (November 2023) and hosting significant investment of explorers and miners working to advance minerals projects across the state. The commodities explored for and mined, represent a wide range of minerals critical to the energy transition and a decarbonised future.

In 2023, \$293.1M was spent on mineral exploration in South Australia, an 84.47% increase in original terms, from the \$128.3M spent on mineral exploration in 2022. Mineral resources exports were recorded at \$6.8B for 2022-23, while a record \$3.2B was spent on capital expenditure in 2023. In 2022-23, a record high of \$286.9M was generated in royalties from \$8.2B in mineral commodity sales, royalties are an important income stream for South Australia's ongoing prosperity, contributing to hospitals, schools and other key government services.

The range of projects across the state that transition from mineral exploration to production, will ultimately deliver high-value jobs and royalties of the future and long-term, ongoing social, environmental and economic benefits for the State and its communities.

Draft Kangaroo Island Regional Plan

General Comments

AMEC recommendations to support the new Kangaroo Island Regional Plan

- Include more detail on the current and historical value of mining (see section below).
- Recognise the value of lime sand mining to support KI's agricultural productivity
- Include a critical minerals appraisal of Kangaroo Island mineral resources in critical minerals programs and promotion by the Geological Survey of South Australia, DEM and DTI.
- Accelerate an updated Multiple Land Use Framework to support co-existence of industries across South Australia and including mining, renewables, tourism and agriculture on KI.
- Expand the Landowner Information Service to support co-existence of mining with other industries on Kangaroo Island.
- Allocate funding for maintenance and upgrade of roads and infrastructure to ensure safe and efficient mineral exploration and mining operations alongside other industry requirements.

Mineral Exploration and Mining on Kangaroo Island – the facts

Kangaroo Island has a long history of mineral exploration and mining. The unique geology of the island is known to host a range of mineral resources and remains prospective for a range of highly sought after mineral commodities.

CURRENT

- More than 80 mineral occurrences have been identified.
- There are several active mineral leases and extractive mineral leases for basalt, limestone and sand.
- Limesand quarries support farming on the island. The addition of lime sand balances KI's soil acidification issues and increases agricultural productivity.
- There are currently three mineral exploration licence holders, Future Battery Minerals, Cientifica and South Australia Lithium. Between them they hold five mineral exploration licences on KI with explorers searching for copper, gold, silver, lead, zinc, cobalt and lithium.
- A tourmaline mine at Dudley Peninsula is being explored, as tourmaline is a source of lithium and is increasingly in demand as a critical mineral for rechargeable batteries in electric vehicles, large grid-scale, community, and home systems.

HISTORICAL

- Metallic minerals mined throughout the twentieth century include copper, gold, silver, lead and zinc at the following historical mines; Bonaventura, American River, Grainger, Western River (lead-zinc), Kohinoor (gold)¹.
- Mineral sands were mined for rutile and zircon at Morrison beach in the 1970s.
- Salt and gypsum were mined at Salt Lake and New Lake from 1907 operations have ceased.
- Gem quality tourmaline (var. elbaite) was mined at Dudley Peninsula along with ceramic grade feldspar silica and kaolin.
- Basalt was quarried near Kingscote in the 1890's for use in the Port Adelaide railway line.
- Kaolin China Clay was mined at Cuttlefish Bay in the 1900's

The geographic distribution of these current and historical mines, mineral resources, occurrences and mineral exploration tenements are outlined in Map 1 (see Attachment 1).

¹ [Belperio A.P. 1995. GSSA Department for Mines and Energy. A Guide to the Geology of Kangaroo Island.](#)

Theme 2: Productive economy

Growing the mining industry - an economic opportunity

The Kangaroo Island Regional Plan comprises around 90 pages of material with a small section dedicated to mining and supported by '*Objective 7: Protect key resource areas that contribute to Kangaroo Island's economy*'. This is a missed opportunity to provide further information on the benefits of the sector and to outline a more proactive approach to plan for growing the opportunities of mining on the island.

More than eighty mineral occurrences have been mapped and are shown in the Department for Energy and Mining geological databases (Attachment 1). Exploration activities including gravity surveys, soil and rock sampling, and drilling, occurred from 2002 to 2019 with good grades of lead and zinc reported. Explorers are focussed on lithium and cobalt discoveries and opportunities for critical minerals such as these should be encouraged, KI also remains prospective for more widely used copper, gold and silver.

The minerals on KI include key commodities that are in high-demand global for the manufacture of clean energy infrastructure, critical for global decarbonisation, along with space, defence and high-tech industries and increasing housing and construction needs.

The symbiosis of mining of lime sand to support agriculture on the island, remains a key economic benefit. Geo-heritage and mining history can also play a part in growing a more diverse tourism industry. For example, historical mining towns in South Australia such as Moonta and Burra showcasing their historical copper mines and capitalise on the opportunities with a range of adjacent and engaging tourism opportunities.

While there may be reservations expressed by some regarding the co-existence of mining with nature-based tourism there is a clear legislative framework to manage risks that includes the Mining Act and related legislation. Mineral exploration and mining licences manage risks through approval and compliance with a range of regulatory requirements including the requirement for mineral exploration and mining leases, and PEPRs (Program for Environment Protection and Rehabilitation) before activities can be undertaken. These approvals consider environmental, social and economic impacts and may only be granted after rigorous assessment is undertaken by the Department for Energy and Mining (DEM) with appropriate referrals to other Government agencies.

Mining to support the longevity and productivity of agriculture on Kangaroo Island

There are a number of quarries on Kangaroo Island that operate under regulated extractive mineral leases to support increasing productivity of agriculture and farming yields on the island. These include the lime sand quarries; Little Sahara (ML 5497), D'Estrees Bay (ML5853), Hardy Limestone (EML 6349), Willson River Limestone (EML 6190). These are critical to reducing farming induced soil acidification on KI.

The Geological Survey of South Australia (GSSA), DEM identified in a 2022 report² that 78% of KI's agricultural land is affected by surface soil acidity resulting in lost agricultural production of around

² Krapf, C. 2022. Geological Survey of South Australia. Department for Energy and Mining. Resource potential review for lime sand on Kangaroo Island

\$1.5 million per year. In response to the Kangaroo Island Region NRM Plan (2017-2027) and at the request of the Department for Primary Industries and Resources (PIRSA) and the Department for Environment and Water (DEW), the GSSA was able to identify lime sand resource potential to replenish depleting stocks of this mineral that is required to address soil acidification and increase production.

Kangaroo Island's Regional Plan should recognise these quarrying operations as part of its economic plan not only for the economic benefits the mining sector can bring, but for its critical role in the longevity of the island's agricultural economic productivity.

Theme 3: Natural resources, environment and landscapes

Kangaroo Island is well known for its iconic geological formations including Remarkable Rocks, Admirals Arch and Kelly Hill Caves. These are a major attraction for the more than 205,000 tourists visiting the island each year and these remarkable geological formations are rightfully protected.

Mining and tourism can coexist

The presence of a thriving mining industry should not impede or de-value the growth of the tourism industry on Kangaroo Island. While the island is renowned for attracting visitors to its stunning natural scenery, coastal landscapes, and rich wildlife, there are many other high-value tourist regions around Australia that successfully support both industries. Examples include the Hunter Valley wine region in NSW, Tasmania's northwest multi-metallic mining province adjacent to Cradle Mountain National Park and the Capel region in southwest WA where mineral sands are mined adjacent the globally significant Tuart Forest and pristine beaches.

The environmental and biodiversity value of Kangaroo Island is highly valued by visitors and locals, and this should not preclude mining operations either. South Australia has examples of successful mines operating under well-regulated conditions in areas of the State such as Iluka's Jacinth-Ambrosia mineral sands that has operated in the Yellabina Regional Reserve since 2009.

Tourism and biodiversity can confidently co-exist with mineral exploration and mining activities in South Australia supported by a strong regulatory framework that ensures risks to these sectors are appropriately assessed and potential impacts are monitored and compliance is enforced. Decisions to undertake these activities are managed through appropriate legislation and regulation administered by a range of Government agencies including, the DEM, DEW, Environment Protection Agency and the Commonwealth Government's Environment Protection Biodiversity and Conservation Act.

Multiple Land Use Framework

The development of tourism, agriculture, renewables can co-exist with mineral exploration and mining. With a range of projects progressing through the development cycle, the right legislative and policy settings will enable these complementary industries to co-exist with other industries and support KI's strong reliance on its primary industries.

Updating South Australia's 2017 Multiple Land Use Framework (MLUF) is a critical step to support all industries and landowners. AMEC notes that a contemporary MLUF will not be in place when the Kangaroo Island Regional Plan is published. AMEC calls for the Government to commence work immediately on the MLUF to ensure mineral exploration and mining activities can continue alongside other industries with the benefit of jobs, royalties and regional growth that flow to the people of KI and South Australians.

While there is a desire to discover mineral resources and develop these resources into mines there is also a desire to ensure this occurs harmoniously with other land users. An updated MLUF can provide access to land and resources while providing certainty to multiple user groups, of fair and reasonable access provisions and requirements, in line with contemporary land uses and practical considerations.

With strong and continuously increasing competition for viable land, it is important Government can provide a unified framework that that does not favour one user-group or industry over another. A refreshed MLUF can reduce risks for industry and the State, providing more transparency and consistent regulation, and a best-practice approach to land access across South Australia.

AMEC recommends an update of South Australia's Multiple Land Use Framework (MLUF) should be undertaken as a priority and is a critical step to support all industries and landowners to develop a thriving economy that duly considers economic impacts together with social and environmental impacts. This update should receive appropriate funding and cross-agency resourcing to ensure an updated MLUF can be consulted on and delivered to the State as an urgent priority.

Land Access support for landowners

With increasing multiple industries such as renewable energy projects, it is anticipated that landowners will require additional support to navigate through the complexities of multiple industries. AMEC expects DEM to adequately resource the development of appropriate education programs and accessible materials for landowners and other stakeholders, to ensure co-existence of multiple industries, and fair and equitable access to lands for mineral exploration and mining activities.

AMEC also recommends the Government commence or expand existing programs that provide advisory support to landowners and stakeholders including farmers, tourism operators, resource tenement holders, community and other Government agencies.

Landowner Information Service

By way of example, the Landowner Information Service (LIS) provides an excellent service to landowners and enhances their interactions with mineral explorers and miners undertaking activities under the *Mining Act 1972*. The LIS is a free, factual and impartial information service for landowners, farmers and community members who have queries on resources exploration, mining and quarrying. It is all about helping people navigate the often complex technical and legal processes involved in exploration and mining on privately held land.

AMEC supports an expanded LIS that goes beyond the current mining industry remit to also include services to landowners, farmers and community members who have queries on multiple industries. The LIS is funded by the South Australian Government and AMEC asks that the Government provides appropriate additional resourcing and funding for an expanded LIS that includes Kangaroo Island.

Theme 4: Infrastructure and transport

AMEC supports the strategies for the region outlined in the Draft Regional Plan:

- Protect mineral and energy resource areas and associated infrastructure, including connections via strategic access routes, transport corridors and pipelines.
- Identify and minimise the impacts of encroachments by incompatible land uses to manage risk to public safety, the environment and security of energy supply.

AMEC also recommends the maintenance and upgrade of infrastructure to ensure the safe and efficient operation of mineral exploration and mining operations alongside other industry requirements. This includes consideration of appropriate road maintenance, ferry services and facilities including onloading and offloading facilities that can safely endure heavy vehicle traffic such as drilling rigs and haul trucks. Planning for this infrastructure should be considered as it affects mineral explorers and quarry operators now and into the future.

Final comment

Progressing any mineral exploration and mining applications in a risk-based, efficient manner can ensure the maximum value is derived from the state's resources sector for its communities, including those on Kangaroo Island. The State's mineral resources are owned by all South Australians, and the regulated progression of exploration projects to operating mines ensures high value jobs and royalties flow back to the community to provide long-term, wide-ranging benefits.

AMEC welcomes ongoing consultation and engagement with Government on the Kangaroo Island and other regional plans throughout South Australia. We welcome the development and growth of South Australia's agricultural, tourism and renewables sectors alongside a continuously growing and evolving mineral exploration and mining sector.

For further information contact

Peta Abbot

South Australia Manager, AMEC

0475 834 554

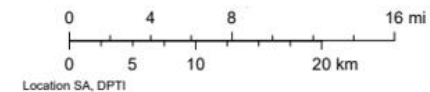
Attachment 1 – Map 1: Mineral exploration and mining tenements (current and historical), occurrences and deposits
 (Source: map.sarig.sa.gov.au)

KI Mineral Occurrences, Deposits, & Mineral Exploration and Mining Leases (incl. historical)



May 30, 2024

- ⊗ Mineral Deposit / Historical Mine
- Mineral Occurrence
- ▭ Mineral Exploration Licence
- ▭ Historical Mineral Exploration Licence
- ▭ Mining Lease



Location SA, DPTI

Published by, and with the authority of, the Government of South Australia.

Disclaimer: Although every effort has been made to ensure the accuracy of the information displayed, the Department, its agents, officers and employees make no representations, either express or implied, that the information displayed is accurate or fit for any purpose and expressly disclaims all