



MONITOR.

Monitoring the mining industry in Australasia and the Pacific

RIO TINTO REPORTS CONCEAL KELIAN SCANDAL

For over eighteen months Rio Tinto has failed to directly disclose, either through its reports to shareholders or voluntary environmental and social reports, that allegations of serious human rights abuses against staff at its 90 per cent owned Indonesian subsidiary, Kelian Equatorial Mining (PT KEM), were being investigated.

As a result of negotiations with community leaders, PT KEM agreed in January 1999 to an independent investigation into allegations that staff had sexually harassed and raped women and perpetrated other human rights abuses. The report, completed in February this year after a nine-month investigation, supported claims of a number of cases of sexual abuse over a ten-year period to 1997. It also investigated claims that two mine opponents had died in mysterious circumstances at the hands of security forces.

The head of the inquiry, Mr Benjamin Mangkoedilaga, told the *Australian Financial Review* in June 2000 that employees who reported sexual abuse were threatened with dismissal while others were given money or promise of a job at the mine in return for sex.¹

In its *Statement of Business Principles* Rio Tinto states it is "committed, both in principle and in practice, to the maximum level of transparency consistent with normal commercial confidentiality".² However, at no point has the investigation or its findings been referred to in any of the subsequent quarterly or annual reports produced directly by Rio Tinto. Rio Tinto's voluntary 1999 *Social and Environmental Report*, which was finalised in February 2000, devoted only three short paragraphs to human rights without making any reference to the Kelian investigation.

Rio Tinto's report was audited by the US based auditing company, Arthur D Little, which verified the results of the report based on a sampling of information provided by the company. A sample of information, it said, "is sufficient in our judgement to support virtually all of the statements made".³ Arthur D Little did not respond to inquiries from *Mining Monitor (MM)*.

"The outcome of that report will be privy to the parties involved"

John Vale
PT KEM

Only in PT KEM's unaudited Social and Environment Report, released in May this year, is there a passing reference to "alleged human rights abuses", which it downplays by stating "many of which derive from the exploration and early development period of the mine".⁴ PT KEM President Director, John Vale, told *MM* the report was produced before the inquiry was finalised. Vale is uncertain what will be disclosed in future reports. "The outcome of that report will be privy to the parties involved", he told *MM*.

While Rio Tinto released its half-yearly report for 2000 to shareholders in August, two months after the PT KEM report was released, it avoids any mention of the findings from the human rights investigation. Instead it referred only to the disruption to production as a result of a series of blockades by local people.⁵

Rio Tinto did not respond to requests from *MM* for comment on the lack of disclosure.

The failure by Rio Tinto to fully disclose the investigation raises doubts about the value of voluntary social and environmental reports, even when audited, produced by companies as part of their obligations under the Minerals Council of Australia's Code of Environmental Management.

Bob Burton

¹ Tim Dodd, "Rio Tinto miners face sex claims in Borneo", *Australian Financial Review*, 30 June 2000, page 1 & 42.

² Rio Tinto, *The way we work: our statement of business practice*, www.riotinto.com, January 1998, page 3.

³ Rio Tinto, *1999 Social and Environment report*, www.riotinto.com, page 27.

⁴ PT Kelian Equatorial Mining, *Social and Environment Report*, www.keliangold.com/news/03052000-7.htm, 3 May 2000.

⁵ Rio Tinto, *2000 half year report*, www.riotinto.com, January 2000, page 8.

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**MINING
MONITOR.**
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AUST EYES ON TIBET PROSPECTS

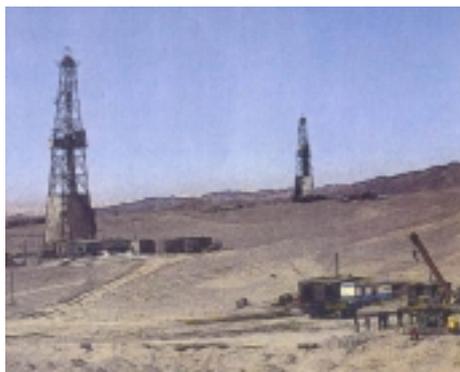
Australian mining companies and the University of Tasmania are set to play an integral role in the mineral future of Chinese-occupied Tibet. The Tanjianshan gold deposit, lying within northern Tibet's Chokle Namgyal mountain range, contains up to 37 tonnes of gold, potentially worth US\$335 million.¹

After initial exploration by the Canadian company, Placer Dome, Tanjianshan is now controlled by the Sydney-based Sino Mining International (SMI), part of the China National Non-ferrous Metals Corporation. SMI is currently trying to raise US\$10 million to develop the deposit.

The Australia-Tibet Council's Research Officer, Gabriel Lafitte, suggests SMI may be successful. "SMI is likely to be successful in this project through its combination of incorporation in the Cayman Islands, operations in China and headquarters in Australia. SMI will manage to minimise tax, use low cost production with privileged insider access in China, and access Australian capital and expertise through its Sydney base", he told MM.

In conjunction with its exploration activities, SMI has joined with five major Australian and international mining companies – Pasminco, Billiton, North, Cominco and AngloGold – in funding the Australian Mineral Industries Research Association Limited (AMIRA) to develop a commercial database of mineral deposits along the China-Tibet frontier, including the entire Yangtze basin.² AMIRA has commissioned the University of Tasmania's Centre for Ore Deposit Research to develop a database that will involve "collaboration with key Chinese research institutions," enabling privileged access to Tibetan minerals data that until now have been closely guarded.³

The region around Tanjianshan in far-northern Tibet supports extensive forests, open grassland and montane steppe.⁴ The broad, flat, fertile valleys provide ideal grazing land. These slopes, although cold, are well watered and have been home to Tibetan nomadic herders and their yaks for centuries. The Chinese government considers the area as 'wasteland'. "Not



China is increasing mining in Tibet.

only is this forest and pasture area under threat from the direct impacts of mining, but the Tibetan experience of Chinese mining almost invariably involves severe deforestation of the surrounding area for mine infrastructure and housing", Lafitte said.

In addition to the mining activities, Tibetan communities in this region have been displaced by China's plutonium and weapons manufacturing plants nearby in the Gobi desert, and a massive influx of Chinese Muslim settlers financed by the World Bank. These transmigrants, brought to Ti-

"the Tibetan experience of Chinese mining almost invariably involves severe deforestation"

Gabriel Lafitte
Australia Tibet Council

bet to increase the Chinese population and to provide labour for other nearby projects, have raised the population density to the limits of the region's carrying capacity.

Despite the influx of economic projects, the majority of the benefits will be gained in metropolitan centres distant from Tibet. China has made minimal investments in 'soft infrastructure' for the local Tibetans in terms of health care, education and skills training. Lafitte worries that, under these circumstances, it is likely that the beneficiaries of mining gold will be the Chinese government. "The social and environmental costs will be borne by Tibetan commu-

nities, who may have to live with the consequences for generations to come, long after the 37 tonnes of gold at this mine are gone", Lafitte said.

A study by the United States Geological Service identified thirty further gold deposits in Tibetan areas of Gansu and Sichuan, some of them as big as Sino Mining's Tanjianshan mine.⁵ In the current economic climate, where China's gold demand runs higher than domestic supply, future demand is likely to grow sharply as China allows private ownership of gold and open trading of gold for the first time in many decades.

In addition to gold, the *National Economic Atlas of China* lists deposits in Tibet's far north of iron ore, fluorite, tungsten, asbestos, limestone, chromium and magnesium. In 1999, the *China Mining Industry News* announced discoveries there of copper, lead, zinc, diamonds and jadeite.⁶ If these finds do constitute a new mineral province, as the newsletter claims,⁷ SMI's gold exploration and extraction may be the start of more intensive exploitation.

The Australia-Tibet Council questions the involvement of the mining industry in both Tanjianshan and future mining activities in Tibet, fearing that the Tibetan people will be further marginalised and displaced. "The Tibetan people will be driven upslope, out of the valleys and forests, to eke out an existence in the last remaining areas below the snowline", Lafitte said.



Nina Lansbury

¹ Sino Mining International, "SMI Corporate Summary", brochure, July 2000.

² "China first", AMIRA News, Number 5, March 2000.

³ Ibid.

⁴ Chen Guodong, "Permafrost in the Northeastern part of the Qinghai-Xizang Plateau", 316-42 in J Hovermann (ed.), *Reports on the Northeastern part of the Qinghai-Xizang Plateau*, Science Press, Beijing, 1987, 316.

⁵ US Geological Survey, <http://geopubs.wr.usgs.gov/open-file/of98-466>.

⁶ Zhongguo Kuangye Bao, *China Mining Industry News*, July 7, 1999.

⁷ Ibid.



AUSTRALIA

LONG ARM OF THE LAW MAY GET LONGER FOR COMPANIES

In September, the *Corporate Code of Conduct Bill 2000* was tabled by Australian Democrats Senator Vicki Bourne in the Senate, while thousands gathered in Melbourne for 'S11', a peaceful protest against the World Economic Forum at Crown Casino. Both the Bill and the S11 protests focus on the costs of corporate policy.

The *Corporate Code of Conduct Bill* addresses the problem of Australian companies adopting double standards on environmental and social issues. Australia's mining industry is one of the worst offenders – building tailings dams to contain waste in Australia while in countries like Papua New Guinea, Indonesia and the Philippines the same companies dump mine wastes into rivers and oceans.

The formal object of the Bill is to “*impose environmental, employment, health and safety and human rights standards on the conduct of Australian corporations overseas*”. The Bill requires corporations to report on their compliance with the standards imposed by the Bill, and it provides for the enforcement of those standards through fines.¹ The Bill also extends the reach of its enforcement provisions to include executive officers who deliberately or negligently infringe its standards.

A crucial element of the Bill relates to ‘standing’, and also provides a right to take pre-emptive legal action. There are many communities impacted by mining in the Asia-Pacific region which have a good case to take legal action to prevent damage or gain compensation from Australian companies infringing their human rights and damaging their environment.

However, the chance of a fair hearing for communities in their own jurisdiction is often hamstrung by poor environmental regulations, and corruption in the legal system. An example is the lack of an Environment Act in Papua New Guinea which would effectively prohibit riverine mine waste disposal, compounded by laws drafted with BHP's assistance, specifically



The Baia Mare disaster bolstered calls for overseas regulation of Australian mining companies. Photo Tibor Kocsis.

to prevent landowners taking action against BHP's Ok Tedi mine.

Section 17 of the Bill provides a right for overseas communities to take legal action in Australia's Federal Court to protect their environment and defend human

the bill aims to “*impose environmental, employment, health and safety and human rights standards on the conduct of Australian corporations overseas*”.

rights against infringements by Australian companies. This right is available when damage has occurred or is reasonably likely to occur, and remedies include both compensation and injunctions to prevent further damage. Importantly, section 17 provides a right to sue (‘standing’) for special interest organisations.

MPI's interest in extraterritorial legislation arises from frustration over the mining industry's bid for self-regulation, the Code for Environmental Management. The industry's code is voluntary, contains no specific performance criteria, no mention of the most basic environmental concepts such as the precautionary principle, and lacks sanctions against non-perform-

ing signatories.

The United States Senate and the European Union are currently considering similar bills. The extraterritorial nature of the Bill has Australian precedents in recent laws to combat underage sex tourism by Australians overseas and to make the payment of bribes overseas illegal.

The Mineral Policy Institute was instrumental in providing impetus for the creation of the Bill, and along with a range of NGOs, academics and the Construction, Forestry, Mining Energy Employees Union, had input into the Bill.

The future of the Bill rests on it gaining political support, particularly within the Australian Labor Party. The Bill has been referred to the Parliamentary Joint Statutory Committee on Corporations and Securities, which must report by 31 March 2001. MPI will lobby in favour of the Bill, and suggest ways in which it can be improved.



*MPI Information Co-ordinator,
Igor O'Neill.*



WHAT YOU CAN DO

■ You can download a copy of the bill and compare it to the Mineral Council of Australia's voluntary code at our web site. There is also a form you can use to send your thoughts on the bill to politicians. The web address is www.mpi.org.au/campaigns/corps.html

■ Please make a submission to the Parliamentary inquiry – you can be sure the mining industry will! For details, contact the Committee secretary on 02 6277 3580.

NO BARK, NO BITE FROM CORPORATE WATCHDOGS

Australian environmental groups are wondering whether Australia's corporate regulators are turning a blind eye to companies that fail to "immediately" inform the sharemarket of environmental accidents and potential environmental liabilities.

Under the listing rules of the Australian Stock Exchange (ASX), listed companies are required to "immediately" provide the ASX of "any information ... that a reasonable person would expect to have a material effect on the price or value of the entity's securities".¹ However, in at least three cases (see box) minimal action has been taken by ASIC where information has not been released "immediately" .

The ASX, a private company that runs the sharemarket, has the ability to suspend shares from trading or seek an explanation from trading companies whether there is any information that they should release.

However, the main corporate regulator with responsibility for enforcement, the Australian Securities and Investment Commission (ASIC), dismisses the suggestion that environmental issues would significantly impact on companies' share prices. The



A spill from the Ranger mine went unreported for months.

national media adviser for the ASIC, Irene O'Brien, said there is little likelihood of ASIC pursuing companies for failure to disclose in all but the most serious cases. "An environmental disaster does not automatically necessarily mean that you are going to be liable for the clean up costs – there may be a range of other factors", she said.

"It would be hard for us to investigate if we don't have all the details..."

*Irene O'Brien,
ASIC*

O'Brien confirmed that there had been no investigation of Esmeralda's failure to immediately notify the market. "There was no suggestion that it was going to be affecting the share price in Australia and it didn't, I don't think", she said. "There was some suggestion that they wouldn't be forced to foot the bill for the clean up and therefore it wasn't going to impact substantially on the value of the company, it's a big grey area", she said.

"We would like the perfect world, we would like everybody to disclose everything within reason; if you can see there is a defensible position then you can sometimes understand the decisions that are made. It can be hard for us to go in and investigate these things if most of the evidence is being held in another country", she said explaining ASIC's inaction on the Esmeralda incident.

However, if the Baia Mare disaster was not significant enough to prompt an investigation by ASIC, what would? "It would be hard for us to investigate if we don't have all the details ... it is a good question", O'Brien told MM.

THREE STRIKES ... AND THEY'RE STILL BATTING

BAIA MARE, ROMANIA

On January 30 2000, **Esmeralda Exploration** discovered that the tailings dam on the Baia Mare gold project in Romania had collapsed spewing cyanide laced tailings into the adjacent river system triggering an environmental catastrophe.

Ten days later, Esmeralda issued a statement to the ASX but only after the media had started running the story based on a media release from the Mineral Policy Institute. After several hours of trading Esmeralda's shares plummeted in value and were finally suspended from trading.

KAKADU, NORTHERN TERRITORY

In December 1999 monitoring data from the Ranger uranium mine of **Energy Resources of Australia** adjacent to the Kakadu National Park revealed high levels of manganese.

Four months later, in early April 2000, ERA was aware of the leak of contaminated water into the adjoining National Park. However it was not until 2 May that ERA informed the ASX.

The Australian Conservation Foundation lodged a complaint with the ASX, but no action was taken.

GLADSTONE, QUEENSLAND

In July 2000 Greenpeace Australia released a detailed critique of the potential carbon liabilities of the Rundle shale oil project being developed by **Central Pacific Minerals and Southern Pacific Petroleum (SPP)**.²

Greenpeace requested that ASX and ASIC investigate possible breaches of listing rules. In a dismissive response the ASX stated that "the ASX has no reason to believe that the companies are not in compliance with their listing rule obligations".³ Greenpeace fared little better with ASIC.

SHAREMARKET REGULATION

While ASX listing rules requires disclosure based on issues that a “reasonable person” would consider likely to have an impact on the share price, O’Brien trusts company directors to make the judgement without specific guidance. “It comes down to their [directors’] perception ... or their realisation that it is going to have an effect on their share price...”, she said. Company directors, she said “are in the best position to be the ‘reasonable person’”.

ASIC takes no action if market sensitive information is withheld by companies but leaks out publicly through other channels such as the media or NGO groups. “The cases where we take most interest are cases where there is live information, which hasn’t been disclosed that we know about”, counsel for ASIC’s WA Regional Office, Michael Gething, told MM.

Aside from the difficulties of mounting criminal prosecutions, Gething argues it has limited resources for policing corporate regulation. “If we have two peoples’ worth of resources we have choices of which matter we take on ... we can put these two people worth of resources on a three month investigation of one company or we can put these two peoples’ resources on looking at a whole series of reporting across 3 month period by a number of companies to try and get disclosure happen-



The Baia Mare spill caused little concern for regulators. Photo: Tibor Kocsis.

ing across a whole market sector”, he said. “That is the sort of resource choice you have to make. You tend to come down in favour of the wider effect overall unless you really have something that looks like fraud”, he said.

Company directors “are in the best position to be the ‘reasonable person’”.

Irene O’Brien

Australian Conservation Foundation Legal Adviser, Michael Kerr, is alarmed at the consistent failure of corporate regulators to take any action. “It might be a sign that corporate regulators have a consid-

erable way to go before realising that environmental issues are now materially relevant to the marketplace”, he told MM. “Alternatively, it may point to the fact our corporate laws and regulations are inadequate in directing corporate regulators in this direction or a combination of both”, he said.

Kerr thinks there is a simple solution. “It would be as simple as the ASIC issuing a practice note to provide this direction or the ASX amending its listing rules, as they relate to disclosure, to provide relevant examples of how environmental issues might be materially relevant to the market place”, he said.

“If such action is not taken, the market place will continue to suffer from this inherent lack of corporate disclosure when it comes to environmental issues”, he said.

Bob Burton.

¹ Australian Stock Exchange, *Guidance note: continuous disclosure: listing rule 3.1*, brochure, 1 September 1999, page 1.

² Greenpeace, *Call for investigation by the Australian Stock Exchange into the conduct of Southern Pacific Petroleum NL and Central Pacific Minerals NL in respect of their carbon liability arising from the Stuart Oil Shale Project*, www.greenpeace.org.au, June 2000.

³ Australian Stock Exchange, letter to Jeanne Moffat CEO Greenpeace, 27 June 2000.

UNOCAL KNEW OF HUMAN RIGHTS ABUSES, SAYS JUDGE

Human rights groups had a bittersweet victory in their landmark legal action against US oil company, Unocal, when on 31 August, Judge Ronald Lew accepted evidence that human rights abuses occurred on the Yadana gas pipeline project but upheld the company’s application to dismiss the case.

In his opinion, Judge Lew noted that evidence had been tendered “demonstrating ... that the [pipeline] project hired the military to provide security for the project, a military that forced villagers to work and entire villages to relocate for the benefit of the project; that the military, while forcing villagers to work and relocate, committed numerous acts of violence; and that Unocal knew or should have known that the military did commit, was committing, and would continue to commit these tortious acts.”¹

While accepting the evidence, Lew dismissed the action on the grounds that Unocal did not exercise control over the Burmese military’s decision to commit the abuses and did not engage in a conspiracy to commit the crimes. The case is a landmark test for the ability of US companies to be held accountable for human rights abuses that occur overseas.

While dismayed that the case was dismissed, Earth Rights International campaigner, Jed Greer, remains hopeful that the appeal will be successful. “Only if the appeals court determines that there is no way whatsoever for the plaintiffs to make their legal claims will it agree with the presiding judge. That is a very favourable position from the plaintiffs’ standpoint, and plaintiffs’ lawyers are confident that the appeals court will reverse the judge’s decision and allow the case to go to trial”, he wrote.

¹ Jed Greer, “From denial to undeniable: Unocal and atrocities in Burma”, *The Nation* (Thailand), 28 September 2000, www.eri.org

A BEGINNER'S GUIDE TO MINERAL EXPLORATION

Before a new mine is developed a long and often expensive process of exploration and development is required. For many people the process of mineral exploration remains mysterious. However, while the geology of the landscape may be complex, the stages of a mineral exploration program are relatively simple.

What drives mineral exploration?

The level of mineral exploration for any commodity is largely related to estimates of future price and level of supply. When there is an oversupply of a commodity or future growth prospects look bleak, low prices will ensure that only the most committed companies will be investing in exploration programs.

For example, if the current high price of oil is sustained an increase in exploration will result. On the other hand, the low gold price has had the effect of depressing investment in new gold exploration projects.

Who undertakes mineral exploration?

Mineral exploration companies are often crudely divided by the industry and commentators into "juniors" and "majors". The "juniors" are smaller companies that often make their money by exploring in new areas or with a new approach, proving up a potential deposit and attracting a major company or negotiating a joint venture arrangement.

This way, the "juniors", which often do not have existing mines to provide cash flow, make their money by on-selling an exploration title. Sometimes, "juniors" will obtain an exploration licence but do little actual exploration work preferring to rely on hyping the project through the media in the hope of attracting funding.

For larger companies, buying into a "juniors" project offers the chance to gain new projects while small companies do the riskiest part of the initial exploration in proving up a potentially prospective area.



Helicopter borne drilling rigs allows companies to explore in some of the remotest places on earth . Photo: Bob Burton.

However, many of the larger companies rely heavily on their own exploration programs.

"Sometimes, 'juniors' will ... do little actual exploration work preferring to rely on hyping the project through the media in the hope of attracting funding"

Where?

The geology of a region will determine the likely prospectivity of an area. You can often get a rough idea of areas the industry considers to be prospective through looking at large scale maps of current and past mining areas and current exploration licences. An examination of the commodities historically mined will give you a rough indication of future exploration targets and the likely issues involved in different areas.

However, changes in infrastructure – such as new roads – the emergence of new technology and better geological understanding can change the assessed

prospectivity of an area, especially areas that have been poorly explored previously.

Larger companies will have explicit criteria that potential new deposits must meet. Larger mining companies might aim for new projects producing at least 5% of the world market and being in the lowest quartile of cost producers for the commodity.

Exploration licences

The right to explore is granted through an exploration licence, which often has basic conditions and reporting requirements. Usually mineral exploration programs do not require any public environmental assessment or social assessment but are reviewed by an internal bureaucratic process. In many places there are few, if any, legal processes for community groups to challenge the issuing of a mineral exploration licence. You will need to check what the processes are in your area.

Often licences are issued on a 'first come, first served' basis or for more prospective areas, through a tendering process which often requires companies to demonstrate their financial and technical capabilities. Often the process for awarding exploration licences are different for oil and gas, hard rock minerals and even for quarries. Exploration licences commonly run for a

FORUM: MINERAL EXPLORATION

period of five years in Australia often with a requirement on the licence holder to relinquish percentages of the total original licence area during the licence period. This is a 'use it or lose it' policy in an attempt to force companies to actively explore. Not so long ago companies would gain an exploration licence on a prospective area and do nothing for many years to prevent potential rivals from developing projects.

On relinquishment of the licence companies are usually required to submit reports on the results of their exploration program to the mining agency. These reports are open for public review if you want to get a detailed understanding of what has occurred in a particular area before.

Increasingly governments are using public money for broad-scale preliminary mineral exploration programs, such as aerial surveys and detailed geological mapping programs, as a way of subsidising the expensive initial stages of a mineral exploration program.

How does an exploration program unfold?

The point of an exploration program is to as cost effectively as possible delineate potential deposits that could meet the company's target criteria.

After gaining an exploration licence, companies will usually undertake a detailed desktop review of what is known about the geology of the area and develop scenarios on where deposits of potential interest are most likely to occur.

For metallic deposits, the usual next phase is undertaking a geo-magnetic survey, using sophisticated plane-mounted equipment flying a grid pattern that can map the magnetic 'signatures' of possible deposits. The data from this allows geologists to map the underground magnetic contours and delineate "anomalies" which become the potential targets for the subsequent phases of mineral exploration.

Once an anomaly has been detected the focus shifts to the ground work. Geo-magnetic or seismic surveys can also be done on the ground, which is where the physical impacts usually first occur. Many of areas of central Australia bear the scars of grids bulldozed for hundreds of kilometres for oil and gas surveys. (For oil and gas exploration at sea, ships trail long cables



Scars from access roads can last for decades. Photo: Bob Burton.

that bounce a signal into the underlying seabed and collect details of the response signal).

On a smaller scale, 'transects' in grid patterns are cut through vegetation to allow detailed on-the-ground geological mapping. Sometimes this phase of a project will be done with helicopters in remote rugged country but often it is supported with local camps and roads.

The transects are also used to allow detailed geological mapping from collecting

If opposition to an exploration or concerns about an exploration project are visible, managers will be wary.

surface samples as well as doing geochemical tests on water (as an indicator of potential mineralisation within the catchment).

As drilling is expensive, information from early exploration work is collated to allow the careful identification of potential targets for drilling. Drilling enables a company to collect core samples that enable testing of the ore grades and the depth and width of any mineralised zone. Initially drilling is done on a broad-based grid to give a general picture of the geology.

If initial results are encouraging the company will shift to a closer spaced drilling program to allow more precise delineation of a potential ore-body. This enables a much more detailed picture of the total tonnage of the ore-body, the average ore grade (grades vary across a deposit) and the depth of different parts of the ore-body (which determines whether the mine is open cut or underground).

If the prospect is still encouraging companies will often move to a bulk sampling program to enable testing of processing technologies for the particular ore-body. This sometimes involve large scale mining operations, though can often be done under an exploration licence without any environmental impact assessment.

Inside an exploration program

For community groups concerned about mineral exploration activities it is worth remembering that decisions about allocating funds within a company are often the result of intense internal manoeuvring.

An exploration manager at head office has to balance competing bids from different local exploration managers, across different commodities and often across a number of countries. For companies with operating mines there is often a tension between funding further exploration at an existing mine or funding greenfield exploration.

Head office exploration managers are also required to do some basic risk management analysis of competing exploration bids. If opposition or concerns about an exploration project are visible, managers will be wary. For example, one major company cancelled a project on the basis of minor media coverage in local papers and TV. It was later discovered that the local exploration manager, after years of lobbying, had gained funding for the project only to lose it after being required to notify head office of all local media coverage of company projects.

The longer an exploration project runs, the harder it is for a company to extract itself, no matter how controversial. Few geologists will ever discover a commercial ore-body in their entire career. Those who do are unlikely to let go easily.

Finally, it is worth remembering that exploration funding is notoriously fickle. A company suddenly hit by a cash flow crunch will slash exploration expenditure as the easiest way to improve the bottom line, especially on greenfields exploration.

Bob Burton



A PLEA FROM A PORGERA LANDOWNER

In 1990 the Porgera Joint Venture (PJV), dominated by Canadian-Australian company Placer Pacific began dumping tailings from the Porgera mine in the headwaters of the Strickland River, in western Papua New Guinea. Despite major concerns about the environmental and social impacts PJV intends to continue riverine dumping until the mine closes in ten years. Gabo Ho, from Igebila village on the Strickland River, spoke to MPI Information Co-ordinator, Igor O'Neill.

My name is Gabor Hall I live in this village — Igebila. This village is located along the Strickland River, and the Porgera River is joined to the head of this Strickland River. We have difficulties with this river system. Before, this river was good, people hunted around this river, they've been eating the fish from this river. The river was okay. But changes have been carried out — in 1990 the river's colour even changed.

Porgera did not make agreement to dump the waste through this river system. The company and government did not make agreement with the village people. They were not knowing that the river was having — that chemicals were affecting. They saw that in 1992, they saw that the river's color even changed - before it was only milky, but when the 1992 dry season came, the colour has changed into red, and people are wondering what is happening. The fish were dying on the shore. They were complaining about that — what is happening?

Later on they found out that Porgera, the river coming from Porgera is joined to the Strickland, so they realise that it was the chemicals affecting this river. So the changes have been taking place, and the fish have been dying, coconuts planted have been dying, some animals were dying. When people caught turtles from this river they kill them and they saw inside there was something like boils forming. When they asked Porgera to explain this, Porgera denied that these animals have a sickness in their bodies. But these turtles,



Gabo Ho at Igebila. Photo: Igor O'Neill.

before, these things were not found in the meat — something like a boil forming.

“What we want is, we want the company to do something from where they started the operation, mining, until when the time finished, and then after that when people will be alone themselves”.

When Porgera came in and told the village people that animals have their own sickness and it is not harmful, the waste that we are throwing into the river is not a harmful thing — it is useful for animals, the chemicals are mixing-up with water and that is not much effect or they say like that to the people. People still struggle to fight their own rights. Porgera is trying to close the people's mouth. The company is trying to make a peace with the people,

but people are still struggling to fight their own rights, and asking the company to do something, the government to do something, but the government and company is not doing any good to the people. Their encouragement, the advice from them is that this chemical is not affecting the river, but that it is helpful for the people — Porgera is saying that to the people but the people are still struggling.

So now the river has changed, the sediments have been built up, and the river is becoming sterile, and stones are mixing with the, sediments are settling along the river, sands are building up, and deep places are covering up with stones, and now the river is become very shallow. Now the river system has been changed, and people are still asking the company to do something.

Q: What should the company do?

What the people want is, people want the company to buy compensation, that's what they really want ... What we want is ... the company to do something from where they started the operation, mining, until when the time finished, and then after that when people will be alone themselves.

We want the company to do something about that before the mining finished, that's what the community is needing.

Igor visited the Porgera mine at the invitation of Placer in July 2000.

WHAT YOU CAN DO

- A detailed report on the impacts of the Porgera mine, *The Porgera File: a legacy of destruction*, is available on the MPI website (www.mpi.org.au).
- Placer Dome Asia Pacific can be contacted at GPO Box 4315 Sydney, NSW 2001, phone 02 9256 3800 or email placer_pacific@placerdome.com

SHELL ADS BACKFIRE ON WWF

A newspaper advertising campaign for World Wide Fund New Zealand (WWF-NZ) and paid for by Shell provoked a storm of controversy, badly backfiring on WWF-NZ. The full page advertisements featuring a group of children wearing WWF T-shirts and Shell sunhats, were aimed at encouraging individuals to take out membership with the organisation.

While Shell has provided low-key support — including free fuel — for WWF NZ for a number of years, the current campaign follows negotiation of a \$NZ500,000 five-year educational program for schools.¹

After the launch of the advertising campaign, leaked internal WWF documents revealed that at a recent board meeting the chairman of WWF NZ, Paul Bowe, canvassed the possibility of Shell being made a trustee of the organisation.

Internal WWF-NZ documents noted *“the chair suggested consideration be given to whether Shell New Zealand, due to their great commitment and contribution towards the WWF education programme, should have a place as a trustee”*.²

Bowe told the journalist from the *NZ Sunday Star Times* (SST) there was no link between sponsorship and board members. *“Any idea that you’re trying to put into your head or the readers’ ideas that we sponsor board members here because they*



Excerpt from the WWF advertisement. “I think it is very valuable to have . . . a couple of sponsors [on the board] to ensure that the business ethic of their business and our business . . . is followed correctly”, he said.

“We very much appreciate your [WWF’s] balanced and considered view on this issue [Nigeria]...”

Shell

Other documents revealed that WWF Chief Executive, Jo Breese, wrote to Shell New Zealand Communications manager, Antonius Papaspriopoulo, warning about *“the possibility of some adverse reaction to the association having an increased profile. From both of our perspectives we*

would want to ensure any adverse reaction was minimised and we had plans in place to deal with it.”

Other documents revealed that Shell’s close relationship with WWF-NZ dated back to the controversy over the execution of Nigerian environmental activist, Ken Saro-Wiwa in November 1995. Commonwealth leaders met in Auckland in November 1995 and pressure mounted on both Shell and the Nigerian Government to ensure the Ogoni 9 were spared. However, before the Commonwealth finalised a position on the issue, the Nigerian dictatorship had the nine hung. (See box below).

The SST revealed that Shell wrote to WWF NZ thanking it for its understanding approach on the issue. *“We very much appreciate your balanced and considered view on this issue. . . . As you can imagine your approach is very welcome to us at the moment”*, Shell wrote.

WWF NZ CEO Breese defended the relationship with Shell. *“We are going to be able to have a better dialogue if we work with people from the inside than if we are always on the attack from the outside”*, she told the SST.

Bob Burton

¹ Guy Espiner, “Fears over business links”, *Sunday Star Times*, 8 October 2000, page 6.

² Guy Espiner, “WWF has links with oil company”, *Sunday Star Times*, 8 October 2000, page 1.



Ken Saro-Wiwa.

LAWSUIT AGAINST SHELL CLEARS HURDLE

A decision of the US Second US Circuit Court has cleared the path for a legal action against Shell over its actions in Nigeria. In mid-September, the Second US Circuit Court overturned an earlier ruling that the lawsuit, which alleges Royal Dutch Shell and Shell Transport helped to fabricate evidence to support murder charges against Nigerian environmentalists, be dismissed. Following convictions on the trumped up charges, the military dictatorship executed author Ken Saro-Wiwa and eight others, known as the Ogoni 9, on 11 November 1995.

Previously a US court ruled that the legal action, initiated by family members of the Ogoni 9, could not be heard in the US but should be heard in England where the plaintiffs resided.¹ One of the plaintiffs was suing on behalf of his father and another on behalf of her husband.

The Director of the Sierra Club’s International Program predicted that the lawsuit will continue to haunt Shell until it changes its practices. *“Shell has failed to address the concerns of international critics and of Nigerians living in the country’s delta”*, said Mills. *“This comes when Shell thought that the world community had forgotten about its misdeeds in Nigeria, but it’s not going to go away just yet”*, he said.

¹ Reuters, 14 September 2000.



ARE MINING COMPANIES PART OF A DINOSAUR ECONOMY?

The Australian dollar is being relentlessly driven down, partly by the perception by global finance markets that Australia is an 'old economy' – reliant on raw minerals and agricultural production. Governments and the mining industry are starting to fret.

Normally a low dollar puts smiles on the faces of exporters like the mining industry which usually have contracts written in \$US. So why the worry?

When a UK journalist wrote of the privately owned mining sector that “*at the end of the day mineral extraction companies are just dinosaurs. The total worth of all such companies is about \$300 billion; Microsoft on its own is valued at \$500 billion*”, the global mining industry winced.¹

With new wealth being generated in the high tech sectors, investment funds have flooded into the 'new economy' in search of better financial returns than the 'old economy'. It is a trend that has the mining industry worried for many reasons. The industry knows well that money speaks.

The rapid growth of ethical or social investment adds further to the industry's problems as it desperately tries to convince ethical fund managers that it is indeed a promoter of environmental benefit and human rights, and therefore deserves to be on their profiles.

The mining industry risks being ignored by the mainstream markets, starved of capital from individual investors, and shunned by the best and brightest people in search of jobs that pay well and are more aligned with their values.

Ironically, the very success of the mining industry's advocacy for free trade and privatisation may well be its downfall. The selling off of former government agencies in Australia, such as Telstra, has increased the total size of the Australian sharemarket, reducing the percentage of the total stock in the resources sector. Not so long ago resources stocks accounted for



Being big is not enough.
Photo: Project Underground.

about 50% of the All Ordinaries Index on the Australian Stock Exchange, but now they only account for 15%.

As a result, investment funds – which seek to spread their investments roughly in proportion to the various industry sectors – have reduced their exposure to resources stocks. For many companies, share prices have sagged, making it harder and more expensive to raise capital. With the low Australian dollar, smaller mining companies have become takeover targets for the cashed up global companies.

*“... at the end of the day
mineral extraction
companies are just
dinosaurs”*

In desperation, the industry and its supporters are now trying to portray themselves as successful beneficiaries of the new economy technologies. In part it is true – the application of the new technology will benefit the mining industry along with many other sectors – but the hype is also being used to mask the fear that stalks the boardrooms.

Having sacrificed much of the domestic manufacturing industry in pursuit of embracing global free trade for the benefit of the mining and farming sectors, govern-

ments are now discovering that there may be an even bigger downside. If Australia is written off as an 'old economy' then it may be that much harder to attract foreign investment in any industry sector.

Some are quietly wondering whether they have backed the wrong horse. While the mining industries are generous donors to major political parties and are politically well connected, they employ few people. Just as the mining industry resented the emphasis on ecologically sustainable development when it emerged in the late 1980s, so too it resents the commentary on the 'new economy'.

Can the mining industry become part of the 'new economy' or is it doomed to dinosaur status? The new economy is increasingly characterised by clean production and 'closed loop' systems, a system based on resource efficiency, re-use and recycling, rather than ever-increasing resource extraction.

In a closed loop economy wastes are not consumed once and then dumped. A 'sustainable' minerals company of the future would quite possibly not be mining, but would instead be maintaining custody of a strategic mineral through many cycles of use.

This is similar to paper recycling systems which collect used materials for recycling, reprocess it, and then redistribute cardboard for re-use.

Yes indeed, mining companies focused on endless resource extraction, and particularly those producing commodities that add to the world's environmental burden (such as greenhouse gases or radioactive wastes), will be increasingly be seen as dinosaurs.

¹ *The Times*, 29 November 1999, page 41.



*Geoff Evans,
Director.*

TURKEY

GOLD ACTIVIST WINS AWARD



Award winner, Birsil Limke. Photo: Right Livelihood Foundation.

Turkish environmental advocate, Birsil Lemke, one of the leaders of the campaign to prevent Normandy Mining's Eurogold project in Turkey, is one of the winners of the Right Livelihood Award.

In 1990 Lemke founded the Citizens' Initiative HAYIR (No) opposing all gold projects in Turkey. The Eurogold project was one of the first pilot projects in Turkey. However there are another 62 potential mining projects in the Turkish Aegean with another 500 potential sites throughout Turkey.

In 1994 Hayir sued the Turkish Environment Ministry and Eurogold. In 1997 the Turkish Supreme Court found in her favour and prohibited gold mining with cyanide in Turkey.

Eurogold is currently appealing against the judgement and has persuaded the Turkish Supreme Court to carry out another environmental risk assessment and to relinquish the decision as to whether the project can go ahead to international arbitration. The opposition to the Eurogold project has emboldened opposition to gold projects throughout Europe, inspiring the campaign in Czechoslovakia to ban cyanide mining techniques.

MPI has sent Birsil congratulations on her award. If you would like to congratulate her send a note to Birsil Lemke, P.O. Box 22, 10700 Ören Burhaniye, Turkey.

AUSTRALIA

NEW MAGNESIUM MINE FOILED



Weetootla Gorge. Photo: Weetootla Gorge Action Group.

The South Australian Minister for Environment and Heritage, Ian Evans, has rejected a request from Manna Hill Resources for the transfer of a lease from BHP covering a proposed magnesite mine in the Gammon Ranges National Park.

The BHP licence Manna Hill Resources was seeking covers the Weetootla Gorge and is scheduled to expire in February 2001. BHP is now under pressure from community groups to give a commitment that it will relinquish the licence rather than attempting to sell the licence to other parties.

The magnesite mine was strongly opposed by the Aboriginal community of the area, the Adnyamathanha community, and environment groups. In announcing the decision to reject the proposal the Minister noted that the mine would be incompatible with the maintenance of the values of the National Park.

"The prospect of an open-cut mine in this unique natural landscape was obviously a contradiction that the Minister could not tolerate under the obligations of the National Parks and Wildlife Act 1972", said Wilderness Society campaigner Declan Andrews.¹

BHP has held nine mineral leases in the Weetootla Gorge area some dating back to the 1960s. The leases Manna Hill Resources had negotiated with BHP to transfer are scheduled to expire in February 2001. Friends of Weetootla Gorge Coordinator Bill Doyle wrote to BHP Executive Director, Ron McNeilly, calling on BHP to surrender its nine leases.

"It is not possible for us to surrender the leases immediately as Manna Hill Resources, to whom we agreed to transfer the leases (subject to them

securing the necessary approval), is currently reviewing the implications of the Minister's decision", McNeilly wrote.²

While Andrews welcomed the decision to reject the proposed magnesite mine, he is pressing the government to ensure that the remaining exploration leases that overlap the northern section of the National Park are also extinguished.

"The Government must remove mining exploration and possible production in the future from the whole park", said Andrews.

¹ The Wilderness Society (SA), "The Gammon Ranges — a responsible decision by the minister, but the responsibility does not end there", Media Release, www.wilderness.org.au/sa, 1 September 2000.

² R McNeilly, Executive Director and President, BHP Minerals, letter to Bill Doyle 3 October 2000, <http://homepages.picknowl.com.au/greenh/pages/default.htm>.

STOCKTON PARK GAINS SUPPORT



Dunes in proposed National Park. Photo: Ian Sweeney

The NSW Liberal party has bowed to community pressure and backed calls for a National Park in the covering the coastal dune systems at Stockton Bight.¹

Stockton Bight, just north of Newcastle, is being sought for mineral sands mining by Mineral Deposits Limited and sand for construction and gardening supplies by companies including Toll Bulk Sands and Boral.

MPI WEBSITE

Whether it is back copies of *Mining Monitor*, copies of MPI reports or updates on latest projects drop in to the MPI website www.mpi.org.au

TAILINGS

While the Carr-led Labor Party promised a National Park covering Stockton Bight in 1995, it has so far failed to press ahead with the declaration of the National Park. Local environment groups concerned about the impact on Newcastle's water supply and the coastal dune system, are campaigning with local Aboriginal community leaders to protect important undisturbed areas from mining operations.

The campaign for the park has developed a new momentum leading to the Liberal Party backing calls for a National Park. "This is a realisation of the public support for a comprehensive National Park at Stockton Bight," the Campaign Manager for The Wilderness Society's (TWS) Newcastle branch, Ian Sweeney, said.

"The real pressure is on the Carr government to fulfil their commitment to the Hunter and Pt Stephens community," Sweeney said. Mineral Deposits too has bowed to community pressure, backing calls for a National Park, but one that is much smaller than that being sought by community groups.

TWS NSW Campaigner, Glen Klatovsky, told *MM* that Mineral Deposits were backing a park proposal "that is the least representative National Park that doesn't affect their claims".

¹The Wilderness Society (Newcastle), "Call for Stockton Park Gains Momentum", Media Release, www.wilderness.org.au, 23 August 2000.

SUNCOR STALLS

After a two-year campaign by environmental groups to prevent the construction of the Stuart shale oil project in central Queensland, the Canadian company in the joint venture, Suncor, has announced that it will put the project on hold.

The production of oil from shale is the most greenhouse intensive technique rendering it the most vulnerable to changes in government greenhouse policies and market assessment of carbon liabilities.

"Suncor has clearly seen the writing on the wall," said Shane Rattenbury, Greenpeace climate campaigner. "Suncor has recognised that the carbon intensity of this industry is a huge financial liability. Greenhouse emissions are going to cost big dollars and even if Suncor can fix the plant's technological problems, it is never going to be able to bring down the greenhouse intensity of shale oil to an affordable level – financial or environmental", he said.

Suncor has spent \$160m on the Stuart Project,

which is 15% above their original budget. Its latest estimates are that completion of commissioning could cost another \$15million to \$25million, which would take Suncor between 25% and 35% above its original budget.¹

¹Greenpeace, "Suncor drops shale oil over greenhouse issues", Media Release, 6 September 2000.

SWEDEN

ANOTHER BOLIDEN DAM COLLAPSES

In another tailings dam collapse, one million tonnes of copper-contaminated water spilled from the Aitik copper mine owned by Boliden into the Vassara River in northern Sweden.

In 1998, the tailings dam at Boliden's Los Frailes mine collapsed dumping 7 million tonnes of tailings into the river system, affecting the World Heritage Donana wetland.

The latest disaster occurred on 9 September when a "100 metre section" of the tailings dam

wall collapsed, spilling heavy metal-laced tailings into the watershed. For its part Boliden downplayed the seriousness of the incident referring to the wall collapse as "erosion" and the "release" of tailings into a settling pond.

The discharge of "excess water" as a result of the tailings dam collapse, it claimed, "is believed that the amount of metal contained in the water released as a result of this incident is well within the permitted levels for the operation during the course of the year".¹

"The discharge of treated water from the mine site to the surrounding watershed is a common practice during the spring runoff period", Boliden explained.

¹"Damage to internal tailings containment wall causes temporary suspension of production at Aitik mine, Sweden", Media Release, Boliden Ltd, 11 September 2000, www.boliden.se.

THINKING OF MAKING A BEQUEST?

For further information about making a bequest to MPI, please contact Bequest Officer, Nina Lansbury, on freecall 1800 005 540 or (02) 9387 5540, email her at mpi@mpi.org.au, or use the coupon on the back of *Mining Monitor*.

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BANGLADESH

SHELL TARGETS WORLD HERITAGE MANGROVES

The Shell Oil Company, along with Cairn Energy, has gained permission from the Bangladesh government to commence oil and gas exploration in the world's largest mangrove forest, the Sundarbans World Heritage Area.

Bangladesh is a vast floodplain only a few feet above sea level, where the Ganges, Jamuna and Meghna rivers form the world's largest river delta. The Sundarbans mangrove forest provides a natural buffer against storms and tidal surges from the Bay of Bengal.

The Sundarbans Reserve Forest covers 6,017 square kilometres of forests, wildlife sanctuaries, rivers and canals. The Reserve lies in Block 5 of Shell's oil and gas concession, where the company plans to conduct seismic and aerial surveys. Block 5 includes the entire World Heritage Site of the Sundarbans.

Please write polite letters to government officials and Shell Bangladesh, insisting on complete protection for the Sundarbans.

Honorable Prime Minister
Government of the People's Republic of Bangladesh
Old Sangsad Bhaban
New Airport Road, Tejgaon
Dhaka 1208, Bangladesh
FAX: +880-2-811-3243

Please send copies of your letter to:
Honorable Environment & Forest Minister
Government of the People's Republic of Bangladesh
Bangladesh Secretariat
Dhaka 1000, Bangladesh
FAX: +880-2-861-0166

Mr. S de Koning, External Affairs Manager
Shell Bangladesh Exploration and Development B.V.
IDB Bhaban, 9th Floor
E/8-A, Rokeya Sharani
Sher-e-Bangla Nagar (Agargaon)
Dhaka-1207 Bangladesh
FAX: +880-2-988-2947

More information on the issue is available from www.earthisland.org/map/map.html.

PAPUA NEW GUINEA

DRUMS AWAY FROM DOME CHOPPER

In mid September a helicopter ferrying diesel to Dome Resources gold mine north-east of Port Moresby jettisoned a sling of drums of diesel. Many of the drums burst on impact resulting in a spill of 4000 litres onto the ground.

Earlier this year, a one tonne load of cyanide pellets for the Dome Resources mine was dropped by a helicopter into the rainforest, narrowly missing a stream supplying water for villages.

The latest accident was attributed to the Russian helicopter developing engine problems and the pilot jettisoning the load. The Office of Environment and Conservation official told *The National* that 30-40 tonnes of soil contaminated by the spill was being transported to a quarry for disposal and management.¹

¹ "Diesel spill reported near Tolukuma mine", *The National*, 28 September 2000.

SOMARE ISSUES WARNING ON MINING DANGERS

Papua New Guinea's Mining Minister Sir Michael Somare has warned Pacific Island governments that while mining may seem appealing as a lucrative path of development there are serious costs that should make governments wary.

"We have learnt a lesson and I am saying it loud and clear to the Pacific Island countries to be careful of mining companies," Somare said in May 2000 in Fiji, several weeks before the George Speight-led coup.¹

¹ "PNG warns Govt", *Fiji Daily Post*, 8 May 2000, page 3.

USA

CHEVRON HUMBLER BY LEGAL ACTIONS

A legal action initiated in 1997 by the advocacy group, Communities for a Better Environment (CBE), has humbled Chevron, the second largest oil company in the US.

Two years after CBE filed its lawsuit against Chevron for breaches of the Clean Air Act, the US Environmental Protection Agency also filed a suit over air pollution caused by the pumping of petroleum products from tankers to the Chevron refinery through submarine pipelines.¹

In August Chevron agreed to pay a \$US6 million fine and spend \$US1 million on environmental improvements to settle the federal lawsuit over Clean Air Act violations at a California offshore oil terminal. The settlement is the largest ever imposed under the legislation against a single facility.

In 1995 Californian regulations required Chevron to reduce emissions from its El Segundo terminal by 95%. According to *Environment News Service*, Chevron records revealed that between 1995 to 1998, the terminal did not use the pollution control technology required by the regulations.

The General Manager of the Chevron refinery, Gary Yesavage, sought to attribute the breach to the complexity of the regulations. "We are disappointed that we did not take the extra step needed to ensure we were meeting all requirements of this complex regulatory system", he said.

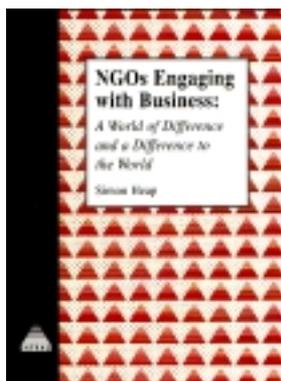
¹ Cat Lazaroff, "Chevron Will Pay \$7 Million for Clean Air Act Violations", *Environment News Service*, 24 August 2000, www.lycos.ens.com.

OOPS! DEPARTMENT

In "Bill to ban new cyanide mines in NSW" in the last edition of *MM* a minor error survived the editing process. The article reported that the bill to ban new mines using cyanide "will gain support from some of the Democrats and some independents it is unlikely to gain the necessary support from either of the two major parties for it to pass". During laying *MM* up an extra "some of" was left stranded prior to the reference to the Democrats. The clause should have read that the bill "will gain support from the Democrats and some independents ...".

RESOURCES

REPORTS



Simon Heap, *NGOs Engaging with Business: a world of difference and a difference to the world*, INTRAC, July 2000, 312pp.

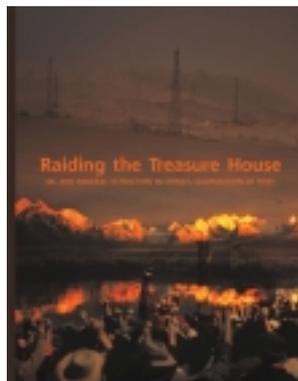
This is a useful book on the issues confronting NGOs in engaging with corporations with a few case studies from the UK, Central Europe Costa Rica, India, Columbia and Nigeria. While the analysis is thin in some areas in others it provides interesting insights into the tensions within and between NGOs and corporations. Overall it is a valuable contribution to the literature.

The book is available from INTRAC Publications, PO Box 563, Oxford OX2 6RZ, United Kingdom for £21.53 including postage from Australia and the Far East, £19.14 in Europe and £20.74 elsewhere. Copies can be ordered via e-mail intrac@gn.apc.org or through their web page www.intrac.org.

Gabriel Lafitte, *Sino Mining, Taking Tibets' gold via Sydney and the Cayman Islands tax haven*, Australia Tibet Council Research Office, September 2000, 4pp.

This briefing paper on the activities of the Sydney-based Sino Mining International with mining projects and exploration in Tibet is a short but very useful primer. It is for those interested in an Australian connection to the move by China to increase mining projects in Tibet, with all the human rights, social and environmental issues associated with it.

The report is available from the Australia-Tibet council website at www.atc.org.au under the research section.



Andre Carothers, *Raiding the Treasure House: Oil and mineral exploration in China's colonisation of Tibet, The Milapera Fund and Project Underground*, 34pp.

This excellent report on the social and environmental impacts caused by mining development in Tibet looks at the background of Chinese involvement and the increasing involvement of multinational companies in oil and gas, gold and copper developments.

The report is available for download from either the Milapera Fund website at www.milapera.org or from Project Underground www.moles.org.

Greenpeace, *Call for Investigation by the Australian Stock Exchange into the Conduct of Southern Pacific Petroleum NL and Central Pacific Minerals NL in Respect of their Carbon Liability Arising from the Stuart Oil Shale Project*, June 2000, 103pp.

This is a detailed critique of the Rundle Shale oil project and its poor disclosure to investors of the potential environmental liabilities. Even if you are not specifically interested in this project it is worth having a look at one approach to assessing corporate environmental disclosures and what they should look like.

<http://www.mpi.org.au>

The report is available from the Greenpeace website www.greenpeace.org.au.



Kenny Bruno and Jim Vallette, *Halliburton's Destructive Engagement: how Dick Cheney and USA-Engage subvert democracy at home and abroad*, Earth Rights International, October 2000, 42pp.

This is a well-researched investigation of the role of oil services company Halliburton, run until recently by Republican Vice Presidential candidate Dick Cheney, and its role in the notorious Yadana and Yetagun gas projects in Burma. Halliburton have also been prominent members of USA-Engage, a corporate lobby group opposing the use of economic sanctions by the US government against repressive regimes such as the Burmese dictatorship.

A copy of the report is available for download from www.earthrights.org.

MPI E-MAIL LIST

The Mineral Policy Institute invites you to join MineAction. MineAction is an e-mail discussion list on mining in Asia and the Pacific.

MineAction is open to everybody and will give groups and individuals in one country an easy way to share information on mining and its impacts with many others around the world.

It is easy (and free) to join using the internet at: <http://www.mpi.org.au/services/mineaction.html>

NUGGETS

INCREMENTAL LEARNING

"We have the benefits of lessons learnt from Ok Tedi, but it is also a legacy we will have to live with for a while yet".

Ian Holzberger, General Manager of Highlands Pacific, explaining how the proposed dumping of tailings from the Ramu nickel project in PNG in the ocean is better than dumping them in the river.

(Claire Konkes, PNG mine sinks waste problems, *The Weekend Australian*, 23 September 2000, page 20.)



A PATIENT INSPECTOR

"The community does not have to be concerned about consuming the river water since pollution is non-existent."

An Indonesian mining inspector after testing water samples taken 35 days after a fish kill was attributed to a nearby mine.

(WALHI, *Kerebok*, Volume 1, Number 3, July 2000).

DISCOVERING THE PRECAUTIONARY PRINCIPLE

"In a country as large, diverse and still unexplored, in both biological and geological terms, as Papua New Guinea, we should not be surprised if we do not always get Environmental Impact Assessments just right at the first attempt".

Sir John Kaputin, the Minister for Mining in Papua New Guinea.

(John Kaputin, "The role of the resource sector in the economic reconstruction of Papua New Guinea", *Mining and Petroleum Investment conference*, 29 November 1999.)

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