



Court delivers water decision for mine

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A COURT decision will mean Lincoln Minerals can go ahead with planning for its iron ore mine to the southwest of Port Lincoln.

The Environment, Resources and Development (ERD) Court has directed the state's environment minister to grant a water licence to Lincoln Minerals for its proposed Barns iron ore mine in its Gum Flat project near Coomunga, allowing the company to move forward with planning.

Lincoln Minerals managing director John Parker said the ruling was a relief as water approvals had been delaying the project.

A court ruling this week upheld the company's appeal and reversed the decision of the sustainability, environment and conservation minister refusing the company's application for a water licence to extract groundwater for its proposed operation 20 kilometres southwest of Port Lincoln.

The court has directed the minister to grant a water licence and has remitted the matter to

the minister for further consideration.

The minister has 21 days to appeal the decision to the South Australian Supreme Court.

The groundwater licence will allow the company to extract groundwater from a small part of the region's basement aquifer.

The proposed mine site is within the Southern Basins Prescribed Wells Area used for groundwater extraction by the Eyre Peninsula community and is subject to a Water Allocation Plan (WAP).

The water is drawn from the limestone aquifer at Uley South, but the limestone at the proposed mine site does not contain water so mining operations will not affect the water supply.

However during drilling the company found groundwater in the bedrock basement aquifer below the limestone and clay.

The company believes that by progressively extracting water from the basement aquifer over the five years of the mine's proposed first stage of operation, the water will be kept below the level that could be affected by mine operations.

"Lincoln Minerals has devoted considerable time and resources to ensure that any pro-

posed mining activities will not have a detrimental or unsustainable effect on the aquifers in the prescribed wells area," Dr Parker said.

In 2011, Lincoln Minerals prepared a draft mining lease proposal for stage one but has been waiting on groundwater licensing before the proposal could be submitted.

Subject to the conditions of the water licence, the company can now complete the proposal.

The Gum Flat Iron Ore Project is within a major world-class iron ore province extending from the Middleback Ranges to Port Lincoln.

"Iron ore prices have fluctuated widely in the past three years and all new projects must take into account how those price levels impact, or add to, the economics of any mining project," Dr Parker said.

Gum Flat contains a number of priority targets including Barns, Rifle Range and the Port Lincoln-Tulka suite, all within 20km of Port Lincoln.

Meanwhile the company is

working hard to prepare a mining lease proposal for its high grade Kookaburra Gully graphite project at Koppio.