

Business

Mining zones for Flinders wilderness shelved

CAMERON ENGLAND

A STATE Government plan which would have allowed mining in sensitive parts of the Northern Flinders Ranges, including the Arkaroola Wilderness Sanctuary, has been quietly binned.

The *Seeking a Balance* report, which proposed to set up four zones for various levels of mining activities, was criticised as "greatly flawed" by the SA Museum, which

said it should be "totally rejected" back in March.

The report drew 450 public submissions, and came under fire from the mining sector, which criticised the proposals as effectively retrospective legislation which increased South Australia's sovereign risk.

Both sides can now claim a win, with Mineral Resources Development Minister Paul Holloway stating on ABC radio that the report had been shelved. A spokesman for Mr

Holloway said yesterday that the Government was now looking at a new response to the issue of mining in the area.

The issue has been controversial ever since mining company Marathon Resources had its exploration rights in the area suspended in early 2008, when it was found to have dumped uranium drilling waste illegally.

Marathon's exploration rights expired yesterday, but the minister's

spokesman said the company could still operate in the limited fashion it had been permitted to in the past, while a response was formulated.

"(Seeking a Balance) went out for consultation... and several from both sides came back saying they didn't like the way we addressed the issue, so the Government accepted that, and said in that case we will frame a new response and we are in the throes of doing that," he said.

"There was an expectation that

we could do that before the licence came up for renewal but that hasn't occurred, but they (Marathon) have been advised through the department that they can continue under the current lease arrangements until such time as (the Minister) is ready to make a decision."

Mr Holloway said yesterday the Government was hoping to make a statement on the issue "soon".

Marathon shares closed steady at 37c yesterday.