

**\*\*\*PRESS RELEASE\*\*\***

## **Gold Mines in Melbourne's Water Supplies?**

**Wednesday August 22, 2007**

Environmental Organisation Friends of the Earth today raised concerns about the possibility of gold mining occurring within water supplies that supply Melbournians with drinking water.

Spokesperson for Friends of the Earth Anthony Amis said *“Currently there are four exploration licences within Melbourne's drinking water supplies. Three of these were granted by Energy and Resources Minister Peter Bachelor in March this year for the Walhalla – Woods Point area in the Gippsland region. The companies doing the exploration include Goldstar Resources, Morning Star Gold and Reedy Lagoon Corporation”*.

*“Three of these exploration licences take in at least half of the Thomson River catchment, upstream of the Thomson Dam. Of most concern is a project called the Jericho Project, by Reedy Lagoon Corporation. The Jericho Project is over 20 square kilometres all of which is located in the Jordan River region, a main source of water for the Thomson Dam. The south east portion of the Jericho Project lies about 5km north of the main off-take for Melbourne Water at Swingler Inlet.”* Mr Amis said.

*“Also of concern is an exploration licence near Yarra Glen held by WA based Beadell Resources. This licence is above the Yarra catchment which feeds into Sugarloaf Reservoir. Beadell Resources also have an interest in the Jericho project”* Mr Amis added.

*“Friends of the Earth has concerns that if quantities of gold are found to be economically viable, large scale gold mining could occur. The scale of such mines is as yet undetermined, but could include open cuts. These mines would also have to build tailings dams and would most likely use cyanide in their processing. The use of cyanide in close proximity to Melbourne's drinking water supplies would be a concern to most people”* said Mr Amis. *“If the possibility of gold mining in our water supplies is so far fetched why would the Government have granted the exploration licences?”* Mr Amis asked.

Cyanide can react readily with most other chemical elements, producing a wide variety of toxic, cyanide-related compounds. And because cyanide is carbon based - an organic compound - it reacts readily with other carbon-based matter, including living organisms.

*“Only 2 months ago Mount Baw Baw (located on the sw side of the Thomson Dam recorded over 300mm of rainfall in a couple of days. What would have been the impact on a gold mine tailings dam if this amount of rainfall fell after mining operations had begun?”* Mr Amis asked.

*“The State Government needs to withdraw the exploration licences over the land that is located within Melbourne's drinking water supplies. Friends of the Earth will write to Premier Mr Brumby and the Governor David de Krester asking that they act to stop any possibility of gold mining in the catchments that supply drinking water to Melbourne”* Mr Amis concluded.

**For more information contact Anthony Amis on 9419 8700**

**For background on this issue also see; <http://www.baddevelopers.green.net.au/Docs/Thomson.htm>**



**Friends of  
the Earth  
Melbourne**

Box 222 Fitzroy,  
Australia 3065;  
Ph: 61 3 9419 8700  
Fax: 61 3 9416 2081  
Email: [foe@foe.org.au](mailto:foe@foe.org.au)  
web: [foe.org.au](http://foe.org.au)  
ABN No. 18110769501

