



tasmanian conservation trust inc

Mr Greg L'Estrange
Managing Director
PO Box 572
Launceston 7250

25 February 2011

Dear Mr L'Estrange,

OPEN LETTER - Consultation over the proposed Bell Bay pulp mill

Thank you for the briefing on 23 February 2011 regarding Gunns Ltd proposed Bell Bay pulp mill and other issues related to forest management and conservation.

The Tasmanian Conservation Trust wishes to put clearly on the record its continued opposition to the Gunns proposed Bell Bay pulp mill and that while the briefing provided significant new information it was not sufficient to alter our position on the mill.

We are also releasing this letter to the media and the Australian Securities Exchange so that the TCT's position in relation to the Bell Bay pulp mill, and our record of the briefing, are clearly and widely known.

Following the briefing from Gunns staff regarding the finalized hydrodynamic modelling reports and claimed changes to pulp mill design since the project's inception, the TCT continues to have serious concerns regarding the potential for the proposed pulp mill to damage the environment, including:

- causing serious impacts to the marine environment of Bass Strait
- causing serious impacts to recreational and commercial fisheries and
- causing atmospheric pollution, in particular in the surrounding Bell Bay and George Town areas.

As stated at the briefing, we are very concerned that although the proposed emissions monitoring program appears to be an improvement on that originally envisaged, it is still proposed that monitoring be conducted by Gunns and this is not acceptable. The TCT requires that there be independent monitoring of emissions and a shut-down requirement in the case of major breaches.

We are also not convinced that the supposed green energy production will be environmentally beneficial.

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As articulated at the briefing, we have serious concerns regarding how Gunns is undertaking its current round of briefings with community and conservation groups. We view our briefing as simply an opportunity for Gunns to provide us with limited information, in a verbal form, regarding the proposal and this, in our view, is not true or adequate consultation. We cannot verify claims made by Gunns in the verbal briefings, as we have not been given copies of the relevant reports, and we have no meaningful opportunity to provide recommendations to improve the proposal as the final reports have now been provided to the Australian Government. If this can be called consultation at all, it has come far too late to be meaningful.

As stated at the briefing, the TCT can not change its opposition to the Bell Bay pulp mill, or any other significant development proposal, simply on the basis of just one verbal briefing. To be able to properly assess the changes Gunns has made to its proposal and whether the hydrodynamic modelling work done by Gunns addresses our concerns, we would need to at least have copies of the relevant documents and reports to verify its claims. The TCT first wrote to Gunns seeking copies of the hydrodynamic modelling reports on 19 January 2011 and provided a reminder in our letter sent on 21 February. We have never received a written reply to our requests for these reports.

We are very disappointed that Gunns has refused (by phone call from Mr Lawson Harding on 23 February 2011) to provide the TCT with copies of the hydrodynamic modelling reports (which Gunns acknowledged at the briefing have been completed and submitted to the Australian Government) until the Australian Government makes its final decision, which is expected by 4 March 2011.

As advised in our letter to you of 19 January 2011, the Department of Sustainability, Environment, Water, Population and Communities advised the TCT in writing on 19 January that "it is the Department's current understanding that Gunns will be making these reports public once they are in final form ready to be submitted to the Minister".

Clearly the Department believed that it was quite appropriate for Gunns to make these reports public and you did not take the opportunity to put a counter position as you failed to reply to the TCT's letter.

As stated at the briefing, irrespective of the TCT's continued opposition to the Gunns proposed pulp mill, the TCT is more than willing to continue to work with Gunns to improve its management of native forests and plantations.

Yours sincerely,



Peter McGlone
Director

Cc - Australian Securities Exchange
- Tasmanian media contacts