

15th November 2019

The Productivity Commissioner

By Email: ProductivityFeedback@treasury.nsw.gov.au

Dear Commissioner

Terms of Reference - Review of Independent Planning Commission

I refer to the request from your department seeking submissions with regards to Terms of Reference - Review of Independent Planning Commission.

We welcome the general terms of the reference as we question the relevancy of the Independent Planning Commission. Furthermore, we suggest that the review addresses the restoration of confidence in our industry. This is not addressed by policy change alone.

The review is essential for our company given we will shortly be submitting for development approval for the substantial Bowdens Silver Project located near Mudgee in central New South Wales.

It is our view that the Independent Planning Commission's role conflicts with the Government's recommendations and in particular when it is permitted to operate outside of Government policy.

Although we welcome the review, it appears to be limited to making adjustments to how the approval process operates. We would suggest that the review be more comprehensive and far reaching and include reform to address not only the substantial damage done to our industry, but the State of New South Wales as a whole.

As an example, on recent business travels across North America and Europe, I have been very frequently asked questions regarding development permitting issues in New South Wales. These questions are predicated on the fact that the State has now secured itself as a jurisdiction of substantial sovereign risk.

In the well-regarded Fraser Institute Investment Attractiveness Survey 2018, New South Wales is rated as the worst performer in the Policy Perception Index out of all of the Australian States and Territories. In the Attractiveness Survey, New South Wales rates below such jurisdictions as Papua New Guinea, Botswana and Ecuador with our State having a very poor rating of 43 out of 83. I suggest that these results will be substantially lower in the 2019 edition when released due to recent poor decisions by Government.

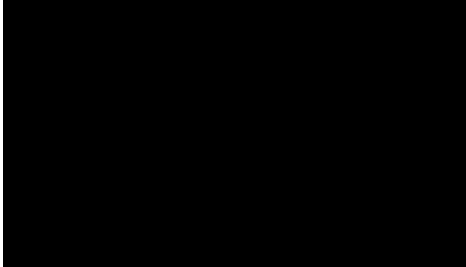
As such, the Government needs not only to restore policy and processes, but more importantly put into practice a program to address the damaging sovereign risk situation. A change in policy will only partially address this issue. The Government must comprehensively invest in and be openly public in its support of this industry.

In addition to the above, Government needs to invest in education at the grass roots level with regards to the mining sector. Personally, I find it incongruous that Government is mostly silent on the benefits of mining and that our education system is happy to support the industry's opponents. Our populations should be well-versed in the massive benefits mining brings to our State and what those benefits do in supporting our entire population, the State's infrastructure and its

services. Importantly, there should be education that mining products are fundamental to all aspects of society.

I look forward to the results of this review.

Yours sincerely



Managing Director
Silver Mines Limited