









Lithium mining in South Galicia, Spain

Critical Factsheets on Mining Projects

This factsheet is part of a series of case studies on contested mining projects, developed by civil society organisations. The factsheets illustrate the structural problems associated with mining projects in Europe and beyond, with a view to integrate the experiences of front line communities in EU policies.

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1. BASIC INFORMATION

- Municipalities:
- Companies:
- Minerals:
- Mining technique:
- Total concession:
- Mining area:
- Expected extracted volume: 17,4 Mt of lithium

holding SAMCA Group

Underground and open-pit mining

Beariz, Avión, Forcarei, Cerdedo-Cotobade, A Lama

1700 hectares (2018-2020 exploitation project) 13,62 hectares (underground mine, Stage 1)

Recursos Minerales de Galicia, S.A., subsidiary of the Spanish

Lithium, muscovite, felspar, tin, tungsten, tantalum, niobium



2. SUMMARY

Recursos Minerales de Galicia (RMG), a subsidiary of the Spanish holding SAMCA Group (hereinafter: SAMCA), presented in 2018 the exploitation project for the "Alberta I" mining area. The project was <u>rejected</u> by the Galician Regional Government in 2020, after a <u>negative report</u> issued by the Miño-Sil Water Authority (La Confederación Hidrográfica del Miño-Sil). The company announced that it will again present a project for the same area in December 2024 under the new name "Mina Doade".

The permit covers a length of 12 km on the top of a mountain area and headwater region of great natural value on the border of the Galician provinces of Pontevedra and Ourense. It lies embedded between the highlands of the Serra do Cando, Serra do Candán (both Natura 2000 areas) and the Serra do Suído, which has been proposed for inclusion in the Natura 2000 network since 2011.



The project proposal is based on the artificial splitting of projects throughout the concession area. The company only presented a proposal for a first stage, involving an underground mine at one of the 6 known deposits, even though they intend to exploit the whole belt through 6 adjacent mines combining open pit and underground mining methods. By presenting in 2018 only a locally confined underground mine for one single site, the company and the Government <u>illegally attempted to exempt</u> the project from an Environmental Impact Assessment (EIA), despite the presence of acid mine drainage generating sulphurs and radioactive minerals, the proximity of homes (the proposed mine lies some 500 metres from the historic village of Doade) and ignoring the cumulative negative effects of the wider project. Public participation <u>was also severely limited</u> by the absence of an EIA procedure and the <u>systematic denial of access</u> to environmental information. The current project is essentially a revised version of the 2018 proposal.

The project has faced intense opposition and resistance from landowners, affected communities, <u>environmental NGOs</u> (from Galicia and Spain) and <u>political parties</u>. It mainly affects community owned lands under ancestral tenure arrangements. Community assemblies have rejected the project denouncing a recent social engineering campaign. The project has been featured as a case study on bad practices in reports by the <u>Business and Human Rights</u> <u>Resource Centre</u> and the <u>Gaia Foundation</u>. It has also been subject of numerous questions in the <u>Galician</u>, <u>Spanish</u> and <u>European</u> parliaments, and has been denounced in a <u>petition</u> to the European Parliament.

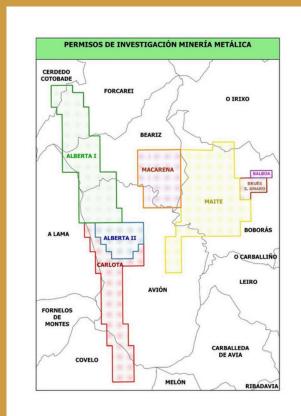
3. PERMITTING STATUS

In 2002, a first exploration permit was granted and later transferred to a subsidiary of Canadian Solid Resources Ltd. In 2011 and 2012, Solid Mines <u>claimed</u> the existence of 6 adjacent lithium deposits, named after the nearby villages. In 2014, it initiated the procedure to obtain an exploitation permit, providing only a project for an underground mine at the northernmost of the 6 sites. The absence of an environmental impact study led to negative reports by the Spanish Geological Survey (IGME) and the <u>Galician Society of Natural History</u>, emphasizing the possibility of acid mine drainage and the presence of radioactive minerals. The permitting procedure was cancelled after the company failed to provide the required information on environmental impacts.

In 2015, the exploration rights of "Alberta I" were bought by SAMCA and its newly established subsidiary RMG. In 2018 RMG presented a new exploitation project. Again, the project was only presented for one of the 6 deposits, this time at "Coto Tocayo", close to the village of Doade. It was acknowledged as an initial phase of a wider project that would include a series of underground and open-pit mines over the length of 12 km, artificially fragmenting the impacts and true dimensions of the project as a whole. The company and the Galician Mining authority sought to permit the project without an EIA.

The Miño-Sil Water Authority issued a negative report on the project in November 2019, requesting further hydrogeological studies, which the company failed to provide. The project also failed to address critical issues regarding mine drainage and waste management as numerous NGOs and common land communities objected.

In 2020 NGOs and local communities accused government officials of corruption for allowing the procedure to continue without an EIA and for attempting to prevent NGO participation in the administrative procedure. Some 100 responses were submitted, including local groups and common land communities, warning of the need to submit the project to an EIA. All were ignored. Facing judicial action, the government closed the procedure in November 2020 using the negative report that had been issued by the Miño-Sil Water Authority as an excuse. The company appealed the decision in court, but after an environmental NGO joined the judicial procedure, calling attention to the omission of the EIA and other irregularities, the company withdrew its lawsuit in 2022 to avoid <u>a court ruling</u> that would address these issues.



Local organizations <u>claimed</u>, based on legal precedent, that it is illegal to sustain a mining exploration licence for 22 years. Law limits such licences to 3 years, and mandates that any mining concession granted on the basis of an expired exploration permit will be null and void. Thus, NGOs and the local common land communities <u>demanded</u> that the exploration licence be declared void, as it had been issued in 2002, but the Government failed to act. Still, in 2022 the company was granted yet another "exceptional" exploration permit extension for an additional 3 years in order to perform hydrological studies at "Coto Tocayo".

In May 2023, the company presented an additional drill program which included 50 additional drill holes but was unable to carry them out, as the common land communities did not authorize further access to their lands. In August 2023, the company opened a procedure of "temporary occupation" (similar to expropriation) against the common land community of Doade to obtain access to the drilling area. In February 2024, the company backed down in the face of mounting community opposition and a likely long judicial process, and the proceeding was closed by the mining authority in June 2024. The company announced it would present a new exploitation project under the new name in December 2024, days before the exploration permit is set to expire under the extension illegally granted in 2022.

4. ENGAGEMENT AND ACCESS TO INFORMATION

4.1 ACTIVE OBSTRUCTION OF ACCESS TO INFORMATION AND PARTICIPATION (2020-2022)

While the absence of an EIA procedure in itself severely restricted the options for public participation, the administration further limited participation by <u>denying the right</u> of environmental NGOs to participate in the mine authorisation procedure. The administration also tried to prevent an environmental NGO from being able to intervene as a co-defendant before the Court by initially denying its request for free legal aid.

As the previous permitting proceedings took place during the Covid-19 pandemic, public meetings were severely restricted and local authorities sympathetic to the mining project used the restrictions to try to stifle opposition to the mining project. Attempts were made to use the Guardia Civil gendarmerie force to break up meetings and fines were imposed against spokespersons of the movement opposing the mine. Such issues were presented as breaches of basic civil rights in reports by the <u>Business and Human Rights Resource Centre</u> and the <u>Gaia Foundation</u>.

4.2 ATTEMPTS TO USURP COMMUNAL LANDS

Until September 2024, RMG avoided any public appearance or engagement and did not attend any of the information sessions organized by local organizations. Since 2015, the company has only engaged with local communities through closed door meetings with some of the landowners (communal land communities), to convince them to sign an agreement at the end of those meetings to get access to the drilling areas. To this end, they presented misleading information to communities as the activities were described as scientific research, rather than the final stages towards preparing a mining exploitation permit. In August 2023, the company requested the initiation of a procedure of temporary occupation in order to get access to the communal lands of Doade. The company withdrew its request in February 2024 in the face of a long litigation process by the community.

4.3 NEGATIVE INTERACTIONS WITH LOCALS (LACK OF TRANSPARENCY AND ILLEGITIMATE SURVEILLANCE)

In September 2024, the company announced that it had signed a contract with Deloga to carry out the social-economic impact study. SAMCA also announced that Deloga would conduct a process of "<u>citizen participation and hearing</u>" from October 2024 to December 2024. Deloga insistently contacted numerous local organizations to gather their input on the new project, but the company refused to provide any information about its specificities. Despite the fact that the company declared full commitment with transparency and access to information, the only information available is the scarce and misleading information provided on the company's new webpage.

7

During its inquiry, Deloga compiled names, addresses, emails or phone numbers of neighbours, landowners and local groups, keeping, processing and using personal information without consent. They especially asked to identify individuals opposing the mining project, including the gathering of private information like names and addresses of local activists. This has been perceived as illegal surveillance and intelligence gathering in breach of existing laws of personal data protection and creating personal security risks for those opposing the project. In October 2024, three houses in Doade were defaced with the messages La mina contamina (The mine pollutes) and No a la mina (No to mining). This action was condemned by all groups opposing the mine, and perceived as a false flag action aiming to divide the community and delegitimize opposition. The graffitis appeared days before Dr. Steven Emmerman, a well-known hydrologist and independent consultant, visited Doade to give a public speech on the impacts of mining. All three house owners oppose the mine and have reported the incident to the police.

RMG also announced it would be holding meetings with the 5 affected municipal corporations between September and December 2024. This has been considered by local groups as an attempt to influence decision-making processes at the municipal level, as municipalities must provide reports on the planning aspects of the mining project. A local environmental NGO made an information request to one of the municipalities, demanding copies of the documents provided by the company and information on the meetings that had taken place. The municipality failed to respond, instead forwarding the request to the mining company, which gained access to personal data of the petitioners.



4.4 ATTEMPTS TO RESTRICT PRESS FREEDOM

Local groups and the common land communities organized in October 2024 an information session with an independent expert on mining as well as a press conference. Several local newspapers, including Diario de Pontevedra, <u>published pieces</u> about the upcoming event and the context. One day after its publication, the newspaper <u>deleted the online article</u>. Local groups, commonland communities, a national NGO (Ecologistas en Acción) and an environmental association (Asociación pola defensa da Ría Pontevedra) gave a press conference with Dr. Steven Emmerman in Pontevedra on the possible environmental impacts of the mining project. In the aftermath, several journalists said in private conversations they had been approached by a firm hired by RMG requesting them to not publish about the press conference.

4.5 SOCIAL ENGINEERING ACTIVITIES THROUGH MINING LOBBY GROUPS

RMG is part of the Galician mining lobby group Camára Oficial de Minería de Galicia. SAMCA is also part of the Spanish mining lobby group Fundación Minería y Vida. These lobby groups aim to enhance social acceptance for mining activities <u>using social engineering strategies</u>. In September 2024, RMG initiated an aggressive campaign to distribute propaganda in the guise of "educational materials" in various local schools in the vicinity of the project. Parents of the children who attend these schools are commoners in the common land communities (landowners) affected by the project. The content of the materials highlights the positive economic impacts of mining and hides any negative impacts. After protests, both by children and their parents, and two <u>press</u> releases by local mining opposition groups, one school stopped the distribution while the other school collected the materials from the students and returned them to the mining company.



5. PROJECT SUSTAINABILITY

5.1 SOCIO-ECONOMIC IMPACTS/SOCIAL INFRINGEMENTS

Doade is a closely-knit rural community that places great value in its social cohesion and respect for its ancestral lands. The mining project has sought to undermine those key local values, seeking division and confrontation among community-members and neighbouring communities. This situation has escalated since the company applied for the status of a strategic project under the CRMA, and engaged in social engineering campaigns and surveillance of people actively engaged in the opposition to the project.

5.2 ENVIRONMENTAL IMPACTS AND INFRINGEMENTS

Biodiversity Loss

The project is located within a natural area of outstanding natural interest, of great importance as an ecological corridor between the Serra do Cando SAC, Serra do Candán (SAC) and the well-conserved Serra do Suído area. The highlands of the Serra do Suído were included in the proposed extension of the Galician Natura 2000 Network several times due to its unique representation of Atlantic peatland and wet heathland habitats. Despite fulfilling all requirements for Natura 2000, the Galician government failed to carry out the process to declare Serra do Suído a Natura 2000 protected area. The EU Commission has opened an infringement procedure against Spain for failing to protect priority habitats through the extension of the Natura 2000 areas.

The concession area is home to numerous species of interest and threatened species, including important bat colonies, the Iberian wolf and protected amphibians such as the Rana temporaria and the Chioglossa lusitanica. In addition, the proposed mine would have an irreversible impact on currently well-preserved river and riparian habitats, in particular Alluvial forests priority natural habitats (91E0*). The concession area includes a priority area for birdlife, home to bird species such as Circaetus gallicus, Circus pygargus and Milvus milvus. An access road to the mine has been in widening construction since 2022, impacting adjacent Natura 2000 areas.

Water depletion and pollution

Mining activities will require significant amounts of water that would affect an area of the headwaters of three river basins: Lérez, Miño-Sil and Verdugo-Oitavén. This also means that possible water pollution could have an impact on areas of great socioeconomic and environmental importance: the bay of Pontevedra, the bay of Vigo and the Ribeiro area.

The village of Doade is dependent on springs situated in the vicinity of the proposed mining site. Claims by the community have emphasized how the proposed underground mine would effectively lower the water table, therefore threatening their water supply. The company commissioned a hydrological study with the University of A Coruña in 2020, but refused to provide access to this document. Water supply is an increasingly problematic issue in the region with prolonged summer droughts connected to changing climate conditions. The presence of acid generating sulphurs in the deposit and radioactive minerals increase such concerns. Pegmatite may contain toxic elements such as arsenic, cadmium, lead and radioactive materials that <u>could contaminate aquifers and rivers</u>.

6. COMPANY'S ESG PERFORMANCE

SAMCA <u>operated for 60 years as a coal producer</u>, mainly in the Teruel region feeding the Teruel Power Plant until its closure in 2020. While in operation, the plant was one of the <u>most polluting</u> in its category in <u>Europe</u> and was responsible for the acid rain that affected several Spanish provinces, devastating 200,000 ha of forests in the Maestrazgo region between 1984 and 1987. SAMCA still has a number of subsidiaries in the extractive sector, mainly in the ceramics industry. Its mining operations are heavily outsourced for labour, which has led to <u>poor working conditions</u>.



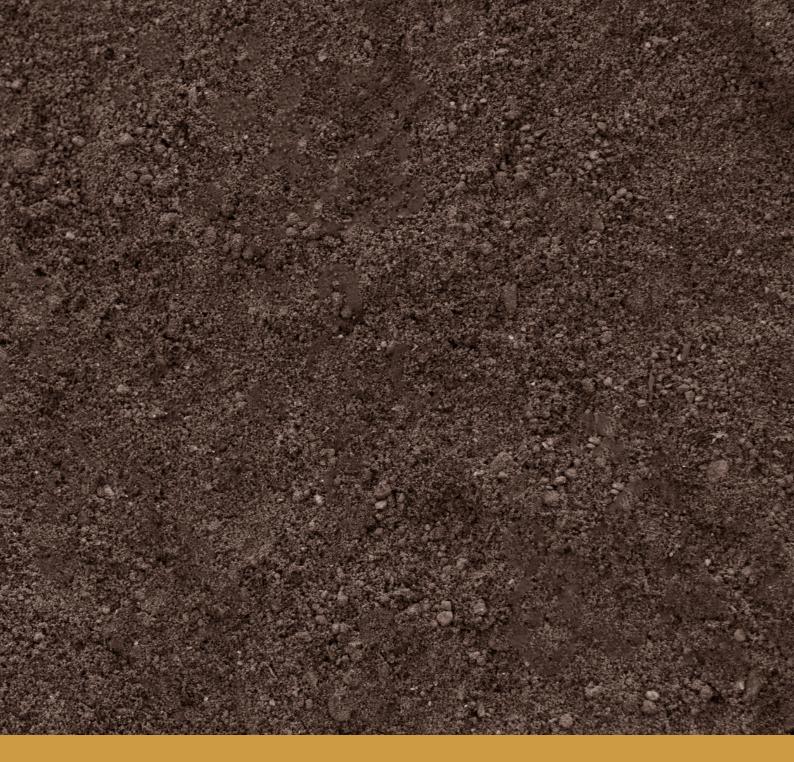
7. TECHNICAL FEASIBILITY

RMG has stated that they will apply the cut-and-fill method with the intention of injecting all waste materials mixed with cement back to the extracted underground deposit. There is no plan for an above-ground waste material deposit. However, independent expert Steven Emerman, has described this approach as "technically impossible", and a "fiction" not aligned with the technical realities of modern mining, as it is impossible to store all mining waste underground due to the expansion that the rocks suffer after the explosions and crushing.

8. FINANCIAL FEASIBILITY

SAMCA states in its website that the Doade proposed mine has reserves of 17 Mt. However, this figure does not correspond to the Doade deposit, but instead all the 6 different deposits that have been identified within the permit area. The <u>2014 Report by Solid Mines</u> had already inferred reserves of 17.4 Mt in the whole permit area (6 deposits), of which only 3.4 Mt were in the Doade deposit. The Doade deposit has relatively low ore grades for Lithium oxide (Li2O) in comparison with other proposed hard rock lithium mines. Spodumene extraction for Lithium is considered economically viable at grades between 1% and 2% Li2O, and this is currently not even the case under current Li prices. The exploitation of the Doade project at claimed grades of 1.2% for the combined Doade and Correa areas is only marginally above that figure.





Amigos de la Tierra

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