

Murray Mallee Community Consultative Committee
Summary of Meeting No 11
Held at East Murray Community Centre
10:00 am Tuesday, 3rd October 2006

Attendees: Ted Tyne (Mineral Resources Group (MRG)), Garry Wardle (MRG), Kevin Burdett (Mayor - DCKEM), Peter Smithson (CEO – DCKEM), Adrian Pederick (Member for Hammond), John Berger (Murray Mallee Strategic Task Force), Brenton Lewis (Murraylands Regional Development Board), Damian Berger (Mallee Coorong Natural Resource Management Group), Trevor Bennett (Riverland Development Corp), Grant Dixon (landowner), Darren Eatts (landowner), Gale Pfitzner (landowner), Brian Fullston (landowner), E. F. Francis (landowner), Ann Crouch (landowner), David Barr (landowner), Gerard Bosch (Australian Zircon NL (AZC)), Todd Colton (AZC), Georgina Tattersall (AZC), Catherine Conway (AGILE Communications – observer).

Ted Tyne, Director – Mineral Resources Group chaired the meeting and welcomed new member Adrian Pederick MP, new AZC personnel Todd Colton (General Manager Operations) and Georgina Tattersall (Environmental Officer) and Catherine Conway from AGILE Communications.

1 Apologies: Kevin Heidrich (landowner), Steve Wickham (AZC).

2 Minutes and Action Items

The distributed minutes of the previous meeting (No 10) held 17 August 2006 were accepted without amendment.

Action Items from the previous meeting.

The Chair is to write to Mr Adrian Pederick MP (Member for Hammond) inviting him to join the committee and provide him with the latest minutes and details of the committee and timing of meetings.

Letter from the Chair to Mr Pederick sent 23 August 2006.

3 Business arising

There was no business arising.

4 Project Update

Todd Colton (GM Operations – AZC) gave an update on the project's current status:

- The Mindarie project is on track as per the milestones discussed at the last meeting.
- Work commenced on the MSP hardstand mid September. Construction has started on the process water ponds on the site, which will be lined with plastic. A water bore has also been commissioned. Civil construction works will begin on site in mid to late October with RJ Robbins & Assocs.
- The construction camp is near completion with the generators to be installed and connected this month.
- The Starter Pit for the minesite is scheduled to be excavated at the end of January 2007. The Primary Concentration Plant commissioning is now expected to be complete by March 2007.
- The realignment of access road to the MSP site has been surveyed and pegged. Signage has been installed inside the gate restricting entry to authorised personnel only. Site offices will be installed in October to handle site security and PPE.
- AZC have appointed Andrew White as their Chief Financial Officer. Andrew commenced in September and will be based in Adelaide. Reg Lamb, the Manager - Mining also commenced in September.
- AZC are currently recruiting for a Maintenance Manager, a Mining Engineer, Mine Geologist and Process Manager. Tenders for construction work have also been called. The labour and servicing markets for the mining industry are extremely tight at this point in time. AZC will be advertising for local employment opportunities in late 2006/early 2007.
- The use of the Regional Development Boards was recommended for recruitment of local labour as farmers may be looking to schedule farming in with the 4 on - 4 off, 12-hour shift roster.
- Georgina has been liaising with landowners to organise more rehabilitation trials. The sites previously trialled on Crouch's land on the Mindarie strandline will again be utilised to test the effect of adding Calcium Nitrate to break down clay soils. Chris McDonough from PIRSA Rural Solutions is preparing a report on the methodology. Georgina will also be commencing a water bore monitoring program.
- Todd gave a brief summary of his experience with Iluka at the Gin Gin and other WA operations with respect to soils and rehabilitation strategy.
- The Mineral Lease for the borrow pit 12 km north of the MSP site on the Knights Well Road has been granted together with all approvals and will shortly commence supplying rubble to the MSP site. Conditions have been placed on the Knights Well Road. They include no rubble haulage along the during School Bus hours as the road is part of a School Bus route. Trucks will be limited to an 80km/h speed and AZC are to maintain the road during the use with an inspection to take place prior to use.
- Survey work and infill drilling will soon be taking place along the Mindarie A(2) Mineral Lease in preparation for mining.

- The Draft MARP for the power-line from Pyap is currently being assessed by PIRSA. Applications have been submitted for the appropriate EPA approvals and licences.
- The Mineral Separation Plant is expected to be in full production by the end of May 2007.

5 General Business

Catherine Conway from AGILE Communications explained the current position in the project to supply broadband access to rural areas.

- The Australian Government has provided funding to bring broadband access to rural Australian communities. Additional funding has also been provided by the SA govt.
- It is planned for a staged rollout of the project starting from the more densely populated areas eg Loxton, Barmera Waikerie Berri etc, and then progressing to the less populated areas.
- Following consideration of tenders, AGILE Communications, is the preferred supplier for this project.
- The system requires transmission towers to be installed to provide a high-speed radio link to Adelaide, these may be mounted on grain silos but cost is currently prohibitive as Ausbulk charge \$4,000 rent per annum.
- Consumers will need to have a radio and 6 metre high antenna installed.
- Coorong region has already been installed, the Riverland area is expected to be complete by Xmas. It could be two years before the small regional areas are serviced.

Concerns were expressed about the lack of mobile phone coverage in the East Murray area. AGILE provides a telephone service through the computer system, but coverage in this area is not expected to be good.

The high visibility of the operations from the Loxton highway was raised with concerns there could be a danger to motorists being distracted while passing. AZC are aware of this problem and are investigating the screening of the MSP site utilising vegetation plantings and the installation of shade cloth barricades.

Peter Smithson CEO - DCKEM advised that the access road to the site is pegged ready for realignment and sealing. Approximately 1km of the Knights Well Road will be sealed and the entrance widened to allow for trucks turning into the site. A further 4km of the East Murray Area School will be sealed from the Mindarie end. Line of sight vision will also be improved by the removal of one metre from the top of the hill and building up the dip by approximately two metres.

6 Action Items

- Inspection of trial pits sites from earlier this year. Chris McDonough (PIRSA Rural Solutions) is currently drafting a report. AZC to liaise with Chris to determine timing and organise inspection. AZC to advise PIRSA for promulgation to committee members.
- It was requested that PIRSA approach Kevin Heidrich for access to further evaluate crop yield at the trial pit site on the Mercunda strand. Evaluation of other early rehabilitation sites will also continue.
- A short site visit be arranged to follow the February meeting. PIRSA to liaise with AZC and send out Agenda etc.

7 Next Meeting

The next meeting is scheduled to be held at the East Murray Community Centre @ 10.00am on Tuesday, 6th February 2007.

Signed.....
Chair

Date...../...../.....