

Murray Mallee Community Consultative Committee
Minutes of Meeting No 31
East Murray Community Centre
6:00 pm Tuesday 31st January 2011

Attendees:

Kevin Burdett	Mayor District Council Karoonda East Murray
Peter Smithson	CEO District Council Karoonda East Murray
Anne Crouch	Landowner
Peter Crouch	Landowner
Hans Bailiht	DMITRE
John Morton	DMITRE
Michael Smith	DMITRE
Helen Thomas	DMITRE
Junesse Martin	DMITRE
Diona Ashenden	DMITRE
Kim Duffield (Proxy)	Adrian Pederick MP
Fudd Francis	Landowner – Murray Zircon Pty Ltd
Sharyn Francis	Landowner – Murray Zircon Pty Ltd
Damian Berger	Mallee-Coorong NRM Group
Frank Griffith	Landowner
Phil Schmaal	Galga
Brenton Lewis	Regional Development Australia
Rod Hartmann	Durmus Transport
Robert Webb	Webb Contractors
Gale Pfitzner	Landowner
Drew Carney	Landowner
Jeff Pfitzner	Landowner
Kevin Heidrich	Malleevue Props/Landowner
Raelene Heidrich	Malleevue Props/Landowner
Michael Zeppel	DC Loxton Waikerie
Michael Vowles	Landowner DCLW
Michael Zerk	Landowner
Polly Johnston	Landowner
Eddy Wu	CEO – Murray Zircon Pty Ltd
Steve McEwen	CFO – Murray Zircon Pty Ltd
Richard Fagan	General Manager Operations – Murray Zircon Pty Ltd
Larry Liu	General Manager Business Development - Murray Zircon Pty Ltd
Ab Hussein	Mine Manager - Murray Zircon Pty Ltd
Robert Winen	Murray Zircon Pty Ltd
Rick Pobjoy	Snr Exploration Geologist – Murray Zircon
Michelle Waters	EHS Manager - Murray Zircon Pty Ltd
Tamara Nicolle	Geologist – Murray Zircon Pty Ltd
Stuart Nixon	Finance Manager - Murray Zircon Pty Ltd

Apologies:

Chris Smith	Smiffy's B&B
Avard deLeeuw	Landowner
Rodney Tonkin	Landowner

1.	APOLOGIES
	<p>Kevin Burdett Mayor District Council Karoonda East Murray welcomed everyone to the meeting and stated he would be chairing the meeting.</p> <p>Apologies duly noted</p>
2.	MINUTES AND ACTION ITEMS FROM PREVIOUS MEETING
	<p>Minutes from the meeting held on Wednesday, 15th November 2011 were accepted as a true and correct record with one correction note by Hans Bailiht.</p> <p>Section 6. DMITRE – Mineral Lease Transfers:</p> <p>Q <i>Is there any limit on how close mining operations can be to a residence?</i></p> <p>A <i>500m within 400m from a residence unless a waiver is signed, there is a cooling-off period relating to the waiver. The Mining Registrar will have a copy of the waiver if it has been signed.</i></p>
3.	INTRODUCTION
	<p>Kevin Burdett called on DMITRE to give a quick overview of the presentation held just prior to the start of the MMCCC meeting.</p> <p>DMITRE The key objectives of the previous meeting were to highlight amendments to the Mining Act that will increase landowners' rights with respect to mining operations.</p>
4.	REHABILITATION AND PEPR
	<p>Steve McEwen introduced the Murray Zircon team.</p> <p>The purpose of this MMCCC meeting is to provide an open forum for the community, Murray Zircon and DMITRE to discuss:</p> <ul style="list-style-type: none"> • the progress of rehabilitation works on the Mindarie A(2) strandline; and • the Program for Environment Protection and Rehabilitation (PEPR) for the Mindarie Mineral Sands Project, Mindarie A(2) and C strandlines. <p>Rehabilitation progress:</p> <ul style="list-style-type: none"> • Overburden – completed December 2011 • Sub-soil replacement – 50% complete • Top-soil replacement – commence February 2012 • Cropping – April 2012 <p>Program for Environment Protection and Rehabilitation (PEPR):</p> <ul style="list-style-type: none"> • The PEPR has been released for public comment • The PEPR has been submitted to DMITRE for comment as part of the community consultation process. <p>Estimated timeframes</p> <ul style="list-style-type: none"> • We are currently working towards commencing operations in the first half of 2012. • This is dependent on discussions with landowners and approval from DMITRE. • We anticipate being able to commence operations within 3-4 months of final approval.
5.	OPEN FORUM
	<p>Q What is going to vary from this process to the processes used in the past?</p> <p>A A different mine methodology will be employed, scrapers will be used in place of push dozers. This will greatly reduce the rehandle of the overburden. A rheology modifier will be used during the process to efficiently dewater the ore before it is returned to the mine pit.</p> <p>Q Will the workers accommodation be built before mining commences?</p> <p>A The workers accommodation will be built progressively as the mine ramps up. <i>There may be opportunities for local accommodation providers during this ramp up stage.</i></p>

Q It stated in the presentation that you would use grader boarding to replace overburden, why?

A The overburden will be replaced by scrapers and the grader boards will be used to shape the overburden to provide more stable surface topography.

Q The mine will need supplies of goods and services, will you be using local businesses and will you put a weighting toward using local.

A MZ will utilize local suppliers as much as possible. Local suppliers that have contacted MZ have had their details passed onto the relevant contact.

Q You have said you will use road transport and not rail, why?

A There will be approximately 7-8 B-doubles a day to transport the product to the port. MZ has had discussions with the rail providers (Genesee and Wyoming). They have acquired the Adelaide to Darwin rail line and all rolling stock has been assigned to this line hence there is insufficient capacity to ship ore via rail. KH stated the good harvest has resulted in a lot of grain transport by rail which has further reduced capacity.

Q How much do the containers shipped by road weigh and how are the trucks configured, is the HMC wet or dry?

A The containers weight 24 tonnes each and are half filled. The trucks are configured with a light weight skel. The HMC has some moisture in it but is essentially dry.

Chairman is not concerned about the extra trucks on the road, they are not council roads. Having more traffic may result in a road upgrade for Loxton to Murray Bridge. MZ is arranging a meeting with DPTI to discuss road issues.

Q Why not use the Waikerie road via the Northern Expressway to Port Adelaide?

A The portion on the road from Mindarie to Waikerie is not gazetted for B-doubles trucks.

Q Is anything being done about a phone tower to provide mobile coverage in the area?

A Discussions with Telstra and Optus are still ongoing, Telstra's initial cost estimate was too high.

Comment Brenton Lewis (Regional Development Australia): Tower could be funded through the Rural Development Fund, it has \$200m in the fund. A collaborative application by MZ, school, businesses, local council and community would carry some weight. The first two rounds of funding have expired; the third and final round will expire in the next few weeks. Perhaps MZ could provide some seed funding.

Q How did MZ manage to get the wet areas dry?

A Grader boarding was used to spread the wet material which was then allowed to solar dry.

Q How long will the bond remain on the mining lease?

A Bond stays on the lease as long as a liability remains. Bond may be reduced if the liability reduces or conversely may increase if the liability increases.

Q AZC trail pit was not rehabilitated properly and subsided, how can you guarantee this will not happen with the current operation?

A DMITRE is discussing this issue with landowners in the MMCCC subcommittee meeting. Subsidence on Tonkin's land was caused by incorrect replacement of soils upon completion of mining. Proposed soil replacement methodology will prevent pooling of moisture that caused the Tonkin's subsidence. MZ plan to mine in the area for up to 20 years hence the company will still be around if subsidence occurs 10 years after the land has been rehabilitated. The provisions in the new Mining Act allow for the Minister of Mines to order the land is rehabilitated even after the mine lease has been surrendered.

	<p>Q Landowners need confidence in the Government that they will be protected if there are issues with the land after mining has finished.</p> <p>A MZ has learnt from AZC errors and has put different compensation agreements in place. MZ has demonstrated its integrity through the efforts in rehabilitating the land to date.</p> <p>Comment Communication with landowners has improved 100% since MZ have taken over the mine.</p> <p>Q How were the topsoil stock piles managed in the past compared to how MZ will manage them?</p> <p>A The old method used inert clay to form a cover over the top soil and then a cover crop. Under the new method the topsoil will be spread in 100m long sections and watered immediately to form a crust. The first year the topsoil is replaced a non-commercial cover crop will be planted. MZ will work with the sub-committee regarding the best approach.</p> <p>Q What discussions have MZ and Karoonda Council had regarding the Wanbi oval as the proposed camp site?</p> <p>A Council are supportive of the camp at Wanbi oval. Council will need to purchase a small strip of land held by a third party and are willing to do this due to the long term nature of the lease to MZ. A Category 3 application will be lodged with council within the next two weeks.</p> <p>Q The mining mythology has changed, does this mean more water and more bores along the strandline?</p> <p>A The same amount of water will be used for processing as the previous operations. Excess water from the processing will go back to the mine pit, and the same extraction wells will be used during the mining. The previous operations used much less water than the allocation allowed.</p> <p>DMITRE update on the PEPR assessment: Assessors looking to see if MZ has met the guidelines and criteria required for the PEPR, there are some minor changes required. DMITRE are having discussions with MZ regarding these changes.</p> <p>Q When will the PEPR be approved?</p> <p>A As long as it takes.</p>
7.	GENERAL BUSINESS
8.	NEXT MEETING
	27 th March 2012 6:00 PM East Murray Community Centre
9.	Meeting closed at 7:10 pm