

**Murray Mallee Community Consultative Committee**  
**Minutes of Meeting No 32**  
**East Murray Community Centre**  
**6:00 pm Tuesday 27th March 2012**

**Attendees:**

Kevin Burdett	Mayor District Council Karoonda East Murray
Peter Smithson	CEO District Council Karoonda East Murray
Hans Bailiht	DMITRE
Michael Smith	DMITRE
Diona Ashenden	DMITRE
Peter Crouch	Landowner
Rodney Tonkin	Landowner
Max Curtis	Landowner
Wolf Kors	Wanbi Hotel owner
Drew Carney	Wanbi landowner
Jenny Roberts	Mallee-Coorong NRM Group
Eddy Wu	CEO – Murray Zircon Pty Ltd
Steve McEwen	CFO – Murray Zircon Pty Ltd
Larry Liu	GM Business Development – Murray Zircon Pty Ltd
Michelle Waters	EHS Manager – Murray Zircon Pty Ltd
Ab Hussein	Mine Manager – Murray Zircon Pty Ltd
Andrew Sampson	Process Superintendent – Murray Zircon Pty Ltd
Rick Pobjoy	Senior Exploration Geologist – Murray Zircon
Stuart Nixon	Finance Manager - Murray Zircon Pty Ltd
Robert Winen	EHS Technician – Murray Zircon Pty Ltd

**Apologies:**

Adrian Pederick	Member for Hammond
Brenton Lewis	Regional Development Australia
Jim Tonkin	Landowner

<b>1.</b>	<b>APOLOGIES</b>
	Kevin Burdett Mayor District Council Karoonda East Murray welcomed everyone to the meeting and stated he would be chairing the meeting.  Apologies duly noted.
<b>2.</b>	<b>MINUTES AND ACTION ITEMS FROM PREVIOUS MEETING</b>
	Actions arising:  Telecommunications – MZ and Brenton Lewis have been discussing the submittal of a grant application to provide mobile phone coverage between Karoonda and Alawoona. This application will need assistance and support of the local community to help champion its cause.  Minutes from the meeting held on Tuesday 31 <sup>st</sup> January 2012 were accepted as a true and correct record.
<b>3.</b>	<b>REHABILITATION PROGRESS REPORT</b>
	Steve McEwen introduced the Murray Zircon (MZ) team.  The purpose of this MMCCC meeting is to provide an open forum for the community, MZ and

	<p>DMITRE to discuss:</p> <ul style="list-style-type: none"> <li>• the progress of rehabilitation works on the Mindarie A(2) strandline; and</li> <li>• the Program for Environment Protection and Rehabilitation (PEPR) for the Mindarie Mineral Sands Project, Mindarie A(2) and C strandlines.</li> </ul> <p>Ab Hussein (Mine Manager) gave an update on rehabilitation progress:</p> <ul style="list-style-type: none"> <li>• Overburden – completed December 2011</li> <li>• Sub-soil replacement – completed February 2012</li> <li>• Top-soil replacement – commenced February 2012</li> <li>• Handover to landowners – mid April 2012</li> <li>• Cropping – April 2012</li> </ul> <p>Peter Crouch (landowner) stated that he and Anne are happy with the progress of the rehabilitation works on their property, and the communication from MZ (and Ab in particular) in making their land ready for cropping in April has been very good.</p> <p>Steve McEwen gave an overview of the site activities:</p> <ul style="list-style-type: none"> <li>• PCP project team working through recommissioning the plant to process ore into HMC</li> <li>• With not being used for three years the PCP needs upgrades and MZ are employing local fitters etc. to assist with repairs works</li> <li>• Plan to ‘wet run’ the plant in July to pre-commission prior to full operations</li> </ul>
<b>4.</b>	<b>TENEMENT TRANSFERS</b>
	<p>Exploration Licences and Mineral Leases were transferred from Australian Zircon (AZ) to MZ on 15<sup>th</sup> March 2012.</p> <p>The bonds held for the EL’s and ML’s were relinquished to AZ and reinstated by MZ.</p>
<b>5.</b>	<b>PROGRAM FOR ENVIRONMENT PROTECTION AND REHABILITATION</b>
	<p>The PEPR was provided to DMITRE in December 2011 and released for public comment part of the community consultation process. The PEPR has undergone several months of discussions and negotiations with DMITRE to ensure that all environmental, social and economic aspects of the Mindarie project are addressed.</p> <p>DMITRE identified some areas in which further technical information was required and have asked MZ to provide details with regards to the rheology modifier and areas of mine rehabilitation.</p> <p>Estimated timeframes:</p> <ul style="list-style-type: none"> <li>• MZ currently working towards commencing operations in the second half of 2012.</li> <li>• This is dependent on discussions with landowners and approval from DMITRE.</li> <li>• MZ anticipate being able to commence operations within 3-4 months of final approval.</li> <li>• MZ and DMITRE to recalculate bonds for A(2) once the rehabilitation is complete, and determine the new bond for C once the PEPR approval is complete.</li> </ul> <p><b>Q</b> How is the bond calculated ?  <b>A</b> DMITRE will determine the bond amounts based on industry standard calculations.</p> <p><b>Q</b> Given that the earthworks are nearly complete what will you withhold from MZ on completion of the A(2) strandline ?  <b>A</b> DMITRE will withhold a percentage of the bond on the landowners behalf to guarantee any loss from crop failure.</p> <p><b>Q</b> If MZ want 100% of the A(2) bond returned will DMITRE provide it ?  <b>A</b> DMITRE will determine what value of the bond can be returned based on works complete.</p>

	<p><b>Q</b> Landowners will rely on this bond if for some reason MZ is not able to complete works or rehabilitate land to pre-mining conditions.</p> <p><b>A</b> The PEPR addresses these issues and a suitable bond will be put in place.</p>
<b>6.</b>	<b>OPEN FORUM</b>
	<p><b>Q</b> What response did MZ receive from DPTI on a possible road upgrade ?</p> <p><b>A</b> MZ held a meeting with the Director of Road and the Director of Rail with DPTI to discuss the use and condition of the Karoonda Highway. The response was that the road is gazetted for b double use and that's its use was available to MZ. DPTI would have a specialist road consultant assess the road condition however there is no priority from DPTI for an upgrade.</p> <p>The community see the road upgrade as a priority especially if there is significant increase in traffic.</p> <p><b>Q</b> Is there any update on the camp development at Wanbi ?</p> <p><b>A</b> A Development Application has been lodged for a first stage 40 person camp (with an extension to 80 person camp later on). The construction and installation will have a 20-25 week lead time and the final decision on size needs to be made in conjunction with the successful mining contractor.</p> <p>Peter Smithson noted that DCKEM has purchased a small parcel of land so as to secure the access to the former Wanbi Oval.</p> <p>General feedback in the community is positive to a workers camp, however most would prefer to see families moving in the area to support the school and sporting teams.</p> <p><b>Q</b> The road is in bad condition and safety is important, what can be done about it ?</p> <p><b>A</b> MZ agree entirely that safety on the roads is paramount and MZ are doing everything within our power to lobby the State government into recognising the condition of the road. It would have more power if the local community also lobbied the government as it is DPTI who control the roads.</p> <p><b>Q</b> Can council help the community with upgrades by preparing a petition ?</p> <p><b>A</b> Council cannot prepare a petition but can support the community in preparing a petition where possible, such as by installing a road counter on the Karoonda Highway and asking DPTI for road user statistics. A petition submitted from the people of the community will have a higher profile than just council raising the issue with DPTI.</p> <p>Murray Zircon is a sponsor at the Karoonda Farm Fair and will be holding a stall providing information on who we are and what we do.</p> <p><b>Q</b> Can the public ask question at the Farm Fair</p> <p><b>A</b> Yes, MZ technical personnel will be available to answer questions relating to the mine.</p>
<b>7.</b>	<b>GENERAL BUSINESS</b>
	The structure of the MMCCC needs to be re-established with a formal chairperson, elected members, secretary etc. The structure and membership will be looked at as part of the next meeting.
<b>8.</b>	<b>NEXT MEETING</b>
	19 <sup>th</sup> June 2012 6:00 PM East Murray Community Centre
<b>9.</b>	<b>Meeting closed at 7:10 pm</b>