

**Murray Mallee Community Consultative Committee (Mineral Sands)**  
**Minutes of Meeting No 33**  
**East Murray Community Centre**  
**6:00 pm Tuesday 19<sup>th</sup> June 2012**

<b>Attendees:</b>	
Peter Smithson	CEO District Council Karoonda East Murray
Anne Crouch	Landowner
Rodney Tonkin	Landowner
Kevin Heidrich	Landowner
Michael Smith	DMITRE
Hans Bailiht	DMITRE
Brenton Lewis	Regional Development Australia
Liam O'Neil	Proxy for the Member for Hammond
Polly Johnston	Local bus service provider
Charlie Pocock	Mallee Earthworks
Neil Best	Mallee Earthworks
Steve McEwen	CFO – Murray Zircon Pty Ltd
Larry Liu	GM Business Development – Murray Zircon Pty Ltd
Ab Hussein	Acting General Manager – Murray Zircon Pty Ltd
Michelle Waters	EHS Manager – Murray Zircon Pty Ltd
Andrew Sampson	Process Superintendent – Murray Zircon Pty Ltd
Christine Jones	EHS Officer – Murray Zircon Pty Ltd
Robert Winen	EHS Technician – Murray Zircon Pty Ltd

<b>Apologies:</b>	
Kevin Burdett	Mayor District Council Karoonda East Murray
Adrian Pederick	Member for Hammond
Peter Crouch	Landowner
Sharyn and Fudd Francis	Landowners
Eddy Wu	CEO – Murray Zircon Pty Ltd

<b>1.</b>	<b>APOLOGIES</b>
	<p>Peter Smithson CEO District Council Karoonda East Murray welcomed everyone to the meeting and stated he would be chairing the meeting as Kevin Burdett (Mayor) was unfortunately unavailable.</p> <p>Apologies duly noted.</p>
<b>2.</b>	<b>MINUTES AND ACTION ITEMS FROM PREVIOUS MEETING</b>
	<p>Minutes from the meeting held on Tuesday 27<sup>th</sup> March 2012 were accepted as a true and correct record.</p>
<b>3.</b>	<b>MINDARIE PROJECT UPDATE</b>
	<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. Twenty two pumps have been or are currently in the process of being stripped and rebuilt with the inclusion of automation;</li> <li>• PCP on target to be commissioned in August prior to full operations;</li> <li>• MZ nearing time for hiring plant operators and will be advertising in the next month. Typically rosters for plant operators to be four days on four days off on a rotating 24/7</li> </ul>

schedule;

- The slurry unit is current being constructed overseas and is due to arrive in October. After a commissioning stage processing of ore will commence;
- Working through the electrification of the booster pump line of two boosters with two pumps on each;
- Preliminary earthworks in progress which include stripping the topsoil and the subsoil of the 10.5km of pipeline corridor and construction of run off sumps to manage stormwater;
- Pipeline corridor is 15m wide which include 5m for pipeline and 10m for light vehicle access. There are three pipes which will use the corridor: one for slurry from the mine to the PCP, one for recycled water, and one for tailings from the PCP to the mine.
- The pipeline and the powerline all move forwards with the mine.

**AC:** In regards to electricity, if MZ's power fails what does that mean to the other users in the community ?

**Ab:** MZ has its own private power supply from Pyap to the Mindarie substation. If this fails there will be no effect on the community.

Brenton Lewis commented on how Australian Zircon installed a \$12million private powerline to service the mine alone as the government(s) of the time were unable to provide assistance with the infrastructure. As such dual utilities exist instead of multi-user utilities, which have a greater cost effectiveness for all parties.

- B double field test was undertaken to assess the turning capability of the truck around the HMC loading bay, as well as the usability of Kadlie Bore Road and Knights Well Road for mine access. A representative of DPTI was available, as well as representatives of the logistics company, MZ, and a road assessment consultant;
- MZ have spoken with GW regarding the upgrade of the railway crossing at Kadlie Bore Road and the installation of concrete sleepers.

**AC:** Is the cost to upgrade the crossing part of the reason why the railway line is not being used for the HMC transport ?

**SM:** Overall the cost of transporting the HMC using GW is not economical due to a various reasons such as GW not having available rolling stock on this line and the need to use two engines etc.

**BL:** How many trucks are planned per day ?

**SM:** 7-8 B double trucks.

**PS:** The community feedback he has been receiving regarding the B doubles along the Karoonda Highway is that some people want the trucks to bypass the town, and others want them to come through, park at the purpose built truck bay and make purchases at the shops etc.

Brenton Lewis discussed how he and Ab have been in contact about suppliers from the region, including Murray Bridge and setting up an information session to let them know who MZ are etc.

- A decision has been made that the accommodation camp unfortunately cannot be located at Wanbi, however MZ still working on a solution for an alternate location. At present Polly Johnston is running a shuttle service for the site workers to and from Loxton.

**BL:** Australian Portable Camps are a local supplier and happy to pass on their contact details.

	<ul style="list-style-type: none"> <li>• The Mining Contract has not been awarded as yet but it is well in hand with discussions with tenderers progressing;</li> <li>• Where possible MZ looking to employ local and will be asking mining contractor to follow same as it is a great opportunity for local people.</li> </ul>
<b>4.</b>	<b>DMITRE</b>
	<p>Hans Bailiht gave an overview of DMITRE activities:</p> <ul style="list-style-type: none"> <li>• The Exploration Licences and Mineral Leases were transferred from AZ to MZ on 15<sup>th</sup> March 2012.</li> <li>• The <i>Program for Environment Protection and Rehabilitation</i> (PEPR) was approved on 18<sup>th</sup> April 2012.</li> <li>• MZ cannot remove overburden until the bond is paid, management systems are in place, and monthly reporting procedures are agreed.</li> </ul> <p><b>KH:</b> What is the status of the rental payments ?</p> <p><b>HB:</b> the Minister has informed MZ that there will be no discount on the Mineral Lease rental payments, therefore starting from the transfer of the tenements from AZ to MZ, the rental will be 100%.</p>
<b>6.</b>	<b>OPEN FORUM</b>
	<p><b>Q</b> What water controls will be in place ?</p> <p><b>A</b> Multiple levels of controls will be in place, including the tailing cells being located in the bottom of the mining pit so that all water is controlled within the void thus minimising any surface disturbance, secondly Ab will be removing extra overburden to ensure that there is enough room to have contingency space in the bottom of the pit. In addition the new pumping system has telemetry control systems with warnings and is of mineral sand industry standards. Worst case scenario is that there is a power outage and the slurry goes hard in the pipeline which will need to be flushed out. The other worst case scenario involved high rainfall events for which new stormwater sumps have been designed and constructed to take this high surface flow.</p> <p><b>BL:</b> With regards to telecommunication, MZ and RDA are working in conjunction to prepare a grant submission. MZ and RDA have booked in 6<sup>th</sup> July to meet with Telstra to talk as the key stakeholders regarding the needs of the community. The issue will be to discuss the improved telecommunications needs of the mine and community. The next step will be to develop a grant application for submission to Round Three of the Regional Development Australia Fund \$200 million pool of funds. It may take four to six months to know a decision.</p>
<b>7.</b>	<b>GENERAL BUSINESS</b>
	<p>SM: MZ is pleased to announce that Ab Hussein has been appointed as Acting General Manager of operations at Mindarie.</p>
<b>8.</b>	<b>NEXT MEETING</b>
	<p>21<sup>st</sup> August 2012 6:00 PM East Murray Community Centre</p>
<b>9.</b>	<b>Meeting closed at 6:45 pm</b>