

**Murray Mallee Community Consultative Committee (Mineral Sands)**  
**Minutes of Meeting No 35**  
**East Murray Community Centre**  
**6:00 pm Tuesday 11<sup>th</sup> December 2012**

<b>Attendees:</b>	
Peter Smithson	CEO District Council Karoonda East Murray
Kevin Burdett	Mayor District Council Karoonda East Murray
Adrian Pederick	Member for Hammond
Kevin Heidrich	Landowner
Avard de Leeuw	Landowner
Hans Bailht	DMITRE
Steve McEwen	CFO – Murray Zircon Pty Ltd
Patrick Mutz	Chief Operations Officer – Murray Zircon Pty Ltd
Ab Hussein	Acting GM – Murray Zircon Pty Ltd
Michelle Waters	Environment Manager – Murray Zircon Pty Ltd

<b>Apologies:</b>	
Brenton Lewis	Regional Development Australia
Eddy Wu	CEO – Murray Zircon Pty Ltd

<b>1.</b>	<b>APOLOGIES</b>
	<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>
<b>2.</b>	<b>MINUTES AND ACTION ITEMS FROM PREVIOUS MEETING</b>
	<p>Peter Smithson gave an update on the RDA Fund application: A joint Expression of Interest (EOI) was submitted for Round Four by DKCEM and MZ for grant totalling over \$1million. In kind support totalled 16% of the project costs and included DCKEM waiving development application fees and providing in-house project management and staff assistance, with MZ to provide the site and power lease free to Telstra for the tower. There were eight applications submitted from the Murraylands and Riverland. Expected to be notified in February if the EOI is successful and an offer is made to submit a full grant application.</p> <p>Adrian also noted that he had spoken with Mark Bolton (Telstra) to further the issue of the telecommunications blackspot and will continue to champion the cause for the school and the highway to have mobile phone signal coverage.</p> <p>Kevin Burdett acknowledged and thanked MZ for the input and support with regards to the RDA Fund grant application. Steve McEwen also thanked DCKEM in return for their support and assistance.</p> <p>Minutes from the meeting held on Tuesday 11<sup>th</sup> September 2012 were accepted as a true and correct record.</p>
<b>3.</b>	<b>MINDARIE PROJECT UPDATE</b>
	<p>Steve McEwen introduced Patrick Mutz as MZ's new Chief Operations Officer, who then gave an overview of the site activities.</p> <p>Since the approval of the PEPR in April 2012, Murray Zircon has been working towards the</p>

commencement of mining of the Mindarie C strandline. To achieve this Murray Zircon have:

- prepared a comprehensive Environmental Management System to document the environmental controls;
- lodged a \$5.2million bond to cover the Mindarie C strandline operations and associated infrastructure;
- undertaken significant refurbishment of the decommissioned PCP and slurry pumping system; and
- built a workers accommodation camp to house the Lucas Earthmovers contractor and Murray Zircon shift workers.

MZ are pleased therefore to announce that mining operations at the Mindarie Mineral Sand Mine commenced on 8th October 2012 with the first removal of overburden from the Mindarie C strandline.

Ab Hussein gave an update on the mining activities:

- a pipeline corridor access road and separate heavy vehicle haul road have been stripped of topsoil and subsoil for the length of Mindarie C West;
- seven drainage sumps have been constructed for the stormwater runoff from the access roads, one of which has already been subsumed by Cell 1;
- the first six mining cells have been stripped of topsoil and subsoil;
- topsoil and subsoil have been removed from an area west of Cell 1 for the construction of a permanent out of pit overburden stockpile; and
- overburden has been completely removed from Cells 1 to 4 and partially from Cells 5 and 6.

The slurry mining unit has arrived on site and is undergoing commissioning to enable ramp up of production of HMC.

Patrick Mutz noted that MZ have started transporting HMC from the Mindarie site, and this is material that was recovered from the site during rehabilitation activities undertaken by MZ during the year. Approximately 3,000 tonnes of low grade HMC was recovered from process ponds during the refit and commissioning and QUBE logistics is currently trucking this material. Around the 17 to 18 December QUBE will commence transporting the 'fresh' HMC from the current operations.

Michelle Waters gave an update on the appointment of Patrick Redden of Rural Directions (Clare) and the assessment of current crops on the rehabilitated A(2) and portion of C strandlines. Assessments by Patrick showed that any variability in crop yields and quality was random across rehabilitated mined and undisturbed areas, and no distinction between the two areas was apparent.

Kevin Heidrich asked why his name had been left off of a list of landowners supplied to a potential agronomist when tendering agronomy services. Michelle Waters responded that while MZ did not knowingly supply a list of landowners names to potential agronomists tendering for the scope of services, the original scope of service was to assess the rehabilitation of the A(2) strand, which does not cross Mr Heidrich's property. At all times MZ invites Mr Heidrich to attend all the MMCCC and associated subcommittee meetings by way of informing all landowners in the region of MZ activities.

Patrick Mutz noted that he would like to thank DCKEM for their assistance with the

	<p>accommodation camp development and Kevin Burdett responded in that it has been a great outcome for the project and the region.</p> <p>Steve McEwen noted that MZ would like to thank the Karoonda Football Club and DCKEM in facilitating the temporary camp, and MZ appreciates the support of the residents of Karoonda also.</p>
<b>4.</b>	<b>DMITRE UPDATE</b>
	<p>Hans Bailiht stated that DMITRE have undertaken a number of inspections over the last few months with particular interest on the area of disturbance as per commitments in the PEPR.</p> <p>Hans also noted that DMITRE had granted MZ a Miscellaneous Purposes Licence (MPL 140) for the construction and operation of a transmission line from the mine site to the accommodation camp. He also noted that the camp had received the appropriate development approval.</p> <p>On behalf of DMITRE, Hans stated that he would like to wish MZ all the best for a successful operation and that DMITRE will be closely observing MZ to ensure that the commitments documented in the PEPR are fulfilled.</p>
<b>6.</b>	<b>OPEN FORUM/GENERAL BUSINESS</b>
	<p>Patrick Mutz stated that the trucking of the HMC from Mindarie to Outer Harbor would be undertaken by QUBE Logistics who has been awarded a 'turn-key' contract. Whilst it wasn't a PEPR commitment, MZ had originally made representations to the community that trucking would occur over a 12 hour day from 8.00am to 8.00pm. On closer look at the details, QUBE will need to operate a 24hour operation with an expected 6.00am to 12.00pm operation occurring through Karoonda (see attached schedule).</p> <p>Adrian: will there be two trucks doing two loads per day or three ?  Steve: there will be two trucks making three loads per day.</p> <p>Avard: what type of trucks will be used ?  Patrick: B-double tipper trucks ?</p> <p>Hans: what is the turnaround time ?  Patrick: the turnaround time is seven hours per load, 18hrs per day will be in the Karoonda area and the remainder on DPTI B-double gazetted roads.</p> <p>Kevin Burdett asked if Peter Smithson could provide comment on the community's response to trucking through Karoonda and districts.</p> <p>Peter stated that as MZ had always nominated the 12hour trucking cycle there will be some adverse response from the community on this change. It needs to be noted that the schedule would have trucks leaving Murray Bridge at 5.00am and moving through Karoonda between 6.00am and 12.00pm. At the end of the day it is a DPTI B-double gazetted road and the use of the road cannot be mandated by council.</p> <p>Kevin Heidrich noted that it's the same with grain trucks going through at all hours; the same rules have to apply to all trucks.</p> <p>Patrick noted that without a written transport schedule it is difficult to accurately verbalise the details of the truck movements; however the concept is that MZ's transportation contractor will endeavour to not have trucks enter the Karoonda township before 6.00am and the last load out would be through Karoonda by 12.00 midnight. The schedule has the first truck of the day leaving</p>

	<p>Murray Bridge at 5.00am and the second leaving at 5.30am, and passing through Karoonda at 6.00am and 6.30pm respectively. Patrick offered to have a copy of the proposed trucking schedule added to the minutes for clarity.</p> <p>A general discussion was held with regards to the Karoonda Highway condition, and that non-MZ truck movements and usage was approximately 70 trucks per day. Adrian noted that given the high level of truck traffic overall, he would champion the need to improve the road conditions at State Government level.</p> <p>Hans noted that he would like to thank MZ for maintaining the commitment to 8am-8pm for the first stage of the HMC shipping in advance of providing this additional information with regards to the proposed expanded trucking schedule.</p> <p>Avard asked if there was any risk to the operation from the foreign ownership of the Adelaide ports in that MZ trucks would be diverted to Melbourne ports as had been discussed historically in the media. Steve responded that Flinders Ports now owned (most of) the ports in South Australia and they are a shareholding formed by various Australian superannuation companies, so from MZ's perspective there is very little risk of trucks being diverted. Adrian also noted that QUBE are well placed on the docks and would be exposed to very low risk with their shipping operations.</p>
<b>8.</b>	<b>NEXT MEETING</b>
	<p>12<sup>th</sup> February 2013 4.30pm Mindarie mine site visit  12<sup>th</sup> February 2013 6:00 pm East Murray Community Centre</p>
<b>9.</b>	<b>Meeting closed at 7:00 pm</b>

**DAILY TRUCKING SCHEDULE – APPROXIMATE EXAMPLE**

Time	Truck	Service	Volume	Driver
05:00	1	Leave Murray Bridge for Mindarie	LOAD 1	Truck 1 / Driver 1
06:00	1	PASS THROUGH KAROONDA (IN)		
06:30	1	On site at Mindarie to load		
07:00	1	Leave Mindarie for Outer Harbour		
07:30	1	PASS THROUGH KAROONDA (OUT)		
10:30	1	Arrive at Outer Harbour to unload		
11:00	1	Leave Outer Harbour for Mindarie		
14:00	1	PASS THROUGH KAROONDA (IN)		
15:00	1	Leave Mindarie for Murray Bridge		
15:30	1	PASS THROUGH KAROONDA (OUT)		
16:30	1	Arrive Murray Bridge (Swap Drivers)	LOAD 2	Truck 1 / Driver 1
16:30	1	Leave Murray Bridge for Outer Harbour		
18:15	1	Arrive at Outer Harbour to unload		
18:45	1	Leave Outer Harbour for Mindarie		
21:45	1	PASS THROUGH KAROONDA (IN)		
22:30	1	Leave Mindarie for Outer Harbour		
23:15	1	PASS THROUGH KAROONDA (OUT)		
02:45	1	Arrive at Outer Harbour to unload		
03:15	1	Leave Outer Harbour for Murray Bridge		
05:00	1	Arrive at Murray Bridge to swap drivers		
			LOAD 3	Truck 1 / Driver 2

*Note: 2nd truck would follow the above truck 1 by ~~300m~~ 30 minutes.*