

**Murray Mallee Community Consultative Committee (Mineral Sands)**  
**Minutes of Meeting No 39**  
**East Murray Community Centre**  
**6:00 pm Tuesday 17<sup>th</sup> December 2013**

<b>Attendees:</b>	
Peter Smithson (PS)	CEO DCKEM
Hans Bailiht (HB)	DMITRE
Jennifer Roberts (JR)	NRM Board
Colin Zadow (CZ)	Landowner
Patrick Mutz (PM)	CEO – Murray Zircon Pty Ltd
Steve McEwen (SM)	CFO – Murray Zircon Pty Ltd
Larry Liu (LL)	GM Business Development - Murray Zircon Pty Ltd
Michelle Waters (MW)	Environment Manager – Murray Zircon Pty Ltd
Yi Zhu (YZ)	Environmental Technician – Murray Zircon Pty Ltd

<b>Apologies:</b>	
Kevin Burdett	Mayor DCKEM
Brenton Lewis	Regional Development Australia
Adrian Pederick	Member for Hammond
Sharyn and Fudd Francis	Landowners
Peter and Anne Crouch	Landowners
Kevin Heidrich	Landowner

<b>1.</b>	<b>WELCOME</b>
	<p>Peter Smithson (PS) CEO 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>Minutes from the meeting held on Tuesday 10th September 2013 were then accepted as a true and correct record.</p>
<b>3.</b>	<b>MINDARIE PROJECT UPDATE</b>
	<p>Patrick Mutz (PM) welcomed everybody to the meeting and gave an overview of the site activities as follows:</p> <ul style="list-style-type: none"> <li>• since the previous meeting in September we have been operating through October, November and now in December;</li> <li>• continuing with improvements in production, mining and processing rates to improve costs;</li> <li>• during October we reached the name plate capacity of the plant (500t/hr) and exceeded it on average with 509t/hr, meaning that the commissioning stage is complete;</li> <li>• during November topsoil and subsoil stripping was completed on all 26 cells of Mindarie C West (MCW);</li> <li>• during December overburden stripping was completed on MCW;</li> <li>• currently mining ore from Cell 22 and there will be two more slurry mining unit (SMU) moves before we move across to Mindarie C East (MCE) around the 3<sup>rd</sup> week of January 2014. There is almost two years of mining ahead on MCE;</li> </ul>

	<ul style="list-style-type: none"> <li>• currently stripping topsoil, subsoil and overburden from MCE and finalising the infrastructure including boring under the road for power and the installation of five pipelines;</li> <li>• topsoil has been stripped on MCE and mining will commence at Cell 12 and work towards Cell 0 adjacent the highway. Mining will then pick up at Cell 13 and work towards the end of MCE at Cell 81;</li> <li>• Continue to undertake improvements to the processing to improve the quality of the HMC and have not received complaints from the plant in China on HMC grade;</li> <li>• with regards to safety we continue to have a good record with no lost time injuries and very few first aid injuries;</li> <li>• we also had a traffic management consultant undertake an assessment of the road conditions and of the highway past the mine and recommended that the speed limit be reduced to 80km/hr from 110km/hr. We approached DCKEM who submitted an application to DPTI to extend the 80km/hr zone from the township to past the mine. Unfortunately DPTI rejected the request. Our next stage is to work with the traffic consultant to design a slip lane so that traffic can turn into the mine as well as pass on the inside shoulder of the road. We would like to note that safety at this intersection is paramount and we will continue to work with DCKEM to provide the safest solution;</li> <li>• employment is stable with Lucas increasing their numbers to 58 but this is likely to drop down again to around 50 over Christmas;</li> <li>• there has been a change in management with Ab resigning back in October, and the site management team have all stepped up to take on the extra responsibility until the GM Operations role is filled;</li> <li>• there has been a change in the mining plan as we have been working on the plan for moving across the road to MCE and have been through a rethink due to a better understanding of the mineralogy etc. As Amiens is deeper, the mining costs are higher and the value of HMC has decreased we have had to look very carefully at the 2014/15 budgets. We will not mine the first Amiens pit at this time but work from Cell 13 and head towards the Crouch property in the last quarter of 2014. The economics must improve before we can contemplate mining the first Amiens pit.</li> </ul> <p>Colin Zadow (CZ) – will that plan change in commodities prices come up again ?</p> <p>PM – yes it will and we will keep the first Amiens pit as a potential mine path.</p> <p>SM – would like to note that from the earlier meeting today with landowners that both Peter and Anne Crouch and Sharyn and Fudd Francis are happy that crop yields on their rehabilitated Mindarie A(2) land is as good as the yields from the non-mined land.</p> <p>PM – in the last three months we had had good success with the mine rehabilitation in dewatering, consolidation and covering of the tailing cells.</p> <p>PM – we have also had a mine visit today from Vickie Chapman the Deputy Leader of the Opposition, Martin Hamilton-Smith the Shadow Minister for Economic and Regional Development and Tim Whetstone the Member for Chaffey.</p>
<b>4.</b>	<b>DMITRE UPDATE</b>
	<p>HB – DMITRE are currently working with a consultant (GHD) on Community Consultative Groups and as part of the data collection they would like to attend the next meeting and give a presentation on their study.</p>
<b>6.</b>	<b>OPEN FORUM/GENERAL BUSINESS</b>
	<p>PS – Council made an application to DPTI to extend the Mindarie township 80km/hr zone to</p>

	<p>include the mine entrance. Unfortunately DPTI did not approve the application due to the speed reduction not meeting the Australian Standard/Code of Practice. Council is still supportive of MZ seeking the 80km/hr extension and have written to the local Member for Chaffey (Tim Whetstone) to seek his support also.</p> <p>PS – Council would also like to acknowledge the QUBE trucks ongoing commitment to the reduced speeds though the Karoonda township.</p> <p>PM – I would also like to acknowledge that QUBE have also signed up to the Karoonda Farm Fair to show their commitment to the community.</p> <p>SM – recently MZ presented an update of the mine to Council and I was wondering how that was received ?</p> <p>PS – the presentation was well received and Council appreciates the company keeping Council well informed and involved with the project.</p> <p>SM – 2103 has been a big year for MZ and we have had great involvement with our stakeholders and would like to acknowledge the support received from Council.</p> <p>HB – can you provide information on what sponsorships/donations etc that MZ have provided the community ?</p> <p>PM – unfortunately 2013 has been a lean year for the company, however we have continued to sponsor the Karoonda Farm Fair and look forward to continuing this sponsorship in the coming years.</p> <p>PS – I would like to wish everybody a Merry Christmas and Happy New Year.</p>
<b>8.</b>	<b>NEXT MEETING</b>
	11 <sup>th</sup> March 2014 6:00 pm East Murray Community Centre
<b>9.</b>	<b>Meeting closed at 6:35 pm</b>