

Hillside Mine Community Voice Minutes

14th December 2015

Facilitator K Van Schaik

HCV Attendees T Stock (YPC), D Hosking (Community Member), E Dearlove (Rex Minerals), J Wundersitz (YPLOG), M & C Redding (Community Members), Stephen Lodge (YPLOG), J Sandercock (Ardrossan PA), J Buchanan (YP Tourism & RDA), B Sleath (Pine Point PA), I Haywood (Community Member), P Koulizos (Community Member), P Klopp (Ag Bureau, South Kilkerran), D Kluske (Local Trader), G Mattchoss (Black Point PA), L Kakoschke (Ag Bureau, South Kilkerran), L Easther (Port Vincent), S Kennedy (Local Trader), P Maguire (JW/RP PA), Stewart Lodge (Ag Bureau, Petersville)

Apologies K Wanganeen (Narungga Community), M Young (Ag Bureau, Petersville)

Visitors R Laufmann (Rex Minerals), G Hall (Rex Minerals)

Minute taker K Van Arend (Rex Minerals)

AGENDA ITEM	Notes	ASSIGNED TO/DATE DUE
1. Welcome & Introductions	<p>Meeting opened at 6.34pm</p> <p>Record keeper for this meeting /recording – K Van Arend</p> <p>Apologies – noted above</p> <p><u>Safety Statement</u> It is acknowledged that there are many challenging and sensitive matters associated with the work of the HMCV that can evoke strong views and emotions as issues and key points are considered. It is therefore critical that at all HMCV meetings and activities, regardless of personal views, members will act respectfully and not engage in personal attacks. All people in attendance at HMCV meetings will listen, speak candidly, question thoughtfully and challenge openly. Every HMCV member should feel comfortable to express their opinion without fear of ridicule or ramification.</p>	-
2. Endorsement of Minutes	<p><u>November 2nd Minutes:</u> K Van Schaik thanked T Stock for checking the November minutes. Apology for Stewart Lodge to be included. With this inclusion it was moved that the minutes were a true and correct record of the meeting on the 2nd November 2015: Moved – J Sandercock Seconded – T Stock</p> <p>HMCV member to check minutes for this meeting: Stephen Lodge</p> <p><u>YPC website:</u> November 2nd 2015 minutes were endorsed for distribution following the amendment and can now be made available on the YPC website and through the community networks.</p>	K Van Arend to send updated minutes to YPC for posting on website and to the HMCV members for distribution.
3. Business Arising (Actions)	<p>Actions Arising from November Meeting</p> <ul style="list-style-type: none"> • K Van Arend to update EOI & circulate • K Van Arend to circulate HMCV membership list • All members to continue to identify potential candidates for HMCV Facilitator position. • K Van Schaik & J Wundersitz to complete draft Terms of Reference and operation guidelines (ToR) and circulate. <p>Actions arising from October meeting</p> <ul style="list-style-type: none"> • E Dearlove to request Rex’s current position regarding the release of the two confidential appendices (from the Mining Lease Proposal Response 	<p>COMPLETED</p> <p>COMPLETED</p> <p>ONGOING</p> <p>COMPLETED – draft to be circulated.</p>

Minutes

Hillside Mine Community Voice – 14th December 2015

AGENDA ITEM	Notes	ASSIGNED TO/DATE DUE
	<p>Document February 2014). R Laufmann advised that the two appendices that have been redacted from the public are:</p> <ul style="list-style-type: none"> - Concentrate sales description (tonnes per grade) which cannot be made public as they are market sensitive. - The screen dumps from the 3D model showing the uranium distribution at Hillside. Rex will bring their geologist to show the 3D model at the Feb meeting. <ul style="list-style-type: none"> • Copy of Rex Minerals Community Engagement Plan provided to HMCV. <i>Recommendation to table it as an agenda item in 2016.</i> 	<p>COMPLETED – presentation scheduled for Feb 2016 meeting.</p> <p>ONGOING</p>
4. DSD response	<p>Response letter from DSD to HMCV 23.11.15 (circulated on 23.11.15).</p> <ul style="list-style-type: none"> • The letter restated the current DSD position which is assessing the information to be provided by Rex as it comes to hand and the HMCV will be informed of the outcomes with no time frames available. • T Stock noted that DSD presented to Yorke Peninsula Council (YPC) recently. DSD representatives advised that they are still waiting on information from Rex to be able to determine whether another MLP is required or if they continue with the existing MLP. • R Laufmann advised that DSD are waiting on further information from Rex. Rex have already provided initial responses to their queries but where DSD have asked for more specific details, Rex are still working through this with DSD and are now down to half a dozen issues remaining. • <i>Under what circumstances would Rex need to apply for new or additional tenements?</i> R Laufmann advised that Rex have never suggested that they want to apply for any additional or new tenements (other than what has already been discussed). • <i>Has DSD given any indications about time frames regarding when they would revoke the tenement?</i> R Laufmann stated that DSD have advised Rex that if there is a clear inconsistency between the existing mining licence and the current mine plan, then the MLP is no longer valid and Rex's only course of action is to apply to a new one. Rex does not believe there is any clear inconsistency and is currently providing information to the DSD to show this. • It was agreed that K Van Schaik would response to DSD thanking them for their response and request they keep the HMCV informed and highlight that their response did not provide any further information. 	<p>K Van Schaik to respond to DSD letter</p>
5. Introduction of Greg Hall	<p>K Van Schaik welcomed R Laufmann and Greg Hall to this meeting. R Laufmann introduced G Hall to the HMCV and provided a brief account of his background and what he will be concentrating on. G Hall who is local to South Australia has come on board as the Project Director.</p> <p>G Hall noted that he has only been with Rex for 6 weeks and with a project of this size has been doing a lot of reading to try and get up to speed. His intention is to frequently be on the YP to get to know the different communities and to talk to individual members about their backgrounds and their involvement with the project.</p>	<p>-</p>
6. HMCV Leadership Position	<p>Chair/Facilitator HMCV (refer correspondence R Laufmann to HMCV 16.11.15)</p> <ul style="list-style-type: none"> • Issue of conflict of interest with candidate was discussed: <ul style="list-style-type: none"> - With regards to the process that was undertaken in recruiting a new facilitator there was a perceived conflict of interest with one of the candidates. 	

Minutes

Hillside Mine Community Voice – 14th December 2015

AGENDA ITEM	Notes	ASSIGNED TO/DATE DUE
	<ul style="list-style-type: none"> - R Laufmann's noted that everyone around this table has different views with regards to the project and some form of vested interest and in that respect and view everyone has a conflict of interest. He acknowledges that everyone's view is different and welcomes all input. - Some HMCV members did not agree that they have a conflict of interest. Personally they may hold very different views but they come to the table with the same objectives for this group. - J Wundersitz noted that R Laufmann has misinterpreted the point of the HMCV. The HMCV is not here to stop or support the mine. All members are here to make sure that as the mine goes ahead it achieves the maximum benefits to the community that Rex have identified and that there will be no detrimental impact to farming land, the environment and the health and wellbeing of the local community. Whether individual members oppose or support the mine is irrelevant as this is not a forum for either view. It is a forum for making sure that community interests and concerns are adequately represented. - K Van Schaik stated that the issue with regards to the perceived conflict of interest is more about the preserving of the credibility of the HMCV with the broader community perception and maintaining transparency to ensure they are not viewed as being controlled by Rex. - T Stock noted that one of the applicants from the first round of interviews was not nominated due to an undisclosed conflict of interest. With regards to appointing a new Chair they need to be someone who the community and the HMCV members will have faith in and will bring to the table independence and impartiality. The HMCV do not want to damage the work that the HMCV has done to re-establish their credibility within the community. - P Klopp stated that all the HMCV members are elected by their various organisations and if those organisations are not happy with their representatives they can be removed. <ul style="list-style-type: none"> • The next steps in appointing a Chairperson was discussed: <ul style="list-style-type: none"> - R Laufmann has approached K Van Schaik and asked if she would be prepared to continue in the role for a further period of time and being paid a salary while we work through the next stage. - R Laufmann acknowledged the time and effort that HMCV members have invested into this group and he doesn't want members to overload and burn out when there will still be a large amount of work to be completed. While DSD and Rex work through a number of issues throughout the next 6 months or so, it will be 'foot off the accelerator' period for the HMCV and a chance to recharge the batteries. By having K Van Schaik remain in the position for this period will help keep the communication and consistency going for the group before work on a PEPR etc. needs to be commenced. R Laufmann suggested that it would be cleaner and clearer hand over to a new Chair at a point when there is more direction for the project although he is not against the recruitment process continuing throughout this period. - T Stock noted that if this proposition had been put forward in October then it would have been welcomed. Stopping the process now while looking for potential candidates is not supported. - L Kakoschke noted that there would need to be a reasonable handover time for a new Chair and not have someone come on board just in time for the PEPR etc. 	

Minutes

Hillside Mine Community Voice – 14th December 2015

AGENDA ITEM	Notes	ASSIGNED TO/DATE DUE
	<ul style="list-style-type: none"> - J Wundersitz asked if 3-6 months is R Laufmann’s opinion on how long it will take DSD to make their decision as this time could be utilised to bring in another Chair to enable them time to gain a good grounding and understanding of the project, the HMCV group and what the key issues are. J Wundersitz stated that the role of the HMCV is to ensure that during the preparation of the PEPR, the views of the community are fully and adequately reflected. - K Van Schaik stated that she would not make a decision regarding continuing in the facilitator role until the HMCV have had a chance to comment and discuss the current situation and the potential candidates that have been identified. K Van Schaik excused herself from the meeting and the HMCV had a discussion regarding the future facilitator role and the process going forward. It was agreed to ask K Van Schaik to remain in the position while continuing to seek a new facilitator with the current process and would remain in the position until a new appointment was made with suitable handover times. - There was a discussion surrounding the difference between the position being called a Chairperson v’s a facilitator and it was agreed that going forward the role will be called a Chairperson. As the Expressions of Interest (EOI) document is already in circulation, this was agreed to stay the same to avoid any confusion. - K Van Schaik re-entered the meeting and advised that she will support the HMCV position and remain in the position until such time that a new appointment is made. <ul style="list-style-type: none"> • HMCV member nominations of potential candidates: <ul style="list-style-type: none"> - L Kakoschke to email to HMCV members resumes of two potential candidates that she has received. - T Stock has another two potentially suitable candidates that she will now contact. 	<p>L Kakoschke to email two resumes</p>
7. Other Business	<ul style="list-style-type: none"> • ToR: <ul style="list-style-type: none"> - J Wundersitz and K Van Schaik have met and compiled a working draft ToR incorporating all feedback provided. This will be emailed to HMCV members for feedback specifically in the area of membership and working groups. - It was requested that all members bring their feedback to the February meeting. K Van Schaik thanked J Wundersitz for all her work and help in compiling the draft ToR. • Personal Impact Statement: <ul style="list-style-type: none"> - The Personal Impact Statement was previously circulated for feedback. K Van Schaik will amend the document incorporating this feedback and send to HMCV members for approval. - A response will be required by all members. This will then be made available on the website. • Rainwater Testing: <ul style="list-style-type: none"> - An open letter thanking everyone that responded and providing an update will be made available to HMCV members for distribution and posted on the council website and Rex’s website. • Q&A to R Laufmann: <ul style="list-style-type: none"> - Q: When does R Laufmann realistically expect to begin mining assuming the copper price improves and the required approvals are received? The copper pricing collapse across the board is pretty severe so timing on this 	<p>K Van Arend to email draft ToR to HMCV members</p> <p>K Van Schaik to circulate Personal Impact Statement for approval</p> <p>E Dearlove to draft and circulate rainwater tank testing update</p>

Minutes

Hillside Mine Community Voice – 14th December 2015

AGENDA ITEM	Notes	ASSIGNED TO/DATE DUE
	<p>is unknown. The most optimistic predictions on improving copper pricing are late 2016. However the copper supply gap is not predicted to influence price much before 2017. Clearly there will not be a 'go ahead' any time soon. Once funded, it will take a further two years for construction with the construction workforce living in a temporary camp.</p> <ul style="list-style-type: none"> - Q: If the mine is sold what happens to the HMCV and the work they have completed? The practical reality is if the project is sold the MLP and the commitments herein remain intact. Although it is not a legal requirement to maintain the group it would be very unlikely and foolish of a company to disband an effectively operating community group. - Q: What role does DSD play if the project is sold? In this situation there are rarely any significant changes. The MLP commitments go with the licence and mine. - Q: Is it probable that another company would be interested in Rex and purchasing the project? With the current low share price this could be possible but is unlikely in the current copper price market. - Q: How long could Rex hold on in their current financial circumstances? Practically speaking as an entity Rex could hold on indefinitely. We have capacity to pare back what we do and the people we have but most importantly we have the capacity to raise money. <p>K Van Schaik thanked K Van Arend for all of her work this year. K Van Schaik thanked R Laufmann and G Hall for coming to meet with us this evening. K Van Schaik thanked E Dearlove and all members of the HMCV for their work this year and helping to sustain the process.</p> <p>J Wundersitz on behalf of the HMCV thanked K Van Schaik on her remarkable job over the last 12 months.</p>	
8. Confirm actions	<p>Agreed actions</p> <ul style="list-style-type: none"> • K Van Arend to send updated minutes to YPC for posting on website and to the HMCV members for distribution. • K Van Schaik to respond to DSD's letter. • L Kakoschke to email two resumes of potential candidates. • K Van Arend to email draft ToR to HMCV members. • K Van Schaik to circulate Personal Impact Statement for approval. • E Dearlove to draft and circulate rainwater tank testing update. 	
<p>9. Meeting Close Meeting was closed at 9.10pm</p> <p>Next HMCV meeting date When: Monday 8th February 2016. Where: Ardrossan Bowling Club Time: 6.30pm – 9.00pm</p> <p>Items for agenda</p> <ol style="list-style-type: none"> 1. 3D modelling presentation by Rex 2. Community Engagement Plan 		