

Hillside Community Voice Minutes

2 March 2015

Facilitator K Van Schaik

HCV Attendees C Redding (Community Member), M Redding (Community Member), C Clift (Pine Point PA), , S Kennedy (Local Trader), J Sandercock (Ardrossan Progress Association), I Haywood (Community Member), J Wundersitz (YPLOG), P Maguire (James Well/Rogues Point PA), J Buchanan (YP Tourism & RDA), T Stock (YPC), Peter Klopp (Ag Bureau, South Kilkerran), L Kakoschke (Ag Bureau, South Kilkerran), Klynton Wanganeen (Narungga Community), M Twinning (Rex Minerals), D Kluske (Local Trader), L Easter (Port Vincent), M Young (Ag Bureau, Petersville), B Sleath (Pine Point PA),

Apologies E Dearlove (Rex Minerals Ltd) Stewart Lodge (Ag Bureau, Petersville), D Hosking (Community Member), G Mattschoss (Black Point PA), P Koulizos (Community Member), Stephen Lodge (YPLOG), , M Smith (Tiddy Widdy PA), R Underwood (Port Julia PA)

Observers K. Van Arend, Rex Minerals

Guests Fred Glanville (Pine Point), Barrie Baeker (Ardrossan)

Minute taker J Wundersitz

AGENDA ITEM	Notes	Action ASSIGNED TO /DATE DUE
1. Welcome	Meeting opened at approx. 6.15pm K. Van Schaik Kate welcomed everyone, especially Mark Twinning who is representing Rex in place of Erica. Thanked Kylie for organizing food.	
2. Minutes from previous meeting	K Van Schaik noted: <ul style="list-style-type: none"> • 2 Jan 2015: miscommunication with company re Kylie's ability to do draft minutes for this meeting. Lauren K has offered to do some summary notes to be retrospectively confirmed by members via email. • Minutes of 2 Feb 2015: Joy W to correct dates in header. John S moved acceptance – seconded Shane Kennedy. Carried. • Minutes to be posted on HCV website and disseminated through HCV communication network. 	Kate to forward Minutes to YPC admin for posting on website.
3. Business arising	<p>1. Admin Support from Rex</p> <ul style="list-style-type: none"> • John S. sought clarification re Rex support for admin assistance. Noted we are here because Rex wants a project in our backyard. Rex have responsibility to provide support for this group. If Rex cannot do that we are not in a position to provide consultative role. • Mark T acknowledged this. Requested details re. what support is needed and level of detail required in Minutes – ie key points or blow-by-blow account of discussion? • Kate V S agreed we need to put in a formal request to Rex to fund someone. Stressed we need clear and fully documented minutes. Acknowledged they are long but, for the reputation of this group, we must have clear and transparent information. • Joy W noted current minutes are by no means a verbatim account of meeting. The previous situation worked well, with Kylie doing detailed draft minutes and an HCV member checking them to ensure all key issues are captured. • Mark T advised that, in terms of protocol, HCV address a minute to Erica, as Rex's 	Kate to write a formal request for administrative support to Rex.

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	<p>representative on this committee, for her to table with Steve Olssen.</p> <p>Motion: Kate to write a formal request for administrative support to Rex. Want clerical support for HCV meetings and need it by next meeting. This to be tabled with Erica and Steve. Moved: John S, Seconded Lauren K. Carried</p>	
	<p>2. On-going leadership and responsibilities for HCV</p> <p><i>Executive group</i> Kate VS suggested 3-4 members be appointed as HCV Executive Group. Explained facilitator needs access to a small designated group who can be contacted at short notice for urgent tasks (eg to accompany facilitator to meetings or to attend if facilitator not available).</p> <p>Kate’s proposal supported. Tania S and John S nominated as members of Executive Group. They accepted nominations. Agreed.</p> <p><i>Facilitator’s role</i> Tania S reported she had approached YP Council to find out if they would be prepared to employ someone as chair – possibly as a secondment. Would need to ensure there was no financial impact on Council, so Rex would need to fund the role. Any proposal that Council would contribute to the cost of that position would require a formal submission to Council.</p> <p>Kate VS thanked Tania S for following this up with YPC.</p> <p>Kate noted</p> <ul style="list-style-type: none"> • the person could be employed through council, with HCV determining what their role as facilitator would be. • Important that the position be funded by company but employed at arms length. • There may also be some logistical costs eg access to vehicle. This would be paid as part of the total package. Need more discussion with Council re some of that infrastructure support. What would they provide and what would the costing be? • In-kind support from Council would involve monitoring their performance etc. • We need to determine how much time would be required and how that may vary over time as project moved from one stage to another. Need to work out an average amount of time– needs to be flexible Mark T. believed work load will be high to start with, but would change as project moves thru PEPR into development. When reach operation stage, will become static. • Re responsibility for recruitment, HCV reps must be involved and Council. • Noted that community development positions already existed within Council and this position could be similar. • She has fore-warned Steve Olssen that this request would be coming. He indicated support. So we have in-principle agreement from Rex, but need to put that in writing. <p><i>Motion:</i> Tania S to send to Kate costing estimates, what it relates to (ie position parity), expected running costs and whether or not Council will support that employment. Also include cost for advertising position. Kate will include this info in formal proposal to Rex. Will combine this with proposal to Rex re admin position.</p> <p>Moved: Joy W, seconded, Lauren K. Carried</p>	<p>Tania S to send to Kate costing estimates etc</p> <p>Kate write formal proposal to Rex.</p>

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	<p>3. Personal impact statements</p> <p>Kate VS noted at last meeting agreed to add an overview and introductory section to the Personal Impact Statement form to give people some idea of what it was for, how it will be used etc. Need intro for website as well.</p>	<p>Jo B. to add introductory explanation. Exec group to look at it, then circulate to HCV reps, put on web and send out.</p>
<p>4. Debrief re DSD workshop</p>	<p>Kate sought attendees' views about the DSD Information Session</p> <p>Summary of points raised:</p> <p>Positives:</p> <ul style="list-style-type: none"> • Kate's excellent facilitation was noted and she was congratulated on her handling of the meeting. • General agreement the format had worked well, notably getting the WG convenors to ask the questions on behalf of those present. Advantages of this approach included; <ul style="list-style-type: none"> ○ The ability to cover a lot of territory with the questions ○ Ensuring people felt they had an opportunity to have their issues raised ○ Fact that people had to write their questions in advance meant they had to think carefully about what they wanted to ask. Stopped some of the emotive content and prevented certain issues from running on. • Questions were intelligent, well thought through and well articulated. This is not always the case in public forum, because people get emotive • Not all people want to get up and speak in a large gathering – this format allowed them to have their questions asked. • Good PR exercise for the HCV and for DSD. Open, transparent. Brought out issues community not aware of – eg situation with bore at Sheak flat, which needs to be investigated. • Pleased that DSD engaged with the questions and were starting to listen. • Pleased with no. of people who attended (about 80). Was testament to HCV's communication network. Also showed how many people in community, despite the uncertainty re the smaller start up plans, want to be informed and involved. • Cathy R. thanked DSD representatives for staying and talking afterwards. This makes communication better. <p>Suggestions re what could be done differently:</p> <ul style="list-style-type: none"> • Not all questions asked were relevant to DSD – some were more directed at Rex.. However, this was not a major concern – allowing people to ask these Rex-related questions gave them an opportunity to have their say. • Having questions asked by convenors meant the originator of the question had no opportunity to put follow-up or secondary questions to DSD based on their initial response. Risk of skating over the surface of issues. Follow up questions often lead to greater depth of conversation. Agreed some follow up questioning was needed. Two suggestions were put forward: <ul style="list-style-type: none"> ○ Because the convenors knew who had submitted each question, after DSD's response, the convenor could ask that person whether they were happy with the answer or wanted a follow up question asked. This would give them ownership of the question. ○ In the case of persons directly impacted by the mine (eg farmers whose land sits within the mining lease) perhaps they should be given the option of asking their own questions, rather than through a convenor. • Malcolm R. noted some of the answers were not what we wanted to hear – eg 	

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	<p>access to exempt land not required for smaller start up. There was also some frustration re lack of clarify re content. Lauren K expressed frustration that DSD seemed to be exploiting loopholes.</p> <ul style="list-style-type: none"> • DSD presentation very dry. Detailed slides could not be read at the back of the room. They need to think how to put info in layman’s terms; they need to communicate better with people who don’t speak Govt vernacular. This is not a matter of dumbing information down but using plain language the community understands. This was conveyed to DSD. • Need more microphones <p><i>Discussion points arising from the workshop</i></p> <ul style="list-style-type: none"> • Bore running dry at Sheoak Flat: Kate VS noted a complaint needs to be lodged with DSD/Rex. We need to get clear information from person who did original testing, what the circumstances were etc. Important that HCV facilitate the management of that complaint. Mark T agreed that this matter needs to be followed through and resolved. • Fred G raised the issue of stockpiling iron ore. John S noted that, because this was not in the MLP, it would significantly change the footprint. Kate’s understanding is that Rex are doing estimations at the moment re financial return for copper/iron. If they are going to stock pile iron ore, will need long-term storage plan. This will require approval by the DSD and further assessment. This could range from a minor assessment to a whole new MLP process. Still going to be some time before the Company has done the economic profiling. • Mark T noted that once the detail is available Rex will go thru the process with the regulator to assess what differences between the new approach and what has been approved. This will be done at a regulatory level and also at this level (HCV). He noted until we are at that point, no great value in speculating. Joy W hoped that the HCV and the community would have a significant input into decisions re whether a new assessment needed to be done. • Re HCV’s continuing involvement: John S stated the HCV needed to have input into the PEPR, but he was not prepared to do that until the community knows what the new proposals are. He stressed we should not be put in the position we were in when the MLP was submitted – where there was little time and very little real input. Suggested we should not convene again until Rex could tell us what the new process is going to be. • Mark T. noted DSD reps were aware of the time pressure and requirement to have community consultation. Also noted certain facets of the revised operation won’t change eg rainwater tank testing. So those facets are still worth progressing. But other aspects can’t be progressed until the new plans are available, • Re feeling that DSD exploiting loopholes, Jo. B suggested if persons not happy with answers, we write to them to request written responses. Kate agreed some of questions from HCV were not adequately responded to. Need to email these to DSD. 	
<p>5. Report on meeting with Steve Olsen and Mitch Hook</p>	<p>Kate VS and Tania S reported on their meeting with Steve Olssen and Mitch Hook. (Mark T explained Hook was former chair of Minerals Council of Aust and former president of the Grains Council of Aust - Rex is using his broader experience across minerals industry and strong rural background).</p> <p>Key discussion points;</p> <ul style="list-style-type: none"> • Steve Olssen noted commodity prices low – putting pressure on mining operations globally. So any new mining operation won’t come to fruition within 2 – 3 years. • Rex are focusing on getting feasibility study and mine plan together for the small scale start up . Expect to have that in next 3 – 4 months. Expect that plan will meet 	

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the conditions set by DSD.

- When asked about any significant variance from the MLP, they didn't entertain idea of new MLP. Thought small mine plan would fit within the conditions set.
- Time frames – indicated they are likely to request extension to PEPR timeframe. Kate indicated DSC may also want extension because HCV needs adequate time to consider it.
- Kate raised issue re Community Engagement Plan put forward without any consultation with HCV. They indicated the Company was put under pressure by DSD time frames. Kate said they could have asked for extension: they hadn't engaged us along the way. She stressed the HCV need to know Rex's deadlines with DSD so we can work with them on those.
- Re tank water testing proposal – Kate told Rex we want independent collection and testing - not in-house. Likely to cost the Company more, but they should expect that as part of a transparent process. They seemed agreeable to that.
- Re. more trucks on road, they indicated there would be fewer trucks with small start-up. A large start-up would require more equipment and material brought to the site to maintain operation on a daily basis. Mark T. added there would be increase in traffic number leaving site, but overall balance won't change from original MLP. Kate stressed this would require further assessment because not part of original MLP and it is not the number of trucks that is critical, but the type of material they would be carrying.
- Kate noted she and Tania kept stressing we are the experts about this community. Expressed concern that at a previous Information Session given by Rex late last year, people were offended by some of their comments. Stressed that, after that meeting, HCV had to do a lot of damage control to rebuild the community's confidence. Rex should expect community will want more stringent requirements eg with rain water tank testing. While it may be more expensive, it is important to develop trust with the community.
- Tania indicated they were surprised when she gave him average numbers on yields – they were not in touch with current practices and productivity on YP.
- Also highlighted to Rex that setting up a mine here is different from one in the outback. So there is opportunity for the company and community to have input into future legislative changes to reflect this different situation.
- Stressed Rex need to contact each specific landowners. Some have never had a phone call from Rex.
- Also stressed community needs a long lead-in time to engage with Plans and PEPR. We need to know what their time frames are and get info as soon as it becomes available.
- Also raised fact that HCV will be asking for a funded position to sit within YPC.
- Kate indicated she was pleased with the outcome of the discussion in the sense that it was the beginning of a working partnership. Need to engage in those conversations more regularly.

Discussion arising from above summary

- Re lack of info on small start up, Joy W expressed concern that, while Rex can get extension after extension, we cannot continue to work at this level – will be worn out before Hillside gets off the ground. Where is the end point? Tania agreed that while the project is in limbo, we don't have a clear work plan. How long do we do this for until we get some clear direction?
- Kate had asked Olssen at what point would they mothball the project. Said they would not do that. Indicated we will get a plan but Rex will spend time to get it right now rather than rush through because everyone pressing them. Joy W. noted mothballing may not be a Rex decision – they may have no choice if they run out of money.

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	<ul style="list-style-type: none"> • John S asked at what point does the community say we are not prepared to be part of the process until we know what the project is. Suggested the date for the next HCV meeting should be delayed until the project details have been presented. John S stressed that Rex have to consult with the community. So if community refuses to consult with Rex? • Joy W expressed some concerns with this. She had a sense from the DSD Information Session that a lot of discussion was going on between DSD and Rex behind the scenes and that the goal posts were being shifted. Felt that if we back off now, we could face a situation where the PEPR was almost complete before we were informed. • Mark T responded that if community refuses to consult, it may suggest that community doesn't want to engage. He wouldn't support stopping this process - counterproductive. Better to assess what is relevant to keep working on. • Cathy R stressed that, as a community, we need to find out what is being assessed. Are DSD assessing just the small start up (as Stage 1) or Stage 2 (the full operation). Stage 2 uses more of the land. If they have to have another assessment of Stage 2, that will put her family in a poor bargaining position. Then there is Stage 3 – the hauling of ore from other sites via haul roads – then they will lose more of their farm. • Mark T. responded that these other sites were targets only at this stage; and what has been approved is full scale mine and PEPR needs to support that. • Joy W. asked specifically whether the PEPR had to address all that will be required for full scale operation. Mark said 'yes'. Joy W noted that if the PEPR had to address the full scale mine, then Rex has to acquire all the land before they start. • Kate agreed we needed clarification re this issue from DSD. DSD and the Company's response has been they only need to acquire the land on which mining activities will occur. But the community understands all land for the full scale mine has to be acquired at the beginning. This is the biggest follow-up question from the Information Session. • Re our continued engagement, Kate noted we have a Stage 2 model in the MLP (ie the full scale mine). Our decisions and plans have to work on that model. If varied, then we have to consider the implications of those changes. While we don't have details of small start up there are still parts we can do work on. Eg how we want a complaint to be handled; how the rainwater tanks should be tested; rehabilitation. We have to set ourselves up so that we can have input when the information becomes available. If we disengage now it will take a long time to re-engage. • Lauren K. asked what community consultation actually means. Joy W. argued it has to include content and feedback – ie the quality of the community consultation, not just quantity. Kate noted community should be the ones determining how the level of engagement is defined. Mark T. noted that DSD conditions say consultation must be to the 'satisfaction of dept or regulator, but they haven't defined what that means. 	
<p>6. Rain water tank testing</p>	<p>Kate noted this is the first time we have used the working group (WG) model to produce a report. Her Minute to DSD before the workshop raised a number of the working group's questions. Their response:</p> <ul style="list-style-type: none"> • Every water tank in use or going to be used had to be tested, not just those used for drinking water • The regulations and conditions are the minimum required. If community felt strongly about an issue, they would consider it. <p>David K. summarized key points from Working Group report;</p> <ul style="list-style-type: none"> • 4 km radius around the mining lease was too small. Because of the amount of wind YP gets, Black Point (north winds), Ardrossan (where ore will be going as part of large scale mine) and further (southerlies) need to be included. 	<p>Kate to write to DSD seeking extension of current time frame re notification of landholders</p>

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- Time frames terrible. Need to be more flexible. Kate noted need testing before production and then at intervals after that, subject to results.
- Mark T asked how HCV wanted to progress this? Noted that Rex is happy with some of the suggestions, but others will require further discussion.

Issues/discussion arising from report

- ***Notification time frames***

- Mark T noted the only imperative according to the lease conditions is for Rex to notify landholders within the 4 km radius by a certain date. No requirement to take any further action. If we choose to extend that, we can do that. One option is to go back to the regulators with support of this group saying mid-March deadline for getting initial letters out is impractical. Rex would support that approach.
- John S suggested 2 options
 - Option 1; Rex can comply with condition by writing to registered landholders within 4 kms, but with a commitment to this group they would consider an extension to that radius.
 - Option 2 – go back to regulators to request extension.

Motion: That HCV write to DSD indicating the current time frame re notification of landholders is unrealistic. Forward the Working Group's recommendations to DSD.
Moved: John S. Seconded, Lauren K. Carried

Kate to action. She suggested tandem request from HCV and Rex. We will put up request and so will Rex.

- ***Time allowed for testing***

- Mark T noted that limiting testing to 12 day period was clearly impractical. To capture everyone will take time and will be ongoing. Will not be completed first time around.
- Joy W argued initial testing period should be 6 - 8 weeks to give as many people as possible the chance to opt in.

- ***How to contact people***

- Joy W stressed it was imperative for everyone in the stipulated area to have an opportunity to respond. Original condition was changed from an opt-out to an opt-in situation. So important to look at a range of strategies to ensure everyone is informed.
- Mark T noted the condition clearly says Rex must write to all 3rd parties within the boundary – not just landowners, but also share farmers, lease holders, tenants – all come under that definition. Difficult to identify those parties. Only way to get details of all third parties would be to ask registered land holders.
- Tania S noted community needs to know the company is going to undertake this. Need to advertise to get info out re the rationale for this, so it does not come as a surprise. Kate agreed it has to go out through our network, and on website.

- ***Independent person to collect sample***

- Kate stressed need for independent person to collect samples as well as test
- Mark T. We can do that. Or we can use a 'chain of custody' process. The

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	<p>benefits of using Rex personnel is that they will be more flexible to fit in with people’s availability. Chain of custody process means if someone takes a sample for testing purposes, it is put it in sealed pack and taped up. It can only be opened at other end by certified laboratory. If they see there is any tampering, they won’t touch that sample.</p> <ul style="list-style-type: none"> ○ Kate responded people would understand that the company would not tamper with the samples. But this is about the integrity of sampling and a perception of trust and credibility. For any who might doubt the integrity of process, it is appropriate that baseline collection and testing be done by independent contractor. Over time, that could be varied. But initially, it is an issue of credibility. ○ Twining noted Rex would entertain that request. <ul style="list-style-type: none"> ● Area of testing <ul style="list-style-type: none"> ○ Mark T noted big issue to talk about is the area of influence - how far out do we extend this testing. ML condition says 4 km around boundaries of mine lease. This captures the 2 closest communities – James Well/Rogues Point and Pine Point. As part of Mine lease Proposal, had dust modeling done. That 4 km radius captures all the modeled impact of that dust dispersal from the mining operation. (He tabled copies of dust contour map from MLP). This map shows the dust contours in the MLP. ○ Joy W asked whether the map came from the MLP? If so, this was based on modeling using the earlier, smaller mine footprint which did not reflect the final full scale operation. A follow up consultancy report included in Rex’s Response to Government using the full footprint showed a doubling of dust emissions. New contour dust maps to replace the original map in the MLP have not been released. ○ Twinning indicated he would take this question on notice. ● Numbers to be tested in ‘extended’ area <ul style="list-style-type: none"> ○ Mark T stressed it is crucial to have baseline test data to provide statistically valid results across the region. In statistical terns it is not critical to have every person’s tanks tested. Rex have no problem with that, but statistically, only need representative sample. Joy responded that, while true, from a personal point of view, it would be reassuring for landowners to know their tanks were being tested. ○ John S suggested representative samples could be taken from Black Point and Ardrossan. Joy W disagreed indicating the size of the sample needed to be rigorously determined – perhaps 20% of 30% of residents. ○ Mark T noted they needed more qualified input into what sort of sampling intervals <p>Kate VS thanked David and Fermby for water testing paper.</p>	
<p>7. Community Engagement Plan</p>	<p>Kate noted we have not had opportunity to look at Community Engagement Plan. We need to explain that to DSD and that there will be a request for the Company to make revisions when we have had chance to comment.</p>	<p>Kate to include extension of Community Engagement Plan to her letter to DSD</p>
<p>8. Working groups</p>	<p>Kate circulated a template outlining functions and concept of WGs. In terms of process:</p> <ul style="list-style-type: none"> ● Project leader must, when presented with an action such as Community Engagement Plan, recruit others from a cross-section of the community - people 	<p>Kate to send template out electronically.</p>

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	<p>who have passion, interest, expertise.</p> <ul style="list-style-type: none">• Have asked DSD to provide names of people who could assist with advice; ie people within DSD and anyone else they consider we could talk with. Could also talk with the Company to find out who they used, and whether we could speak with them.• Similarly, need to recruit other people who are experts.• After consultation, WG needs report back to HCV with recommendations, as David and Stephen have done.• To get broader community input, use communication networks, place details on website asking for feedback, conduct own surveys. All designed to help inform recommendations for the group.• DSD and Rex need to be aware of the process for WGs. <p>Kate described a summary template for reporting back to HCV: including:</p> <ul style="list-style-type: none">• Who the WG spoke with• What the WG found out (Need to check out all bits of information).• Recommendations.	
9. Next meeting	Monday 4 May 6.30pm - 9. Ardrossan Bowling Club.	