

KANMANTOO-CALLINGTON COMMUNITY CONSULTATIVE COMMITTEE (KCCCC)

Secretariat:

Kanmantoo-Callington CCC Secretariat
c/- Susan Wilson
Hillgrove Resources
Ph 8538 6800

Email: susan.wilson@hillgroveresources.com.au

Chairperson:

Bob Goreing
Mob 0418 816 788

DRAFT NOTES TO THE MEETING

3rd September 2015

The meeting commenced at 7.30pm.

Attendance and Apologies

Committee Members

Present:

Fiona Challen
Bill Filmer
Allana Vorstenbosch
Garry Duncan
Kathy Schneider Roberts
Harry Seager
Carole Bailey (DCMB)
Steven McClare (Hillgrove Resources)
Alistair Walsh (DSD)
Bob Goreing (Independent Chair)

Apologies:

Mark Goldsworthy MP

Guests:

- Greg Tyczenko, Manager Resources and Lu Bai Manager (EPA) licencing, Environment Protection Authority (EPA)
- Greg Drew, SA Mining History Group
- Airlie Keen representing Mark Goldsworthy MP

In addition to the Committee and invited guests, a public gallery of approximately 20 persons was present.

1. Welcome and introductions

The Chair welcomed the KCCCC and members of the public in the gallery. Mark Goldsworthy MP was noted as an apology with Airlie Keen in attendance representing Mr Goldsworthy.

2. Confirmation of notes of previous meeting (25th June 2015)

The notes of the previous meeting of 25 June 2015 were accepted without alteration.

3. Action arising from the previous KCCCC meeting

3.1.Noise monitoring

Steve confirmed that scheduled noise monitoring included consideration of noise impacts on residents living towards Callington as well as those in Kanmantoo and elsewhere.

He said that noise monitoring was conducted by 'Sonus', an independent company, and was scheduled to take the seasons and particular worst-case weather conditions into account.

3.2. Master Planning

The Chair reported that the Master Planning Working Party had met on 5th August 2015 (see item 5 of this agenda).

Greg Drew from the SA Mining History Group said that his group conducted an annual workshop / conference and was keen to run the next of these events at Kanmantoo / Callington with the support of the KCCCC. It was noted that this opportunity had been raised previously with the KCCCC and the Master Planning Working Party and that there had been in-principle support expressed. Greg said that the tentative date for workshop / conference was shortly after Easter next year (April 2016).

Greg outlined some further opportunities for mutual benefit like possible presentations from History Group Members on topics of interest for the Kanmantoo / Callington community. Greg highlighted experiences from other places like Kapunda and Burra and links between mining history and heritage and activities like preservation / conservation and tourism.

The KCCCC confirmed its support for the event.

Action: The Chair was asked to work with Greg Drew over the next few weeks to progress the following priority matters:

1. confirm date for the workshop / conference
2. produce a broad program
3. call for papers

Issues

4. Project update

Steve McClare provided a summary of highlights from Hillgrove Resources' report for the quarter ended 20th June 2015. A more detailed report can be found on the Hillgrove Resources' website at:

http://www.hillgroveresources.com.au/article/Annual_and_Quarterly_Reports/2011_Reports

Lachlan Wallace (in attendance) was introduced as the new General Manager for the Kanmantoo Copper Mine. Lachlan was previously Mining Manager and his promotion follows Steve's recent promotion to CEO / Managing Director.

Steve said that the current focus for the company was to simplify and consolidate its operations through initiatives like:

1. reducing the number of Directors from six to five
2. reducing corporate scale and complexity
3. focusing on Kanmantoo Copper Mine and exploration in and around the current mining lease
4. reviewing the company's Indonesian assets
5. working with the SA Government to relocate the company headquarters to SA

The overall plan included:

1. shoring up revenue by completing the Giant cutback promptly
2. lowering costs
3. simplifying and consolidating the organisation
4. extending the life of the mine through lowering costs (increasing the scope of viable operations) and continuing exploration (finding more resources)

Steve showed graphs of how mining unit costs had been reduced and how the operation was using strategies like hedging to reduce risks.

Steve reported that there were 260 employees at the mine with 73% employed directly by Hillgrove and the rest through contractors involved in maintenance and drilling. Of those employed directly by Hillgrove, 74% lived either in the local Kanmantoo Callington area (less than 5 kilometres from the mine) or in the Adelaide Hills region (less than 25 kilometres from the mine).

Steve presented the year by year complaints totals under the following headings - lighting, noise, dust, blasting (noise and vibration) and blasting (dust). Dust was still the area that attracted the most complaints (see item 6 this agenda).

Steve was asked about the results from the recent airborne (helicopter) aeromagnetic exploration program. He said that the data was currently being processed and would not be available for about two months.

Action – Steve was asked to update the community (to the extent possible with due consideration to commercial matters) with results from the exploration program where these may have implications for the community.

5. Master Planning – discussion and community input

The Chair presented a summary report on ‘Steps in the Master Planning Process’ to date. The discussion below expanded on this report.

Mine Closure Plan outline

The Chair summarised the relationship between the Master Planning process and the Mine Closure and Completion Plan (MCCP) for the Hillgrove Kanmantoo Copper Mine. He said that the KCCCC had a particular interest in maximising community benefit from the MCCP and its processes (eg rehabilitation, native vegetation and Significant Environmental Benefit (SEB) programs and final landform development) by encouraging the company to be aware of and work with the community on community priorities for the area after mining was completed. The first step in this process was to ensure a clear understanding of the MCCP by the community.

Alistair explained that the MCCP covered progressive rehabilitation and events leading up to mine closure and then a period of ‘completion’ that included monitoring and confirming the results of the closure program before the final surrendering of the mining lease.

Steve presented a set of three maps that were designed to give the community a clear idea of the MCCP. These included:

1. Map 1: *Kanmantoo Copper Mines Rehabilitation Areas by year* which was a map showing the planned final contours and a timeline from 2015 – 2019 for rehabilitation work
2. Map 2: *Kanmantoo Copper Mines Life of Mine Proposed Native Vegetation Disturbance and Corresponding Significant Environmental Benefit (SEB) Offset Areas* which was a map showing SEB plantings and their respective ratio (ie 8:1, 6:1, 4:1) against various native species identified in the mine life extension application and the new Program for Environmental Protection and Rehabilitation (PEPR) and
3. Map 3: *Kanmantoo Copper Mines Significant Environmental Benefit (SEB) Offset Areas and Potential Offset Areas (on various properties)* which was a map showing broader issues such as the rehabilitation of sites like the Tailings Storage Facility (TSF) and potential future land use options.

Map 1 was seen as a particularly useful ‘tracker’ of progress of the MCCP that could be used as a Standing Item on the KCCCC agenda.

Action: The Chair was asked to include Map 1 as a Standing Item on the KCCCC agenda for regular reporting by Hillgrove on progress of the MCCP.

Harry spoke about the potential for encouraging further research into the mining heritage of the area. He said that he had had discussions with Greg Drew and an academic from the University of Adelaide who had an interest in the old smelting relics behind the Callington oval. Harry mentioned that he had raised the matter with the District Council of Mt Barker (DCMB) who appeared interested and suggested that a more formal community group should be identified as a 'go to' group for this topic (it was noted that the Callington Oval site was not a part of the Hillgrove Kanmantoo Copper Mine mining lease).

Action: Harry was asked to see if there was a group of interested people who would be willing to form a group to pursue this opportunity.

There was some discussion about how key mining heritage items on the mining lease like the historic Paringa relics would be impacted by the mine closure program. Steve was asked if the company had an inventory of mining relics on the mining lease and any plans for these sites.

Action – Steve took this question on notice and agreed to investigate and report back to the next KCCCC meeting.

Draft KCCCC Master Plan

The Chair spoke about the latest draft of the KCCCC Master Plan that had been circulated to KCCCC members following the recent Master Plan Working Party meeting. This version was a follow up to the Discussion Paper that had been prepared for community input earlier in the year.

The Chair said that he was collecting KCCCC comments before finalising the draft for comment by the wider community.

The relationship between the KCCCC Master Plan (which focused on the potential for maximising community benefit from the MCCP) and broader strategic planning by other groups like Councils was highlighted.

Action: the Chair was asked to offer a further short period of time to KCCCC members to finalise their comments and then forward the draft Master Plan to Hillgrove for posting on the KCCCC webpage for wider community consideration.

Visual Representation of Future Landscape

The Chair reported that the KCCCC had agreed to a request from Steve to assist Hillgrove to better understand the community's views on how a future landscape may look for the mining lease area. It was noted that Garry Duncan (KCCCC member and local artist) was working directly with Hillgrove on preparing a small number of images related to the 'big picture'.

Garry presented four visual concepts (art work) on various aspects of the natural landscape, potential rehabilitated and engineered final landscape, and the potential built environment. Garry explained that these were designed to stimulate discussion and complement the written explanation contained in the draft Master Plan. The images showed:

1. a 'hanging garden' and landscape art based in the Giant pit
2. a stylised waterhole
3. a vision for built development incorporating designs linked to the area's mining heritage
4. landscape art that might be located on vantage points on the mining lease

Garry provided some ideas about possible future social, environmental and economic activities that might be associated with these images including recreation and sport opportunities, tourism and agricultural development and cultural pursuits.

The meeting agreed that the art work was very impressive and was likely to trigger valuable discussion in the community about how the future landscape might look. This would in turn be valuable for Hillgrove to identify where its MCCP could assist in delivering these opportunities.

Action: The Chair was asked to speak with Steve about Hillgrove's intention for Garry's work and whether the KCCCC could use the images to support its Master Planning work.

6. Environmental emissions

Dust

The Chair pointed out that dust was the most significant 'environmental emission' issue for the community over the past two years and was likely to remain amongst the top priorities for the life of mine. It was important therefore that the community was kept well informed of any incidents that occurred, what actions had been taken as a result of research and experience, what improvements had been made and what the community could expect in the way of better dust performance going forward.

Steve said that dust was an issue that was constantly being managed through scheduling, design, equipment choice and weather watching/ timing of particular operations like blasting. A key strategy for the mine was to become more proactive (and predictive) to add support to the Dust Trigger and Response Plan (TARP) which linked mining operations to real time monitoring of dust.

Steve said that there had been two recent weather events that raised considerable dust from the construction areas of the Tailing Storage Facilities with winds up to 90 kilometres an hour from the north and north west. Steve said that the site was vulnerable because the 'ring loop' of pipework that usually sat on top of the walls of this structure had been removed to allow the walls to be raised.

Alistair said that situation had happened twice in close succession last month and was reported to the Mining Regulator by Hillgrove.

Steve said that the tails line pumps were being upgraded to increase flow and so that the ring loop of pipework could be left in place during construction to allow quick response with water if this situation was to happen again.

Steve presented a summary of initiatives that had been put in place as a result of the 2014 / 15 experience. These included:

1. a new dust monitoring system had been installed and commissioned in November 2015. This was now fully functional and included calibrating with earlier equipment to allow these original monitors to continue to add value. Of particular note was the continuing usefulness of the Hi Vol (High Volume) monitors.
2. the trigger point on the tarp levels had been lowered The alarm sensitivity had been increased to include a wider arc of influence to allow response to be more proactive based on a shifting wind direction. Dr David Simon (SA Health) has become familiar with the mining operation through site visits and consideration of various reports. Dr Simon had considered and responded to various matters of community concern related to dust and health and had agreed to remain involved.
3. Hillgrove was working to have access to additional 'industrial grade' water for mining operations to reduce the demand on valuable potable water
4. the height of the non-acid forming stockpile had been lowered. This stockpile will be treated with stabilising polymer to reduce the potential for dust to be lifted off this structure in the dryer months ahead
5. seven hectares of the mining lease had been rehabilitated

6. the pump systems had been upgraded to allow full cycle on the tailings facility (see discussion earlier in this section re 'ring loop')
7. the operation was working at a lower level in the Giant pit, reducing the likelihood of dust being raised there. However backfilling operations in the two satellite pits, while delivering a better natural environmental (final landform) outcome in the longer term, had a greater potential to raise dust during this process. The raising of the height of the walls of the Tailings Storage Facility had the potential to raise dust (as described earlier). Leaving the ring pipework in place during this process will assist with management of any dust
8. Design changes to the water carts had resulted in the lowering of their water bars which had increased the efficiency of this equipment
9. the increased and improved monitoring had allowed for more timely, scientific (evidence based) and accurate investigation of dust complaints and better identified continual improvement opportunities.

Other environmental emissions: Blasting and vibration

Blasting vibration was identified as a priority issue for the community.

Lachlan Wallace (General Manager) said that vibration consequences were a combination of factors including the nature of the rock being blasted and how the connected rock strata was located in relation to people who may be impacted.

Lachlan said that the current stage of operations presented some challenges for managing vibration from blasting, which was likely to be within compliance limits but not at the very low levels (well beyond compliance) that the company aimed for.

Lachlan described blast vibration monitoring equipment, how it worked and where it was located. It was agreed that monitoring was of no value unless linked to actions that had the capacity to change the resultant vibration. Lachlan explained that these included the selection of type, location, depth and quantity of explosives used along with the timing and sequence of the blast.

Action: Steve / Lachlan was asked to include a report for the next KCCCC meeting, on progress made in reducing vibration (due to blasting) with particular reference to demonstrating how actions like type, location, depth and quantity of explosives used along with the timing and sequence of the blast were used to affect the result.

7. Community Action List (CAL)

The Chair said that while an earlier version of the CAL was available on the KCCCC website, it was important that this document was up to date and covered all the topics of importance to the community.

The Chair reminded the meeting that the current topics / issues were drawn from community input to the Proposal for Mine Life Extension 2013 / 2014 and asked if these were still the priorities for the community or whether other topics should be added. It was noted that the current topics were:

Topic 1: Dust and water

(Environmental emissions from mining operations including dust, noise, vibration)

Issues

1. Dust and lifestyle
2. Dust and health
3. Noise
4. Vibration

Topic 2: Impacted vegetation and rehabilitation

(The natural environment)

Issues

1. Risk to EPBC listed Eucalyptus odorata community to the north of the pit.
2. Risk to EPBC listed Lomandra effusa community to the south.
3. Habitat and wildlife loss and environmental degradation
4. Quality and quantity of survey data

Topic 3: Footprint, integrated waste landform (IWL) and visual amenity

(Mine closure and Master Planning)

Issues

1. Integrated Waste Landform
2. Final landform

Topic 4: Employment and community enhancement

(Community benefit)

Issues

1. Community enhancement
2. A growing community
3. Community projects

Action: The Chair was asked to circulate the current draft of the CAL to KCCCC members for comments on:

1. updating the current draft CAL
2. if there are any topics or issues that needed to be added to the list
3. reformatting suggestions

Administrative items

8. Event to encourage wider community involvement in KCCCC matters

The Committee confirmed the importance of encouraging the whole community to be involved in matters related to the mine that may impact on them. They noted that the principal role of the KCCCC was as a forum where information could be shared, issues considered, feedback and community input provided, and comments, suggestions and ideas proposed.

It was pointed out that the Hillgrove Community Engagement Plan was one way to ensure that the community was given an opportunity to be involved but that the KCCCC was also interested in being proactive and promoting a wide range of options.

The Chair said that the Master Planning Working Party had discussed some options for a community event to promote wider community involvement (Working Party meeting 5th August 2015). The following options were suggested:

1. a weekend barbeque and site visit to view some of the rehabilitation and native vegetation work at the mine as an introduction to the opportunities in master planning
2. a joint meeting with Landcare and / or other community groups
3. a public meeting hosted by the KCCCC where significant stakeholders like State and / or Commonwealth Government MPs / Ministers may attend
4. Possible SA Mining History Group convention (see agenda item 3.2)

The KCCCC felt that a weekend gathering and tour of rehabilitation sites would be a good opportunity for the community to see things for themselves and ask questions or raise issues. It was seen as important that as many people in the community as possible were reached with an invitation to such an event and that inviting other community groups like Landcare as well as individuals through the usual channels (like letter box drop) would be a good idea.

The link between such an event and the Mine Closure and Completion Plan / Master Planning process was noted.

Action – Steve was asked to consider whether Hillgrove could host a community event and tour of rehabilitation sites at the mine along the lines discussed.

9. Other business

9.1. Other possible rehabilitation projects off the mining lease

The meeting briefly discussed the potential for Hillgrove to be involved in broader community projects off the mine site such as rehabilitation of swales. The idea had been suggested previously (at earlier KCCCC meetings) and Hillgrove's willingness to participate had been noted.

Alistair said that the Mining Regulator had no issues with Hillgrove using materials sourced from the mine site for this purpose provided:

1. materials were not used for commercial purposes
2. the materials were 'fit for purpose'
3. use of the materials did not jeopardise rehabilitation and Mine Closure and Completion programs on site by, for example, leaving these programs short of suitable materials
4. any off site project met all other regulatory requirements (from other agencies) where they may apply.

Harry identified some other government agencies and other stakeholders who may have an interest in such projects.

Action: the Chair was asked to liaise with Harry on how best to progress this matter.

9.2. Status of the KCCCC going forward

The Chair said that the status of the KCCCC as an informal body had been raised by a KCCCC member if future opportunities for community benefit required project leadership that the group currently could not take responsibility for.

The matter was noted and carried over to the next meeting for further discussion.

9. Next meeting and close

The next meeting of the KCCCC was TBA with consideration given to any community event likely to be scheduled in the meantime.

The meeting closed at 9.32pm.