

MINUTES OF MEETING
STRATHALBYN COMMUNITY CONSULTATIVE COMMITTEE

Thursday 10 August 2006

@ 7.00 pm

Senior Citizens Hall, 6 Parker Street, Strathalbyn

PRESENT:

Dean Brown - Chair	Ben Brazzalotto	David Bruer	Dr Fred Carrangis
Julia Currie	Barry Davis	Mike Farrier	Susan Jettner
Roz Twartz	Anne Woolford, Deputy Mayor	Ian Woods	

PIRSA

Hans Bailiht	Greg Marshall	Ted Tyne
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TERRAMIN

John Burgess	David Gladwin	Bob Jones
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APOLOGIES:

Adrian Pederick MP	Kirstie Murphy	Gallery: 6 people
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1. 7.10 pm	WELCOME BY THE CHAIRMAN Meeting commenced with a welcome from the Chairman.
2.	MINUTES OF PREVIOUS MEETING <ul style="list-style-type: none"> • The Minutes of the previous meeting were accepted as a true and correct record of proceedings.
3.	ACTIONS ARISING FROM MINUTES <ul style="list-style-type: none"> • See Action List attached for updated information
4.	REPORT ON VISIT BY THE SCCC TO THE STAWELL GOLD MINE The Chair tabled a report outlining details of the visit by some of the Committee members to Stawell. Copy of report attached to Minutes.
5.	JOHN BURGESS DISCUSSION Letter J.B. Liquid Xanthate used, not pellets. Drager tube is used for testing xanthates. Gas concentration was discussed by JB
	BREAK
6.	PRESENTATIONS

6.1	<p>COSTS OF THE TAILINGS VERSUS CONCRETE BLOCKS</p> <p>PRESENTED BY DAVID BRUER</p> <p>A presentation was given proposing to mix the tailings with 3% cement and cast this mixture into 1 cubic metre moulds daily and to store these blocks on site until mining is completed and then place the blocks in the box cut and cover with soil. Some basic costing was shown that this could be a viable alternative to building the \$6.5 million TSF structure.</p> <p>Terramin will look at this option and report back to the committee on their findings</p>
6.2	<p>Greg Marshall (CIM) raise an issue that has occurred to him and asked: "Could an additional floatation circuit be added to the plant to remove pyrite from the ore body and sold or placed underground.</p> <p>Terramin will look at this option and report back to the committee on their findings</p>
6.3	<p>MIKE FARRIER PROPOSAL – place all Tailings underground</p> <p>MF discussed a proposal that he recently presented to a Terramin meeting that he requested, where also Dean Brown and PIRSA attended. This proposal was to put all the tailings underground which would include blasting additional non reactive material from underground, crush it and sell it as quarry material. It was explained that the cost of blasting and moving the material to surface then crushing would be around \$40/cubic metre which could only be sold for \$10/tonne ex bin if a market could be found.</p>
	<p>Greenhouse Gas issues.</p> <p>The Greenhouse Gas emissions will be neutral in:</p> <ul style="list-style-type: none"> • Without a TSF 19 years • With TSF 27 years
	<p>QUESTIONS</p>
Q1.	<p>SafeworkSA not able to attend due to Gladstone blast accident. SafeworkSA to see if a representative can give a presentation on mine safety for the next meeting.</p> <p>What is the WorkCover rate on Mining versus other Industries?</p> <p>This varies from company to company, a straight comparison can not be made.</p>
Q2.	<p>Mine health – Are there monies set aside for the health of mine workers?</p> <p>DB explained that some years ago it was decided to use funds in the Silicosis Fund for certain health programs in mining.</p>
Q3.	<p>Economic Impact final report is now available.</p> <p>This will be emailed to all members tomorrow.</p>
Q4.	<p>Tailings linings will the drainage membrane be flattened</p>
	<p>NO</p>

	FUTURE ACTION:
	<p>Greenhouse Budget</p> <p>Tim Moore prepared the report for Terramin. This information will be included in the MARP.</p> <ul style="list-style-type: none"> • There were some concerns as to the budget and how it was done. • The Chart on Page 3 will be placed on the website • Powerpoint presentation – Melbourne University
	<p>Revegetation Report</p> <p>Angas River Catchment body will submit report commenting on Terramin's proposed vegetation plans for the site.</p>
<p>Q1</p> <p>A1</p>	<p>Future potential for enlarging the mine was questioned and Terramin gave the following assurances: -</p> <p>The reserves is limited to 2.2 million tonnes. This has not changed since the mining application was submitted to PIRSA</p> <p>Garwood, Rankin & Hanging Wall Shoots</p> <p>The total reserves of the shoots are 2.2 million tonnes</p> <p>What is the mine life of the proposal?</p> <p>A. Modelling is for 7 years mine life as per the mining application.</p> <p>If further resources are proven would current operation and site be considered for use?</p> <p>We can only model on 2.2 million tonnes as this is what the MARP is based upon and ore will not be brought from other sites under this approval process.</p>
7.	<p>NEXT MEETING</p> <p>Thursday 24th August @ 7.30 pm</p> <p>Terramin, SafeworkSA & PIRSA presentation at next meeting</p> <p>Issues to be discussed:</p> <ul style="list-style-type: none"> • Responses from Terramin • SafeworkSA Mining Safety Issues • Working Day operations - Times, Days and Days of the Year
8.	MEETING CLOSED

ACTION LIST

Date of Meeting	Item no:	Issue	Action Required	By Whom
28 June	3.	<ul style="list-style-type: none"> • I. Woods questions submitted, requires answers • School Nominations & TOR – Question sent to Minister 	Responses to questions raised at meetings will be forthcoming. There has been a delay in responding due to a backlog. The Chair will endeavour to give reasonable answers to the questions raised within a realistic timeframe.	Chair
28 June	Q2	No ₂ , how does this effect greenhouse load 127 tonnes of Carbon Dioxide	Terramin report with this information	
28 June	Q5	Does the same blasting standard apply here as at the Stawell Mine? This was covered by JB 10/08/06	Terramin to report to the Committee on this.	
28 June	Q16	If required PIRSA can discuss the issues of exempt land at a later date This has been addressed at a special landowners meeting with PIRSA and chaired by DB on 08/08/06		
28 June	Q21	What are the greenhouse gas effects from blasting? In Greenhouse Gas Modelling	Terramin don't know at this stage and will have to report to the committee with this information.	
28 June	Q33	In MARP document, has Appendix 'T' been upgraded from the April 2006 version? PIRSA would expect a complete new detailed MARP document to be compiled by Terramin suitable for approval by PIRSA	Terramin will table answer at the next meeting.	
6 July	5.5	Maximum tailings should be placed underground. Covered in Presentation given 20/7/06	Terramin to provide a presentation to the Committee.	

6 July	5.5	There may be an issue with backfilling of tailings underground creating AMD within underground mine site once groundwater infiltrates the completed mine sites contaminating the local water. This issue is addressed by the Mining Lease Conditions granted on the 17/08/06	Professor Jewell will be asked for an opinion.	Hans Bailiht
6 July	5.5	A request to go to the Minister to extend the period of monitoring of groundwater, as two years is considered not to be long enough. Perhaps there should be some monitoring for up to 20 years. This issue is addressed by the Mining Lease Conditions granted on the 17/08/06	A request to go to the Minister to extend the period of monitoring of groundwater	Chair
20 July	5.0	Emergency Response – use of other brigades outside of the Strathalbyn area. Covered in Presentation given 20/7/06	Terramin to speak to other divisions at a later date.	John Burgess
20 July	4.3	Backfill Types - Can more tailings go underground instead of rock fill? This is a requirement by PIRSA	Terramin need to do more drilling to determine the extent of the sulphide rock.	John Burgess
20 July	4.4	7 year groundwater modelling for the mine site Covered in Presentation given 20/7/06	A formal report will be included in the MARP.	John Burgess
20 July	5.1	Blasting - Hours of blasting approximately 7am and 7pm. 7 days a week	This will be supplied in writing;	John Burgess
20 July	5.2	Mine Closure Covered in Presentation given 13/7/06	Details of the box cut rehabilitation will be provided.	John Burgess

Costs of the Tailing vs Concrete Blocks

Costing the Dam

- \$6,500,000 Upfront
- Interest/year \$455,000 @ 7%PA
- Cement @ \$210 delivered to Strath
- 1m tonnes of tailings over 7 years = 143,000 tonnes/year ~400 tones/day
- 143,000 tonnes @ 3% =4286 tonnes of cement
- \$900,060 for cement PA.

• Dam Cost

Dam + Interest

- Year 1
 - \$6,955,000
- Year 2
 - \$7,410,000
- Year 3
 - \$7,865,000
- Year 4
 - \$8,320,000
- Year 5
 - \$8,775,000
- Year 6
 - \$9,230,000
- Year 7
 - \$9,685,000
- Total = \$9,685,000

• Block Cost

- Year 1
 - \$1,000,000
- Year 2
 - \$2,000,000
- Year 3
 - \$3,000,000
- Year 4
 - \$4,000,000
- Year 5
 - \$5,000,000
- Year 6
 - \$6,000,000
- Year 7
 - \$7,000,000
- \$500,000 to move blocks into mine
- Total = \$7,500,000

Assumptions

1. Repairs and maintenance of tailings dam and pipework have been ignored
 - Cost of thickener has been ignored
 - Pumping costs for thickened tails have been ignored
2. Price of cement is direct from ABC @ \$210/tonne with a contract with a contract for 30,000 tonnes over 7 years
3. The Density of the ore is 3.1t/m³ and tailings 1.9t/m³.
2,100,000 tonnes of ore is mined = 677,000m³.
If all of the hole are filled it would require 1,287,000 tonnes of tails
i.e. only 800,000 tonnes needs to go back as blocks, not 1,000,000 tonnes saving \$7.50/tonne saving \$1,500,000
4. Backfilling of roads have been ignored.

Summary

- Blocks would save at least \$2,200,000 possibly as much as \$4,400,000
- Why do Terramin insist on a tailings dam?
- Is there some other purpose that they want the tailings dam for?