

MINUTES

Clean TeQ Sunrise
Community Consultative Committee



	Community Consultative Committee	Meeting Date: Commenced:	30 May 2018 1:31pm
Independent Chairperson:	Lisa Andrews (LA)		
Member Attendees:	<ul style="list-style-type: none">• Tennille Dunn, Wiradjuri Condobolin Corporation (VS) <i>[Delegate] left at 3.11pm</i>• Cr Mark Hall, Lachlan Shire Council (MH)• Cr Alan Ward, Parkes Shire Council (AW)• Cr Barbara Newton, Deputy Mayor, Parkes Shire Council (BN)• Cr Steve Karaitiana, Forbes Shire Council (SK)• Dennis Brady, Condobolin Chamber of Commerce (DR)• Des Ward, Community Representative (DW)• Helen Quade, Alternate Community Representative & Alternate Trundle Community Consultative Committee delegate (HQ)• John Lagerlow – Trundle Community Consultative Committee Representative (JL)• Narelle Sunderland – Community Representative (NS)• Geoff Rice, Parkes Chamber of Commerce delegate• James Fisher, Clean TeQ NSW Manager (JF)• Justine Fisher, Clean TeQ GM Government, External Relations & Community (JuF)		
Invited Guests:	<ul style="list-style-type: none">• John Hanrahan, Clean TeQ, Approvals Lead (JH)• Ben Stockdale, Clean TeQ, Chief Financial Officer (BS)• Richard Glass, Clean TeQ, Investors Relations Manager (RG)		
Venue:	Lachlan Shire Council, Committee room, Condobolin		
Minute taker:	Karen Worthington, Clean TeQ Community Relations Officer (KW)		
Close:	4:47pm		

1. Welcome & Introductions

Independent Chairperson, Lisa Andrews opened the meeting and welcomed all members and guests. LA introduced Dennis Brady as the new representative from the Condobolin Chamber of Commerce, as well as guest Clean TeQ personnel attending the meeting.

For the benefit of Clean TeQ guests, each member provided a brief introduction.

2. Apologies

Apologies were received from Laurie Hutchinson and Ally Coe (Wiradjuri Condobolin Corporation) and Tim Kindred (Clean TeQ)

3. Declarations

LA declared that she is an Independent Chairperson, appointed by the Secretary of the Department of Planning and Environment and engaged by Clean TeQ to chair this CCC meeting. No changes to members' previous declarations.

4. Business Arising from previous minutes

LA confirmed that the minutes from the February meeting were finalised and a copy emailed to members on 22 March 2018.

Actions:

Item 1: JH confirmed that the Borrowa WAL purchased was an irrigation licence and that under the water sharing plan Clean TeQ was entitled to transfer the WAL.

5. Correspondence

- 19/2/18 – Email to members with information about the drop-in sessions
- 22/2/18 – Email to members with the concentration converter table
- 25/2/18 – Email to members with the company's announcement regarding the granting of Mining Leases, an extension period for delivery of the Definitive Feasibility Study and the appointment of Stewart Hamilton as General Manager, Operations Readiness. (I understand that Stewart has not taken up the position.)
- 22/2/18 – Email to members advising that the company's Response to Submissions is now available on the DP&E website and that Parkes Shire Council considered the VPA.
- 9/3/18 – Email to members with a copy of the advertisement for registering EOI for employment or procurement.
- 12/3/18 – Email to members with the draft minutes for review.
- 22/3/18 – Email to members with the finalised minutes.
- 28/3/18 – Email from David Rees, Condobolin Chamber of Commerce, resigning from the CCC.
- 29/3/18 -Email to David, thanking him for his contribution and forwarding on application/nomination forms for completion and submission for the Chamber's new delegate.
- 4/4/18 – Email to members with a Save the Date for 22/5/18.
- 28/4/18 – Email to members with a proposed NEW Save the Date for 30/5/18.
- 3/5/18 – Email from Clean TeQ with its media release to ASX.
- 11/5/18 – Email from David Rees advising that Dennis Brady will be the Chamber's new delegate on this CCC.
- 14/5/18 – Email to members with the meeting notice and agenda for this meeting.
- 15/5/18 – Email to members with a reminder to provide any questions prior to the meeting.
- 29/5/18 – Email to members advising of the photographer will be attending the CCC.
- 29/5/18 Email from DP&E advising that MOD 6 has been approved (the relocation of the accommodation camp) and that the amended consent, together with the Department's assessment report will be available on the Department's website.

6. Reports from Clean TeQ

Committee members provided a list of questions in advance. Answers to all questions were provided throughout the presentation from Clean TeQ representatives, as per the attached presentation. A range of additional questions were asked during the following reports and presentations, these Q&As are detailed in section 6 of the minutes.

Ben Stockdale, Clean TeQ CFO

BS provided a general / corporate update. This included;

- Indicative project schedule 2018 – 2021
 - 2018
 - Detailed Engineering
 - DFS completion
 - Project Financing

- 2019-2020
 - Construction
- 2021
 - Commissioning and ramp up
- Project Financing
 - Mandated Lead Arranger appointed
 - Technical experts ready to engage post-DFS
 - Offtake & Investment Strategy
- Innovation Clean-iX® processing
 - Clean TeQ technology versus traditional pyrometallurgical and hydrometallurgical processes
 - Clean-iX® process removes intermediate processing steps
 - cRIP use within industry
 - Clean TeQ large scale pilot plant
- Sunrise Process Flowchart
 - Mining and Beneficiation
 - High Pressure Acid Leaching
 - Metal Extraction
 - Refining

Justine Fisher, Clean TeQ GM Government, External Relations and Community

JuF provided an update on stakeholder engagement and community activities, this included;

- Regional community and one-on-one meetings
- Upcoming employment and procurement community briefings
- Communication channels
- Stakeholder consultation
- Local initiatives and site visits
- Employment & Procurement statistics

John Hanrahan, Clean TeQ Approvals Lead

JH provided an update on approvals and environmental management. This included;

- MOD 4 – Optimisation Modification Update
 - Response to DP&E additional information request submitted 24 May 18
 - Will be made public at DP&E 's discretion.
- MOD 6 – Accommodation Camp Modification Update
 - Determined (Approved) 25 May 2018
- Air Quality Assessment
 - Assessment prepared in accordance with EPA's *Approved Methods for the Modelling and Assessment of Air Pollutants in NSW*.
 - Model used to predict potential air quality impacts
 - Contemporary EPA impact assessment criteria for gaseous pollutants and particulate matter considered.
 - No exceedances of EPA impact assessment criteria predicted, and EPA raised no concerns with Air Quality Assessment.
- Air Quality Monitoring
 - Air Quality Management Plan (AQMP) will be prepared prior to construction in consultation with the EPA and to the satisfaction of the DP&E.
 - The AQMP will include an air quality monitoring program for evaluating and reporting on compliance criteria.
 - Air quality monitoring locations
 - Parameters
 - Monitoring and reporting requirements
- Borefield and Borefield Management

- The Project borefield will be the primary Project water supply.
- Clean TeQ is currently approved to extract 3,154 ML/year from the borefield located in Zone 5 of the Upper Lachlan Alluvial Groundwater Source.
- Construction phase (approximately two years) water demand (in the order of 600 ML/year) is significantly lower than the operational phase.
- Borefield will be operated in accordance with the requirements of the Development Consent and Water Access Licence
- Borefield operational strategy (including monitoring) to manage any adverse Project impact
- Compensatory water supply requirements.
- Managed to minimise any adverse impacts on other groundwater users.
- Groundwater Management Plan (GWMP)
 - GWMP must be prepared and approved prior to construction
 - GWMP must include:
 - Baseline data
 - Trigger levels
 - Monitoring program
 - Plan for responding to trigger level exceedances and mitigation measures
- Groundwater Works Program
 - Groundwater works program to be undertaken during 2018, this will include;
 - Bore census
 - Development of an expanded groundwater monitoring programs
 - Additional Hydrogeological testing, and
 - Development of a contemporary groundwater models
- Compensatory Water Supply
 - Development Consent requirement that the applicant provides a compensatory water supply to anyone whose basic landholder water rights are adversely and directly impacted as a result of the development.

James Fisher, Clean TeQ NSW Manager

JF provided information on the following topics;

- Project employment opportunities
- Contributions to government
- Mobile phone tower/coverage

7. Q&A

During the Clean TeQ presentations CCC members asked a range of questions. Q&As are noted below.

DS asked how much Clean TeQ would pay in royalties per year, once in full production?

BS explained that Clean TeQ would pay approximately \$20 million in royalties each year.

HQ asked how much dirt is required to get the grade of product?

BS explained that each year 2.5 million tonnes of ore would be mined to produce 100,000 tonnes of Nickel Sulphate (20,000 tonne metal equivalent) and 20,000 tonnes of Cobalt Sulphate (4,000 tonne metal equivalent). BS also explained that 70-80 tonnes per annum of Scandium at 96 – 97% purity would be stockpiled until a market is developed.

DS asked what happens to the resin beads?

BS explained that the beads are re-used in the process.

HQ asked if the sulfuric acid had any impact on the beads?

BS explained how the slurry is cooled and pH increased prior to contacting with the resin beads to maximise the effectiveness of the beads.

DW asked what other mines use this processing method?

BS explained that various other mines use ion exchange but not commercially in continuous flow for nickel/cobalt extraction. Our process has been extensively pilot tested, by us on Sunrise ore and with BHP – BHP project didn't go ahead due to BHP withdrawing from the project following the GFC. Clean TeQ is confident the process will work and that it is the most efficient and effective solution to employ for this purpose

DW asked why model 3 autoclaves were purchased instead of the new model 5?

BS explained that the main difference between the model 3 and model 5 autoclave are ancillary and if required can be retro fitted. BS explained that CLQ and SNCL engineers conducted an extensive due diligence process before purchasing. BS also explained that the vessels are un-used and in good working order.

DW asked why Clean TeQ didn't consult with the water group (landholders surrounding the projects borefield) sooner?

JuF explained that MOD4 doesn't seek to make any change to the already approved borefield component of the development consent, except for the inclusion of surface water (if approved). JuF also explained that Clean TeQ has meet with the group twice and will meet with the group again following the completion of the 2018 bore census.

HQ asked when Clean TeQ would start baseline monitoring?

JH explained that Clean TeQ have baseline data for dust and will consider baseline monitoring for sulfur dioxide prior to commencing construction.

HQ asked if the CCC could be involved in the baseline monitoring?

JH answered yes and explained that baseline monitoring would be conducted at privately owned receivers (e.g. noise).

HQ asked if 'we' (privately owned receivers and CCC) would be notified of exceedances?

JH explained that all monitoring data, including exceedances are reportable to various regulators and agencies, including the EPA and the CCC.

HQ asked what the transport option for construction water was?

JH explained it was as described in the MOD4 environmental assessment.

SK asked what size trucks would be used to transport construction water?

JH explained that Clean TeQ are looking at all options.

DB asked why Clean TeQ don't build the water pipeline as soon as possible?

JH explained that some early construction works will have commenced prior to the water pipeline being completed and hence trucked construction water will be required,

DW asked how far apart the eastern and western borefields are?

JH indicated approx. 7 kms.

DW asked who determines if the compensatory agreement is implemented to impacted users?

JH explained that the trigger levels will be developed from the groundwater model and contained in the GWMP. If trigger levels are reached, Clean TeQ will investigate if adverse impacts on other groundwater users may have potentially occurred. The investigation would be conducted by an expert hydrogeologist to determine the cause. Compensatory water supply measures will be provided in consultation with DPI

Water and the NSW Department of Planning & Environment. Also, Clean TeQ will manage the borefield to minimise the potential for adverse impacts on other groundwater users.

DW asked if the company would accept the burden of proof to show beyond reasonable doubt that it has not caused harm to the farmers water supply?

Question taken on notice. *See Addendum 1.

HQ asked when we will start baseline monitoring at the borefields?

JH explained that Clean TeQ have been monitoring and have baseline data. JH also explained that automatic groundwater level loggers are being installed next week.

DW asked if the Water Management Plan (WMP) would be completed prior to construction?

JH explained that the WMP would be completed prior to construction commencing and that it would include properties surrounding the ML.

SK asked if the manual monitoring data for the borefield was available?

JuF explained that Clean TeQ are currently undertaking a bore census and that field investigations would commence in the coming weeks.

JH informed the CCC that the contemporary model and testing etc would be shared with the CCC

DW asked if the CCC could be provided with the data from bore tests completed between Aug and Sept 2006.

Question taken on notice. *See Addendum 1.

SK asked what pumps and power would be fitted at the borefields?

JH explained that it is anticipated that the bores would be equipped with submersible pumps and diesel generators through the construction phase.

DW asked if the CCC could see a draft of the WMP and be provided an opportunity to comment?

JH answered yes, however, the regulators will need to be consulted first.

DW asked if a quota would be placed on Indigenous employment?

JuF explained that Clean TeQ would provide opportunities for Indigenous employment though further details are not finalised.

HQ asked if the TSF would be built at outset? And what it will be lined with?

JH explained that the TSF is planned to be built in stages (cells) during the mine life and that it is required to be lined with 900 mm of compacted clay (or similar) that will create an impermeable (1×10^{-9} m/s) layer.

DW asked if Clean TeQ had given any thought to eliminating that spillway?

JH explained that the WMP will provide this detail and informed the CCC that the spillway was designed to allow clean water to go around the site and that the spillway would be a closed system to eliminate any discharge.

JL asked if Clean TeQ had given any consideration to including a bypass road around Trundle in the road works program.

JF explained that this sits with the Department of Planning and Environment.

Questions on Notice:

Two questions were taken on notice. 1: Information regarding the final TSF height and 2: noise limits at Currajong Park, are to be provided prior to the next meeting.

8. **General Business - Nil**

9. **Next Meeting**

The next meeting is Monday 27 August 2018 at Lachlan Shire Council, Committee Room commencing at 1pm.

ACTION ITEM

ITEM	ISSUE	RESPONSIBILITY
1	Provide responses to questions taken on notice* (See Addendum 1). Questions regarding TSF height and noise limits at Currajong Park will be provided prior to the next meeting.	JH

***ADDENDUM 1 – RESPONSE TO QUESTIONS TAKEN ON NOTICE**

(Note: Responses provided by Clean TeQ prior to finalisation of minutes and incorporated into document for continuity of information)

- 1 *DW asked if the company would accept the burden of proof to show beyond reasonable doubt that it has not caused harm to the farmers' water supply?*

In the event that a landholder indicates that their basic landholder water rights have been adversely and directly impacted as a result of the Project, Clean TeQ will engage a groundwater specialist to undertake a review. This review will take into consideration the groundwater assessment criteria (including trigger levels), monitoring program results and response plans from the GWMP and be undertaken in consultation with the DI-Water and the DP&E.

If the review confirms that the Project has adversely and directly impacted the landholder's basic landholder water rights, Clean TeQ will provide a compensatory water supply. This supply must be provided in consultation with DI-Water, and to the satisfaction of the Secretary. Any alternative compensation (e.g. financial compensation) provided must be to the satisfaction of the Secretary.

- 2 *DW asked if the CCC could be provided with the data from bore tests completed between Aug and Sept 2006.*

Clean TeQ has committed to sharing the contemporary model and testing with the CCC. At the time of construction of the bores, a "Form A" was completed with relevant information (driller's and flowrate) and submitted to DPI Water. This information is publicly available.