

MINUTES

Sunrise Energy Metals Community Consultative Committee



sunrise
energy metals

	Community Consultative Committee	Meeting Date: Commenced:	11 October 2022 2:03pm
Independent Chairperson:	Lisa Andrews (LA)		
Member Attendees: (In person)	<ul style="list-style-type: none">• Mayor Ken Keith – Parkes Shire Council representative (KK)• Cr Bill Jayet – Parkes Shire Council representative (BJ)• Cr Dennis Brady – Condobolin Chamber of Commerce representative (DB)• Des Ward – Community Representative (DW)• Ben Stockdale – Sunrise Energy Metals Chief Financial Officer (BS)• Mike Wood – Sunrise Regional Manager (MW)• Bronwyn Flynn – Sunrise Environment, Approvals and Community Lead (BF)		
Member Attendees: (Online)	<ul style="list-style-type: none">• Cr Steve Karaitiana – Forbes Shire Council representative (SK)• Geoff Rice – Parkes Chamber of Commerce (GR) <i>joined at 2.22pm</i>• Narelle Sunderland – Community representative (NS)• John Lagerlow – Trundle CCC representative (JL)• Laurie Hutchison – Wiradjuri Condobolin Corporation (LH)		
Invited Guests:	Nil		
Observers	Nil		
Venue:	Council Committee Rooms, Lachlan Shire Council Offices		
Minute takers:	Bronwyn Flynn, Mike Wood		
Close:	3:02 pm		

1. Welcome & Introductions

Independent Chairperson, Lisa Andrews welcomed all members and guests to the Community Consultative Committee (CCC) meeting.

2. Apologies

- Sam Riggall, Sunrise Energy Metals Chief Executive Officer
- Helen Quade, Alternate Community representative

3. Declarations

LA declared that she is an Independent Chairperson, appointed by the Secretary of the Department of Planning and Environment (DPE) and engaged by Sunrise Energy Metals to chair this CCC meeting.

LA reminded all CCC members to ensure their declarations are kept up to date.

4. Business Arising from previous minutes held 9/3/22

LA confirmed that the minutes from the 9 March 2022 meeting were finalised and emailed to members 2 April 2022.

Action Items:

1. Provide the PowerPoint presentation to LA for distribution to the CCC members. [Complete – presentation emailed on 4/4/22.](#)
2. Send governance forms to new Council delegates on the CCC. [Complete – emailed 4/10/22.](#)

5. Correspondence Report as emailed 4/10/2022 with 2 additional items

- 25/3/22 – Email to members with the draft minutes for review.
- 4/4/22 - Email to CCC members with the finalised minutes and presentation.
- 2/9/22 – Email to members pushing the CCC date to 11/10/22.
- 20/6/22 – Email from SEM regarding the updating of the Environmental Management Plans following the approval of MOD 7. This information was forwarded to members on the same day.
- 4/10/22 – Email to new Councillors on CCC with governance forms for completion and return.
- 4/10/22 - Email to members with the meeting notice, agenda and correspondence report.
- 5/10/22 – Email to members with the video-link.
- 10/10/22 – Email to members with a reminder for this meeting.

6. Sunrise Project Update - Presentation

Sunrise Regional Update – Mike Wood

MW provided the CCC with an update on the activities undertaken in the region since the 9 March 2022 meeting:

- Exploration
 - Diamond drilling and a follow up reverse circulation (RC) drilling program undertaken at Sunrise East (EL4573).
 - An RC drilling program was also completed at Hylea (EL8520, EL8641 and EL8801).
 - Surface sampling across a number of limestone tenements has been completed, with a number of land access agreements being signed. Planning is well underway for a RC drilling program in early 2023 on the Ezy Lime tenement (EL8928).
 - Identification of a high quality limestone resource closer to the Sunrise Project presents a number of opportunities to diversify limestone supply and reduce trucking movements.
- Battery recycling and precursor production test work
 - Battery recycling test work is continuing.
 - Test work is ongoing to optimise the battery recycling process
 - Further engineering and environmental approvals would be required in order for battery recycling to take place at the Sunrise Project.

Q & A relating to Mike Wood's update

KK asked: In terms of percentages, is what you've identified at Sunrise East another 20% or 50% of the Sunrise deposit?

MW replied: The drilling program at Sunrise East was a wide spaced scout drilling program which detected cobalt and scandium. This provides opportunities for future infill and step out drilling to determine the quantity of material present.

DW asked: Sunrise East – is that east of the main road? And how far north?

MW replied: That's correct, it's not far from Fifield-Tullamore Road, and approximately 10km north-east of ML1770.

DB asked: How many other people are doing the battery recycling research?

MW replied: Sunrise EM are part of a future battery recycling initiative cooperative research centre where it can share information on battery development and recycling. Battery recycling is a growth industry across a number of countries.

BS added: When Sunrise EM is in discussions with battery suppliers and are seeing that recycling is starting to be mandated by governments in various jurisdictions globally.

KK asked: Assuming that recycled batteries would come into the processing plant with the ore?

MW replied: The recycled material would most likely be added in later through the circuit (not with the ore) – so either the CRIP (Continuous Resin in Pulp) or the refinery.

DB asked: Where are batteries made now?

BS replied: Batteries are made in many countries, but majority are currently made in China.

KK commented: We need to be making batteries in Australia.

MW commented: There could be opportunities for other businesses in the region, particularly in recycling.

DB asked: Why can't we make batteries in Australia?

BS replied: It's a very hi-tech industry and there are few companies that have the know how to make the lithium batteries. In reality, the production of batteries is likely to be co-located close to the electric vehicle manufacturing plant.

DB commented: We are a country that seems to export everything.

BS commented: Sunrise Energy Metals is trying to produce a high purity product to capture the downstream value-add.

Community Update – Bronwyn Flynn

BF provided the CCC with an update on community relations activities since the 9 March 2022 meeting:

- Sunrise Energy Metals supported the Trundle Back in Time event on 26th March and supported and attended six local agricultural shows including Tullamore, Trundle, Bedgerabong, Parkes, Condobolin and Forbes during August and September.
- Sunrise Energy Metals continues to support the Condobolin Public School's breakfast club.
- The Parkes and Condobolin shopfronts are open – members of the community can visit on the first and third Tuesday (Condobolin) and Thursday (Parkes) of the month.
- No community complaints have been received so far this year.

Environmental Management Update – Bronwyn Flynn

- Environmental monitoring at the Sunrise Project is continuing in line with the Project Development Consent and Environmental Protection Licence, including:
 - Dust (depositional and particulate matter monitoring [PM₁₀ and PM_{2.5}])
 - Surface water (sampling events occurred every month since our March meeting)
 - Groundwater monitoring (six monthly onsite and borefield monitoring) – completed in April 2022, next round scheduled for this month however this is likely to be delayed given how wet the region is
 - Meteorological monitoring
- Annual rainfall comparison (2019 – 2022)
 - From the graph, you can clearly see the change in rainfall over the past few years.

Environmental Approvals Update – Bronwyn Flynn & Mike Wood

- The Project Execution Plan Modification was approved on 18th January 2022
 - A number of Environmental Management Plans (EMPs) have now been updated and can be found on our website.
 - The Road Upgrade and Maintenance Strategy is currently with DPE for approval, and the Traffic Management Plan is currently awaiting comment from Parkes Shire Council prior to being submitted to DPE.
 - There was a number of EMPs that didn't materially change due to the Modification, so Sunrise applied to DPE to waive the requirement to consult with the consultation agencies for those EMPs (DPE approved this request).

- The company has been progressing the connection agreement with the Network Service Providers for the 132kV ETL, including commencing initial line design work with Essential Energy.
- The first 40km of the ETL will become a dual circuit line (both 132kV and 66kV wires), replacing the existing 66kV supply line to Trundle, providing additional network capacity and growth opportunities in the region.
- A licence application for Crown Land access along the corridor has been recently submitted to DPE-Crown Lands.
- The water pipeline lease agreements with the Lachlan and Forbes Shire Councils have been recently executed.
- The licence and easement process with Crown Lands has been progressing.
- Sunrise has met with all relevant Shire Councils along the oversize transport route, with valuable feedback provided.
- Sunrise has submitted a grant application through the NSW Critical Minerals Fund for planning and design work associated with the oversize transport route.

Q & A relating to Bronwyn Flynn's update

DW asked: What changed in the Road Upgrade and Maintenance Strategy?

BF replied: We added in the extension to the Scotson Lane road upgrade to the new rail siding entrance, and there is new conditions in the Development Consent related to railway crossing safety assessment as a result of Mod 7.

KK asked: TransGrid is currently looking at sites for their large batteries.

MW replied: Yes, TransGrid completed its RIT-T process, and eventually there will be a new powerline constructed from Wellington.

DB asked: When will Essential Energy start construction of the powerline?

MW replied: Not until the project is financed. The powerline will take 15 months to construct, and we will require it operational approximately two years after construction commences. The initial construction will utilise gensets onsite.

DW asked: Do you need to renegotiate access on the first 40km of powerline given you'll be replacing the 66kV line?

MW responded: Yes, we are renegotiating the easement as the 66kV line has a 30m wide corridor and the dual 132kV/66kV requires a 45m wide easement.

DW asked: Can landowners carry out their normal work under those powerlines.

MW responded: Yes, they can.

KK commented: It's the wide machinery that needs to get around the poles.

MW responded: We're actually discussing that with the landowners – in some cases the poles will be set inside the fence line approximately 50m to allow for the wider farm machinery.

7. Community questions

LA: No member questions were received prior to the meeting, so does anyone have any additional questions for the company?

DW asked: Regarding the limestone, I thought you needed about 400,000 tonnes. What are the known reserves in the area?

MW replied: It's around 500,000 tonnes required annually.

BS added: Ezy Lime has enough limestone for about 8-10 years for Sunrise, which is a good start. We will eventually need to find additional limestone.

DW asked: Sunrise is still not planning on using Westella for limestone?

BS replied: We could use it, and Westella is still part of the Sunrise Project, however we would need twice as much limestone from there as it's about half the grade of Ezylime.

8. General Business

JL commented: I'm certainly interested to hear that you're exploring for limestone closer to the Project site.

MW responded: It would be a good outcome to find a high quality limestone source closer – it would reduce truck movements.

KK asked: If Ben could provide an update on the Project financing?

BS replied: The attitudes of the auto industry participants continue to evolve positively for us and in particular the invasion of Ukraine has also highlighted supply chain vulnerability issues. There have been a few transactions announced recently with mining companies and auto companies, which is a good sign for us. If and when we find an equity partner, we will still have a process to undertake with the debt finance. We do already have good government support with the \$400 million announced from Export Finance Australia earlier this year, and there is also strong indications of support from other foreign government agencies as well. As a company, we remain positive, but it is impossible to know a timeframe around when we may receive finance to commence the Project.

DB asked: How much competition do you have?

BS replied: There are a few similar projects currently proposed, but nothing quite like Sunrise. Sunrise is development ready and will produce a high purity final product from a mine within Australia that can go straight into the batteries.

DB asked: The Project will be more expensive to construct once you commence won't it?

BS replied: It is likely that it will be in some areas like wages, however, governments around the world are taking firm measures to address inflation and we are not alone - everything is now more expensive for everyone globally.

DW asked: The Cobalt Blue Project – what effect will they have on Sunrise?

BS replied: If we can, it would be ideal to try to sequence construction activities rather than competing with other Projects for labour etc.

KK mentioned: There was a show in the ABC recently regarding Western Australia and the lithium deposits.

BS replied: Yes, there's been a few lithium deposits developed in recent years. There is currently lots of interest in various Projects across Australia.

KK mentioned: Unfortunately, we had to cancel the ABBA festival. But Elvis is back in January 2023.

BJ asked: How do you get the relevant Project information out to the community?

BS replied: We have quarterly ASX reports, but also annual newsletters. We attended and supported the recent agricultural shows, and we had a lot of interest from the community at those. We also have open offices where the public can come and see us in the Condobolin and Parkes office and ask questions.

DW: Proposed that while there was only a modest amount of activity happening on the ground at the project site whether it was appropriate to hold the CCC meeting only once per annum.

9. Next meeting

DW recommended that the CCC move to an annual meeting.

The Committee members and the Company agreed to hold the CCC meeting once per annum and revisit as activity levels changed in the future.

The next meeting is scheduled for **Tuesday 27th June 2023**.

Time and location to be confirmed closer to the date.

LA closed the meeting at 3:02pm thanking members for their attendance and contribution.

ACTION ITEMS

ITEM	ISSUE	RESPONSIBILITY
1	Provide the PowerPoint presentation to LA for distribution to the CCC members.	BF