

Iron Road's Development Application for Infrastructure Lodged June 2014

On 16th June 2014 the Company submitted a development application for the CEIP's infrastructure requirements to the State Minister for Planning, John Rau.

The application includes all infrastructure that will be located outside of the proposed mining lease at Warrambo. This infrastructure, which will be required to support the mining and export of iron concentrate, consists of:

- A deep sea port and export facility at Cape Hardy;
- A village to house mine operations staff in Wudinna; and
- An infrastructure corridor comprising a railway line, transmission line, water pipeline and bore field.

The Department of Planning, Transport and Infrastructure (DPTI) will now circulate the application to relevant State Government agencies for comment. The Development Assessment Commission will then consider the environmental, social and economic issues relevant to the development, determine the level of assessment, and set appropriate guidelines for Iron Road to consider in its final development submission.

The level of assessment will be either an Environmental Impact Statement (EIS), a Public Environment Report (PER) or a Development Report and Iron Road is expecting that an EIS will be required.

Guidelines will be prepared setting out what matters Iron Road will need to address in the report (eg. EIS) and how they will need to be addressed. When Iron Road's report is submitted to Government, part of DPTI's assessment process will include consultation with local Councils, the public and Government agencies.

Opportunity for direct savings for grain farmers

Over the next four years, and once funding and approvals are secured, Iron Road will construct an integrated supply chain consisting of a mine, railway and deep water port. The proposed mine has a confirmed 25-year life, with potential annual revenue of \$US2.8 billion. The proposed port at Cape Hardy will be South Australia's first port capable of loading capesize vessels – ones too large for the Panama Canal – and will have capacity available for third party exports of other commodities.

Iron Road announced in February that a memorandum of understanding had been signed with a significant grain handler for use of the CEIP infrastructure.

Iron Road believes that competition in the grain handling industry on the EP, could deliver farmers direct savings of around \$10 a tonne.

How the reduced mine footprint came about...

Iron Road will adopt processes that will preserve productive agricultural land by reducing the size of the proposed mine at Warrambo.

The savings of agricultural land have been made possible by rethinking the technology available for storing tailings. Tailings are the material left over after the extraction of the valuable minerals via the processing plant and are traditionally discharged into tailings dams, which are essentially very large evaporation ponds.

Iron Road will do away with the tailings dams completely by using a method of filtered stacked tailings co-disposed with waste rock.

Some of the advantages of the tailings strategy include water conservation through recycling, progressive rehabilitation, minimisation of seepage and, of course, a significant reduction in the mine footprint.

Through the use of this tailings technology, the mine and plant's footprint will be 24% smaller than originally envisaged and 2,610ha of agricultural land will remain unaffected. The overall footprint will come down from 11,106ha to 8,496ha.

The CEIP will deliver many jobs. During construction, the project is expected to involve a peak workforce of around 1,950. Permanent operations will need about 700 personnel.

ASSISTANCE PROGRAMME FOR LANDOWNERS AND COMMUNITY

Iron Road recognises that some landowners may be experiencing uncertainty about the CEIP and what it will mean for their families. Last year the Company extended the use of its own confidential and voluntary counselling assistance programme to those families impacted by the proposed mine, infrastructure corridor and port. This programme is provided by Davidson Trahaire Corpsych (DTC), a professional, independent and **confidential** counselling service accessible by phone, internet, video conference or in person on the Eyre Peninsula. A number of information pamphlets on the service have been distributed and more can be found at the Telecentre or on Iron Road's website under Community News. This support is provided free of charge and is in addition to existing community services available in your area.

Free call: 1300 360 364 Website: www.davcorp.com.au