

MINE & PLANT



Mine

- Located east of Warramboo, 30km south of Wudinna on the Central Eyre Peninsula
- 25 year mine life
- 21.5 Million tonnes of concentrate produced per year
- 21.5 Million tonnes of 67% magnetite concentrate produced per year
- Conventional mining (truck and shovel) for the first three years
- In Pit Crushing and Conveying (IPCC) for remaining life of mine
 - reduces trucks from > 90 to 30
 - significantly reduces potential for dust and noise sources
 - reduces diesel use from 800,000 to 150,000 litres per day
 - reduces diesel use

Key Opportunities

- Wudinna Airport Upgrade
- Training and Employment
- Increased local business and services

Processing plant

- Mechanical processes of gravity and magnetic separation are used to extract the magnetite requiring no hazardous chemicals
- Processing can use saline water and does not need fresh water from the mains or a coastal desalination plant
- Modularised plant construction
 - greatly reduces road traffic and number of construction workers
 - shorter construction period
 - improved safety and reduced footprint
 - building up and minimizes footprint
 - energy efficient
- Integrated land form
 - tailings and waste rock combined
 - 70% water saving achieved
 - no ponds are required
 - no waste rock around perimeter of mine resulting in reduced potential for dust and noise sources
 - 50% reduction in tailings footprint

All information correct as of July 2014

FAQ

How big will the proposed Mining Lease be?

The proposed Mining Lease is now anticipated to be approximately 8,500 hectares (or 21,000 acres), a reduction of approximately 2,600 hectares (6,450 acres) from what we were expecting mid-2013. The reduced size is due to changes in the mining and tailings technologies, optimised rail alignment and processing plant modularisation.

Where will the construction camp and long term accommodation village be located?

The construction camp will be located within the boundary of the Mining Lease although a definitive location within that area has not yet been decided. During construction we anticipate that the camp will accommodate up to 1950 people but it will be downsized to approximately 500 people during normal mine operations.

The long term accommodation village will be located on the eastern side of the Wudinna township. The exact location has not been determined and we will work with the Wudinna District Council to find the optimal location.

We expect that the village will accommodate approximately 250-300 people.

How will noise and dust be monitored?

We will propose an appropriate monitoring system for noise and dust in our environmental approval documents. These programs will be based on expert consultant advice and the experience of the many mines around Australia and here in South Australia. Typically these programs are extensive and involve many and varied monitoring instruments to ensure data is captured to compare against legislative limits.

Some monitoring will be undertaken for a period after operation commences to confirm modelled predictions, other monitoring will continue throughout the full life of the mine. These monitoring programs, as well as others such as groundwater, flora, fauna etc. are required to be approved by the State Government before the construction of the mine and infrastructure can commence.

Where will the salt from the tailings system go?

The combined waste rock and tailings mix will behave like, and look like, a steep-sided hill about half the height of the local landmark, Dark Peake. Over time, the contained salt may progressively wash down through the structure, due to rain, to join the existing hyper-saline groundwater. The extent and timing of this downward migration will be dependent upon how the structure is built, how the structure is rehabilitated and if cropping is to occur on the structure post-mining. Under any scenario, no impacts will be permitted to the surrounding cropping land from salt.

Will the land be able to be used as farmland again after the mine has closed?

This would be a good outcome for all involved, but we are not clear yet whether this is a practical possibility. We will be working with our expert geotechnical engineers and environmental scientists, as well as local farmers to further investigate this option. It is likely that some areas e.g. adjacent to the rail loop, may continue to be cultivated during operations.