WIM RESOURCE
Think Ahead, Move Ahead

AVONBANK PROJECT
WEBINAR NO. 2

PROJECT DESCRIPTION

QUESTIONS AND ANSWERS

Is the current site finished (the remediation)?

Yes, it is. WIM Resource Pty Ltd (WIM), successfully finished rehabilitation of the test pit 4-6 weeks ago.

What is the standard to which the remediation will recovered to and who is actually behind the standards?

In Victoria, for the proposed mine, WIM is required to create a rehabilitation plan and that document will be available for public submission, later in the year. The rehabilitation plan needs to detail how WIM proposes to rehabilitate an area, and the criteria that will be used to sign off the rehabilitation.

In terms of who ultimately decides if WIM has met the rehabilitation criteria, this is dependent on who owns the land. If a landowner is involved (for example, if the land was not sold to WIM), the landholder would have input in that decision, in addition to the mines department.

As an example, WIM provided a rehabilitation bond for the test pit and should the mines department not be satisfied that the rehabilitation conducted does not fit the criteria agreed upon, then the bond may not be released. If the landowners are not comfortable with the rehabilitation completed, then WIM needs to address the landowner's concerns as far as reasonably practical.

In short, yes, the Victorian Government does have the authority in terms of sign off on rehabilitation – it is not just the company.

The questions here were asked during the Avonbank Project's Project Description webinar, hosted on Wednesday, 12th May 2021.

Moderator: Mark Fletcher, WDA

Presenters: Michael Davies, Community and Land Liaison Officer, Michael Winternitz, Projects Director, Jarrod Pye, Principal Mining Engineer

CONTACT

More information on the Avonbank Project may be accessed via the website www.wimresource.com.au.

If you have a question raised by a past webinar or would like to submit a question for one of the upcoming webinars, please email admin@wimresource.com.au

Is any of the overburden or ore found below the water table?

Approximately one third of the ore body is found below the groundwater table. None of the overburden is saturated but the bottom third of the ore body is below the groundwater table.

WIM plans to dewater this bottom third of the ore body, using in-pit sumps. Later this year, WIM will hold a webinar that explains any impacts that come from this dewatering process.

What is the approximate time between the approval and the start of construction?

WIM would not be making a financial investment decision until after approvals were received. From the time the investment decision is made, to commencement of construction would be a minimum of twelve months, due to the finalisation of extensive engineering requirements prior to construction.

Where is the project at as far as funding goes?

The Avonbank Project is not currently funded in terms of an investment decision to construct the full scale mine.

This year WIM is completing its Bankable Feasibility Study (BFS), essentially a document provided to potential parties to solicit funding for the project. This funding process will likely not commence until the end of this year.

[Comment] Having toured the test pit in May 2019 and its proximity to the Dooen Rail Terminal, would be interested in discussing at a later date regarding works required to update the rail siding and wanting to understand how rail might be possible from direct at the site.

WIM takes this on notice.

WIM has explored rail transport as an option, as the proposed location of the wet concentration plant is directly adjacent to the line. There are some issues with the rail siding and with the line itself, for example between Maroona and Portland and at the port itself. WIM welcomes discussions about rail transportation and rail improvements.

Following on from the rehabilitation question, can contracts include yield penalties for future crops, at least in the immediate future?

Two avenues for access to land when WIM mines an area: WIM will purchase the land, or WIM will enter into a compensation agreement with the landowner.

For the later, there is the possibility to include in the agreement should crops not perform as expected, with avenues for compensation.

Normal land access agreements would allow for a certain level of productivity based on existing criteria. When rehabilitation is complete it is measured against this productivity. If there is a shortfall, then compensation will be paid to cover the shortfall.

As landowners have cropping regimes that may involve different crops each year, these might have varying levels of productivity and there will be compensation to cover that variance. Detailed discussions and collaboration with the landowner will ascertain the criteria for each of the crops and the agreement reached will cover these criteria.

Does some of the groundwater that infiltrates the mine form part of the water ultimately returned to the plant and therefore positively contribute to the water balance?

Yes, however it is a relatively small amount as the sands are fine, thus not a large contribution. The water flows very slowly into the pit, and WIM will utilise what is available, but it will be a small number.*

**Correction: WIM incorrectly stated during the webinar, that there will be more water received via rainfall accumulating run off. This has been revised above.*

What is the anticipated approval date? Best case and worst case scenarios.

There are approximately two stages, with the first being the Environment Effects Statement (EES). The EES is not an approval as such, it is an instrument that allows Earth Resources to approve the project.

Currently WIM is in the first half of this process and may move in late 2021/early 2022 to the end of this first half (the end of the EES).

Should the Planning Minister approve the EES, there are other approvals required (stage 2), and this is likely to take a minimum of six months (mid to late 2022 is a reasonable expectation), providing this process goes smoothly. If there are concerns or issues with the EES or other approvals, this process could take a couple of years.

What is the expected annual tonnage for export?

This fluctuates year to year due to variations in the mineral content in the ore body, with a rough average being 500,000 tonnes per annum.

Is all of the ore for export? Is there no industry here in Australia?

The concentrate produced by WIM will be exported and refined overseas.

Currently Australia has no capacity to refine into end use products, from zircon and titanium – typically Europe, China, and the USA dominate these markets. The small amounts of residual rare earth minerals produced are also not able to be processed in Australia at this time.