

Understanding Hillside's Mining Lease Conditions



What is a mining lease?

A mining lease means that a company has been granted the right to mine by the State Government. Rex has been granted three mining tenements;

1. a mining lease (ML) for the Hillside Copper Mine,
2. an extractives minerals lease (EML) for the removal of excess cut from the construction of the highways to use this material for upgrading other surrounding intersections; and
3. a miscellaneous purposes licence (MPL) for the power line and pipeline corridor from Hillside to Ardrossan West along the St Vincent's Highway.

What are mining conditions?

All mining leases are issued with a set of conditions which need to be adhered to by the mining company. Conditions are issued to ensure the protection of the environment and community. The conditions are regulated and reported to the government and made publicly available. There are levels of controls that exist and any breach is appropriately actioned; for example the company may be warned, fined or shut down.

Why do some operations have more conditions than others?

Some mining projects have very few conditions and others have more depending on the setting, environment, proximity to people, adjacent land use and complexity of the mining operations. This information is publicly available for all approved mines and is on the Department of State Development's (DSD) website at the following link:

http://minerals.statedevelopment.sa.gov.au/mines_and_developing_projects/approved_mines

What is included in the Hillside Copper Mine's mining lease conditions?

The mining lease conditions are based on environmental and public safety legislative requirements and the potential impacts on the community from the mine. Community concerns that were raised as a part of the statutory consultation process are also reflected in the conditions. The following topics form the basis of the mining lease conditions:

- Air Quality
- Noise
- Meteorological Monitoring
- Blasting
- Visual Amenities
- Soil and Land Disturbance
- Surface Water
- Groundwater
- Traffic
- Adjacent Land Use and Third Party Property
- Additional Information in the Program
- Transparency
- Notification of cessation of operations
- Decommissioning and Rehabilitation Plan
- Social Management Plan
- Community Engagement
- Communications Protocol
- Complaints Register
- Notification of Insolvency Events
- Other Legislation

Where can I access the Hillside Copper Mine's mining lease conditions?

A copy of the mining lease conditions can be viewed on DSD website at the following link:

http://minerals.statedevelopment.sa.gov.au/mines_and_developing_projects/approved_mines

What happens to the conditions if Rex sells the mining lease or is taken over by another company?

A mining lease is a tradable commodity and is able to be transferred from company to company with the approval of the State Government. Conditions are attached to the mining lease and will apply to any company who owns and operates the mining lease. Community consultation forms a significant part of the development and any potential variation to lease conditions.

Does this mean that if Rex had funding it could start mining at Hillside?

Once a mining tenement is granted, a Program for Environment Protection and Rehabilitation (PEPR) is required to be approved by the government before mining may commence. The PEPR clearly sets out how Rex will meet the lease conditions for the life of mine and is developed in consultation with the community. This PEPR will be made publicly available by the government once approved. Regular compliance reporting forms part of the PEPR requirements and are also available to the public.

Once the PEPR has been approved by the government and the required funding has been obtained, the Company can start the development of the Hillside Copper Mine.