

# Dubbo Zirconia Project (DZP) Community Newsletter

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## Progress of the Dubbo Zirconia Project (DZP) development application

### **PAC completes review and recommends approval**

On 11 February 2015 it was announced the Planning Assessment Commission (PAC) has completed its review of the Dubbo Zirconia Project (DZP) and recommended the Project be approved subject to certain conditions. The NSW Department of Planning and Environment (DPE) is now finalising its assessment and will then forward the application to PAC for determination.

*"We welcome PAC's recommendation as a major milestone in the approvals process and we're now working with the DPE to ensure all of the conditions are addressed in the shortest possible timeframe. We hope to begin construction second half of the year."*

**Ian Chalmers, Managing Director  
Alkane Resources**

The PAC review process commenced in September 2014 and included a Public Hearing, held on 4 November 2014 in Dubbo, which was well attended by the community. In addition to a presentation by Alkane Resources' Chief Operations Officer, Nic Earner, 22 interested parties and members of the community made presentations.

Mr Earner's presentation noted the various consultations Australian Zirconia Limited (AZL) has undertaken with local community groups/members following the exhibition of the Environmental Impact Statement (EIS) in the fourth quarter of 2013, and outlined the amendments to the Project that have been made in response to those discussions.

The recommendation by PAC is a major milestone in the approvals process and Alkane is optimistic consent to the Project will be received within the budgeted timeframe. The PAC's full report is available on their [website](#).

### **Design and construction update**

Alkane Resources and HATCH Engineering, which is managing the Front End Engineering Design (FEED), reviewed Expressions of Interest (EOI) for the various construction work packages in late 2014. Tender packages for supply of plant and equipment have now begun to be released to the market. It is anticipated the tender process will be complete over the next few months.

Subject to NSW Government (PAC) approval of the development application and project financing, AZL considers enough elements are in place to permit preliminary construction to commence mid-2015.



### **Frequently asked questions (FAQ)**

In response to questions raised by the community, Alkane maintains an up-to-date [FAQ](#) page on the Alkane website. The [DZP Progress page](#) provides videos, infographics and fact sheets to explain the project and its products.

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## Meet Michael and Megan Brennan from 'Wychitella'

Alkane has been talking to local landowners about the Dubbo Zirconia Project and negotiating land purchase options for more than a decade, and currently owns three farms and several residential properties around the Toongi siding.

One of these, 'Wychitella', once belonged to Michael and Megan Brennan. Michael, whose family has owned and run Mitre 10 hardware stores in the region for 80 years, runs the Dubbo Mitre 10 store full-time. Yet he and Megan still find time to farm lambs, cattle and grain on 700 acres of their own land, along with 1600 acres of land leased from Alkane. Now that Alkane has recently taken up the option on Wychitella, the Brennans are packing up and moving their farming operation a few minutes down the road.

Michael says Alkane is taking a harmonious and holistic approach. "Their dealings are all honest and open and conciliatory, and they're very thorough with environmental considerations. I've been impressed by



*Megan and Michael Brennan marking lambs*

the outcomes at Peak Hill, and how engaged Alkane remains in that community."

Michael believes Alkane's impending operations will have a positive impact on the town and cites the examples of Peak Hill and Tomingley as strong indication of employment opportunities for locals. "It will be good for Dubbo to get in on the mining boom and have another industry to support agriculture and the service sector," he says.

According to Michael, Alkane and its people are approachable and communicative. "Alkane has always been honourable and open and willing to work through any issues," he says. "They are clearly very committed to the region."

## So what's the deal with water?

In response to a range of questions about water usage and perceived water-related risk to the local community, Alkane Resources has developed a new infographic to debunk some of the myths and explain how water will be used and managed by the Project.

Key points include:

**Dubbo Town drinking water is always protected –**

If another drought occurs, AZL will not receive water at the expense of the town or the health of the river system.

**DZP water use is not that significant –** The volume of Macquarie River water used by the DZP will be just 2% of the average annual use for irrigation in the Macquarie Valley. Alkane is continuously improving its process to decrease water usage.

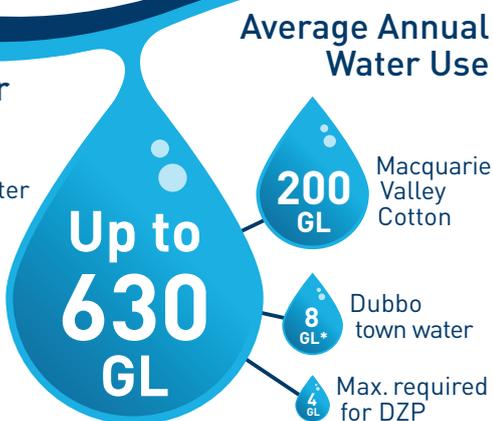
**Liquid waste reservoirs will be highly engineered and safe –** The liquid waste storage facilities will be designed with numerous safeguards to prevent leaks or overflow impacting local water supplies.

Alkane is continuously working on process improvement to increase the recycling of water and to minimise water consumption.

## Annual Water Volumes

Up to 630GL in water licences available from Macquarie River for use by:

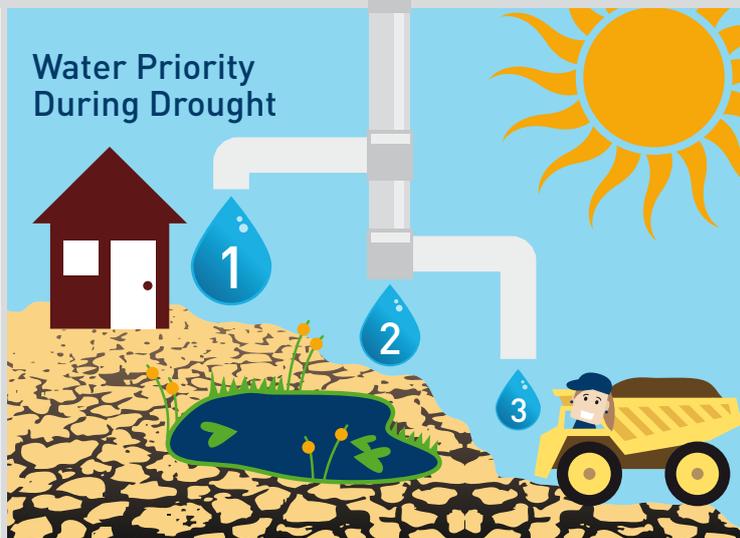
- Town
- Environment
- Agriculture
- Other industry



\*Dubbo town water total allocation is 12GL

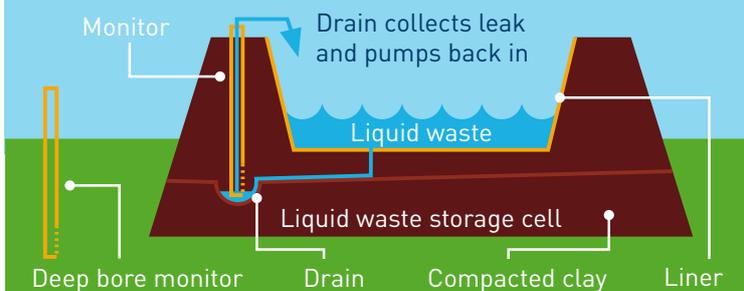
1,2,3,4

## Water Priority During Drought



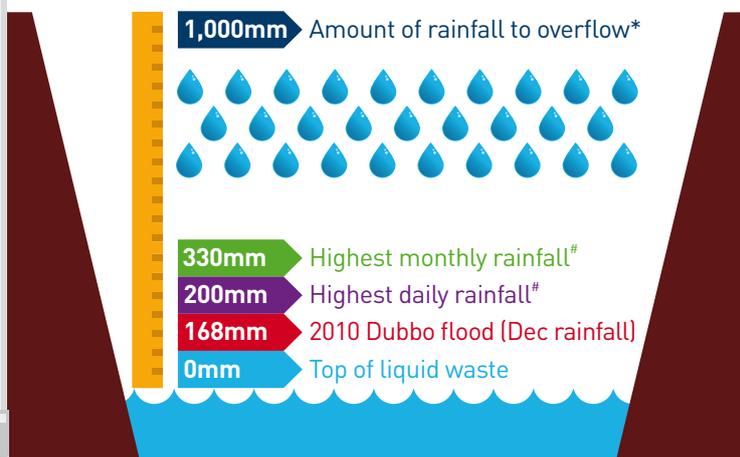
1. High security and town water
2. Healthy river system
3. Irrigated agriculture and other industry users

## Protection From Leaks



4

## Safely Storing Our Liquid Waste



\*Rainfall in a month  
<sup>#</sup>Rainfall 1870 - 2009

Liquid waste storage cell

4,5,6

## References

1. Dubbo Zirconia Project EIS Appendix 7 [http://majorprojects.planning.nsw.gov.au/index.pl?action=view\\_job&job\\_id=5251](http://majorprojects.planning.nsw.gov.au/index.pl?action=view_job&job_id=5251)
2. Macquarie River Food and Fibre – <http://www.mrff.com.au>
3. Dubbo City Council Water Use (2004-2014)
4. Dubbo Zirconia Project EIS [http://majorprojects.planning.nsw.gov.au/index.pl?action=view\\_job&job\\_id=5251](http://majorprojects.planning.nsw.gov.au/index.pl?action=view_job&job_id=5251)
5. Bureau of Meteorology [http://www.bom.gov.au/climate/averages/tables/cw\\_065012\\_All.shtml](http://www.bom.gov.au/climate/averages/tables/cw_065012_All.shtml)
6. <http://www.dailyliberal.com.au/story/874609/heaviest-rainfall-since-the-flood-washes-over-dubbo/>

## Preservation of Aboriginal scarred trees

The NSW Government has a transparent consultation process for dealing with matters of Aboriginal cultural heritage, and this process has been strictly followed by Alkane Resources and Australian Zirconia Limited (AZL) during the development of the Dubbo Zirconia Project (DZP).

Where additional consultation was required, Alkane facilitated several meetings beyond the legislated requirements to ensure Registered Aboriginal Parties (RAPs) were informed, as they are the major part of the team that manage cultural sites.

As part of developing the DZP Environmental Impact Statement (EIS), Alkane Resources and its representatives consulted with the Traditional Owners and custodians through local RAPs and the Dubbo Local Aboriginal Land Council (DLALC) on a range of matters – including the preservation of Aboriginal scarred trees that might be affected by the project.

Scarred (culturally modified) trees are widespread in the Central West and are protected by law. In August 2013, Alkane organised a field inspection by an Aboriginal Focus Group of the scarred trees and other sites that might be impacted by the project.

All affected scarred trees on the DZP site have been committed to being preserved in accordance with the RAP's wishes. A number of other Aboriginal cultural heritage sites will not be disturbed, but rather protected in biodiversity offset areas.

The DLALC submitted a letter of support for the DZP to the recent Planning Assessment Commission stating: "Through our discussions with Alkane, we have found them to be willing to participate in community consultations and discuss the project in an open and transparent way. The DLALC... has been involved throughout the planning process, together with the traditional owner groups..."



*Alkane hosted Aboriginal Focus Group field inspections of scarred trees at the DZP site*

Alkane's cultural, conservation and environmental track record has been well established in the region over the last 20 years with respect of heritage and successful mine rehabilitation. The company undertook preservation of scarred trees at Tomingley Gold Operations (TGO), where these cultural heritage items have been handled and preserved respectfully in accordance with the local Traditional Owners' wishes.

### Contact Us

Subscribe to our Community Newsletters and find out more information about Alkane Resources and the Dubbo Zirconia Project on our website:

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Or you can email us at: [mail@alkane.com.au](mailto:mail@alkane.com.au)