



SHIRE OF
LAVERTON
Discover the Outback Spirit

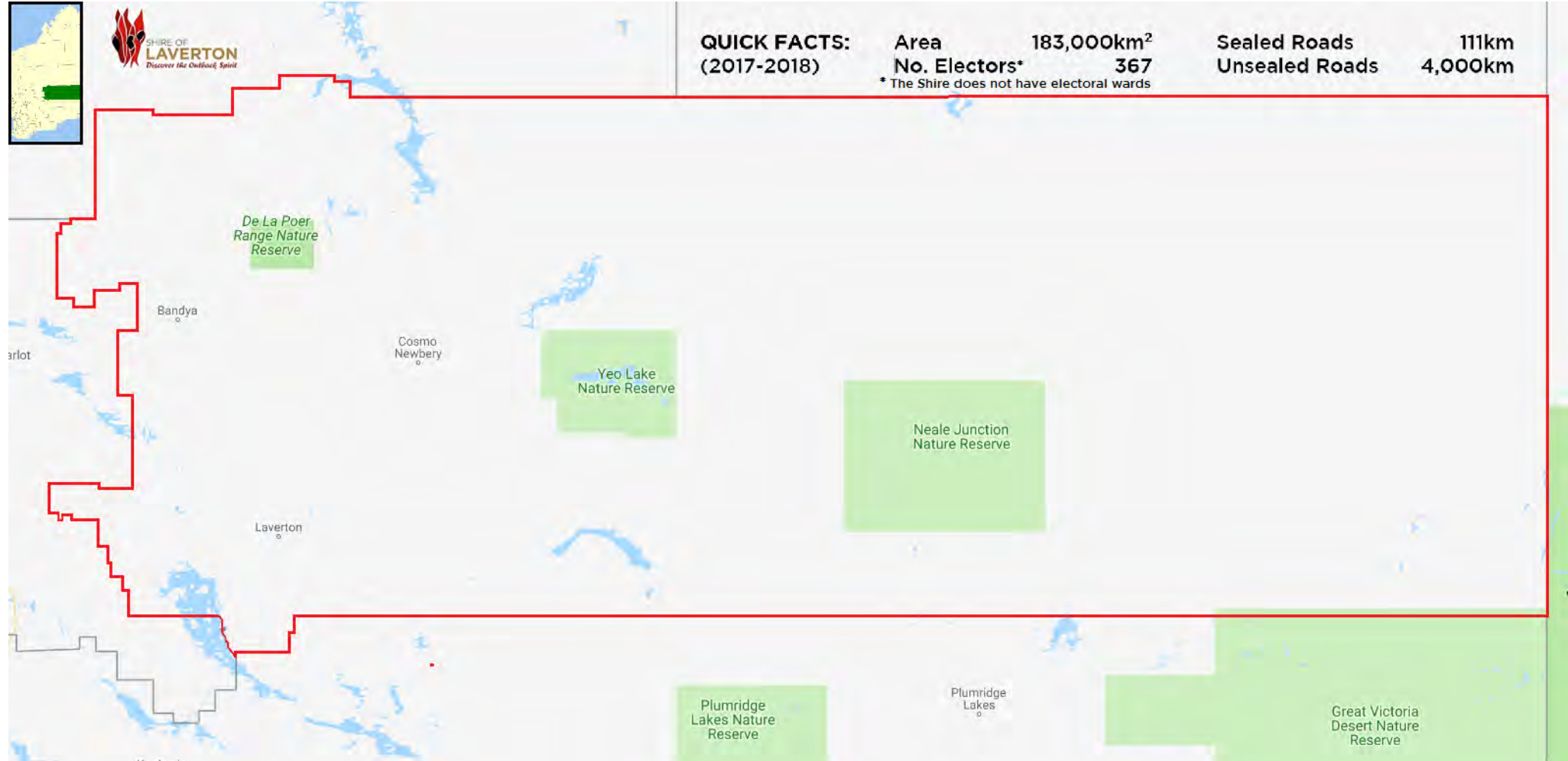
MINING LIAISON MEETING

Tuesday 3 September 2019

The Shire of Laverton - Location

Mining Liaison Meeting

Tuesday 3 September 2019



Councillors and Staff

COUNCILLORS

Following the October 2017 Local Government Elections, the current Councillors are:



Shire President: Cr Patrick Hill

Deputy President: Cr Shaneane Weldon

Councillors: Cr Deanne Ross, Cr Robin Prentice, Cr Rex Ryles, Cr Rex Weldon, One Vacancy

Local Government Elections will be held on 19 October 2019 for one 2-year term and four 4-year terms.

STAFF

Chief Executive Officer

Deputy Chief Executive Officer

Executive Manager Technical Services:

Community Development Manager:

Great Beyond Visitor Centre Manager

Community Resource Centre Manager

Mr Peter Naylor

Mr Phil Marshall

Mr Les Vidovich

Ms Jo Morgan

Ms Laurinda Hill

Mrs Johanna McGuire



Peter Naylor

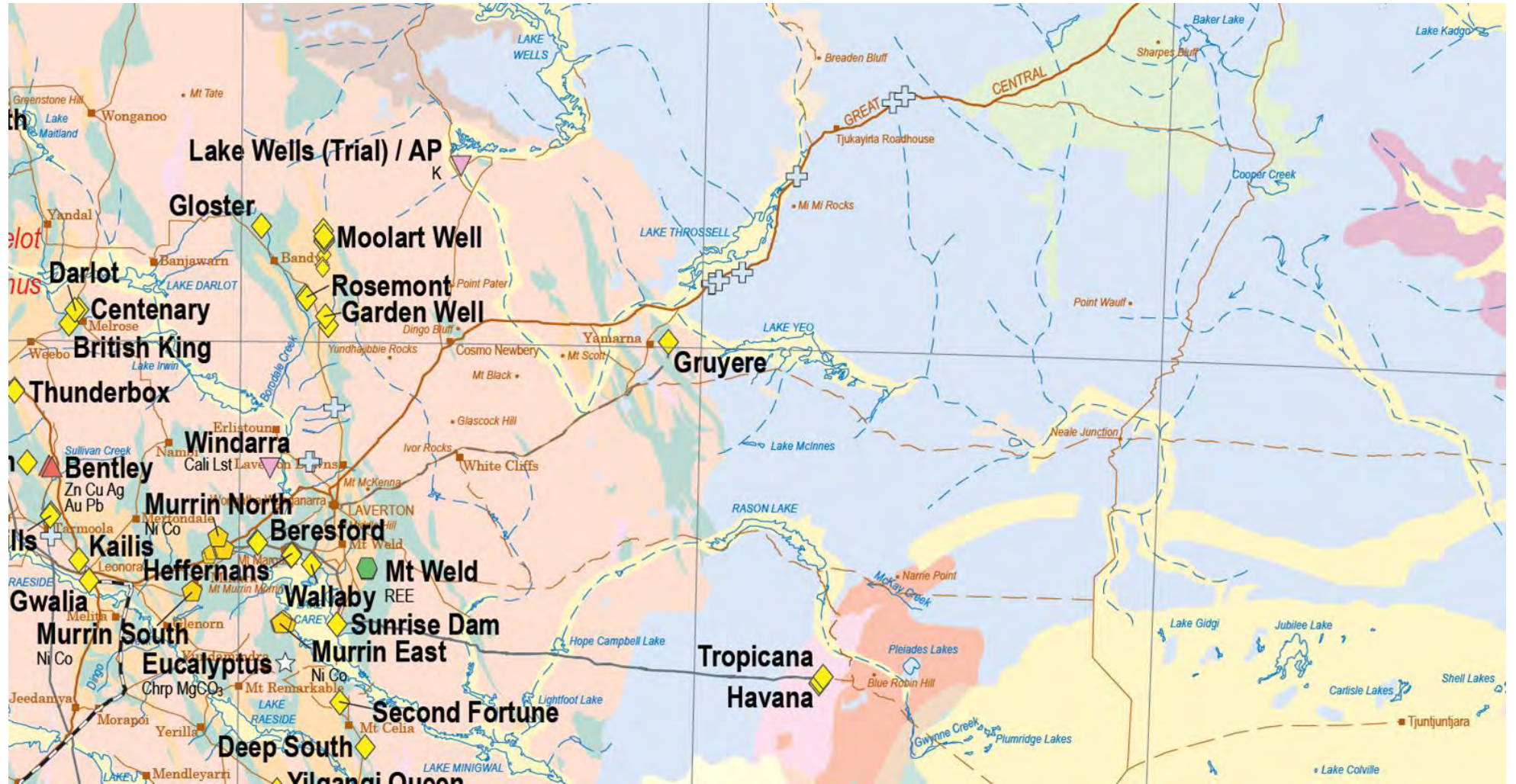
Mining Interests in the Shire of Laverton



Mining Interests in the Shire of Laverton

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Mining Interests in the Shire of Laverton

GOLD - Operational

- **Gold Fields Australia - Granny Smith Mine**
 - ❖ Annual production: 270 koz per annum
 - ❖ Workforce of 733 - comprised of 551 employees and 182 contractors
 - ❖ Solar farm build for 8KW and battery backup
 - ❖ Exploration investment of \$20M per annum
 - ❖ Investing in technology, including UG 4G network (LTE) for digital data transfer
 - ❖ UG infrastructure projects to support 10 year mine life

- **Gruyere Gold Project (Gold Road Resources and Gold Fields Limited)**
 - ❖ Production commenced in 2019 with three doře gold bars from the carbon-in-leach and elution circuit, totalling an estimated 1,139oz, poured at the end of June
 - ❖ Processing circuit is now fully commissioned with the gravity circuit and ball mill all operational
 - ❖ Ramp up to nameplate production has commenced
 - ❖ Gold production for 2019 is expected to be within 75,000 to 100n000 oz, with life of mine annual production forecast at 300,000 oz per annum over a 12 year life
 - ❖ Workforce of 300+ (including contractors)

Mining Interests in the Shire of Laverton

- **Regis Resources - Garden Well, Moolart Well and Rosemont Projects**
 - ❖ **Annual Production:**
 - Record gold production of 363k oz
 - Waste mined 32.4 Mbcm
 - Ore milled 9.4 Mt
 - 16cps fully franked Dividend/\$81M returned to Shareholders/Investors
 - ❖ **Highlights:**
 - Mining commenced at Toohey's Well, south of Garden Well
 - Development of the Rosemont Underground commenced
 - Upgrade of the Duketon Gold Airstrip commenced
 - ❖ **Workforce: Total ~ 900-950, ~ MACA employees**

GOLD - Exploration

- **Focus Minerals Limited**
 - ❖ Gold exploration budget exceeding \$10M AUD
 - ❖ Field team of 10-16 accommodated in Laverton
 - ❖ Investing in upgraded support infrastructure at nearby Lancefield
 - ❖ Fast-tracking resource drilling to deliver PFS and return to production in Laverton

Mining Interests in the Shire of Laverton

- **AngloGold Ashanti - Sunrise Dam Mine**
 - ❖ Annual Production: 300 koz per annum
 - ❖ Workforce of 802 - comprised of 262 employees and 540 contractors
 - ❖ Gas fired power station generating ~ 29 MW
 - ❖ Exploration investment of \$25M per annum (however doubling in 2020)
 - ❖ Invested in the largest vertimill in the Southern Hemisphere last year (commissioned June 2018) to help the processing plant kinetics
 - ❖ Investing in technology with a full data capturing and dispatch system UG
- **Dacian Gold - Mount Morgans Gold Operation**
 - ❖ **Production:**
 - ❖ **Highlights:**
 - ❖ **Workforce:**

Mining Interests in the Shire of Laverton

NICKEL/COBALT - Operational

- **Minara Resources - Murrin Murrin Mine**
 - ❖ **Production:**
 - ❖ **Highlights:**
 - ❖ **Workforce:**

Mining Interests in the Shire of Laverton

RARE EARTHS - Operational

- **Lynas Corporation - Mt Weld Project**
 - ❖ Production FY19 (dmt): Mill Feed 236,491 - Final Concentrate 86,359 - Trucking 87,814
 - ❖ Key performance areas:
 - Flotation Performance REO Recovery percentage exceeded budget estimates by 2.8%
 - 1,199t or REO trucked over budget estimate
 - ❖ Workforce - 84 direct employees and 29 contractors (subject to fluctuation)
 - ❖ Mt Weld in FY19
 - 2018 Mt Weld Mineral Resource and 2018 Mt Weld Ore Reserve:
 - 70% increase in Mineral Resource contained REO
 - 60% increase in Ore Reserve contained REO
 - Ore Reserve supports a 25+ year life at Lynas NEXT rates (7000t NdPr/annum)
 - ❖ Third Tailings Storage Facility (TSF3) completed and commissioned
 - ❖ Pre-Rougher Stack Cell commissioned
 - ❖ Mining Campaign 3 in progress:
 - Overburden removal substantially completed
 - Mining and stockpiling of ore underway

Mining Interests in the Shire of Laverton

POTASH – Exploration

- **Australian Potash Limited – Lake Wells Area**
 - ❖ Will produce 150,000 tonnes per annum of SOP with about 25% of that quarantined for sale to the domestic market
 - ❖ Will employ up to 80 people through construction and have a steady state workforce of between 50 and 60 people
 - ❖ Plans to base about 50% of its workforce in Laverton – we will continue to talk to the Shire about housing for some 20 – 25 families, and recruitment opportunities from the town and surrounding district
 - ❖ Hope to use Laverton as its supply base with the local workforce using a drive in drive out model
 - ❖ Will utilise the Shire’s air services capability for the remainder of the workforce
 - ❖ Mine life of over 30 years – at the end of the 30 year initial mine life we will have used about 20% of the resource we have (this is a very long lived project)
 - ❖ Will begin to develop community amenities in Laverton over the next 6 – 18 months in consultation with the Shire and locals (for example, basing a driving school in Laverton for teens, providing support for recreational initiatives like football and netball, go-karting etc for youth, financially supporting vaccination programs for children if and as required etc.)

Mining Interests in the Shire of Laverton

Goldfields-Esperance Region

Coolgardie	3,138,043,635
Laverton	2,499,394,044
Kalgoorlie-Boulder	2,410,448,894
Leonora	1,906,901,062
Ravensthorpe and Dundas	885,197,381
Menzies and Esperance	664,914,669

Goldfields-Esperance Total	11,504,899,684
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**TOTAL VALUE OF ALL MINERAL RESOURCES OUT OF THE
SHIRE OF LAVERTON FOR 2017/18 YEAR**

2,499,394,044

Tourism in the Shire of Laverton



Tourism in the Shire of Laverton

Visitor Numbers

- ❖ Since 2010 Laverton has had a 2% increase in visitor numbers each year, with the busiest tourism months being May, June and July.

YEAR	2015	2016	2017	2018	2019 to date
VISITOR CENTRE	5,639	5,774	5,865	4,649	5,289
MUSEUM ENTRY	1,209	1,257	1,265	1,477	1,226

- ❖ Two applications submitted to Building Better Regions fund - one further application to be submitted
- ❖ Design and costing completed
- ❖ Upgrade includes extensions to the Café and Al Fresco Area, renovations to the Old School Building, renovations to the Old Court House to turn it into a Church with an estimated total cost of \$2M

Projects in the Shire of Laverton



Projects in the Shire of Laverton

The Shire of Laverton has commenced planning for the following major projects:

LAVERTON AIRPORT APRON UPGRADE

- Two extra aprons are planned for a total of four aprons.
- Our submissions for funding have been successful and we have received funding from:
 - Economic & Regional Development Fund (State)
 - RADS - Regional Airport Development Scheme (State)
 - RAUP - Remote Airstrip Upgrade Program (Federal)
 - Shire of Laverton

LAVERTON AIRPORT TERMINAL UPGRADE

As a result of the Airfield Apron being upgraded:

- FIFO operations are indicating that the numbers of passengers through the Laverton Airport will increase.
- Design and costings are in progress.
- Funding opportunities are being sourced

Projects in the Shire of Laverton

LAVERTON HEALTH CAMPUS

- \$16M funding announced in a Federal Government Grant prior to 2019 Federal Election.
- The WA Country Health Service are working through the process of planning, design and costing.
- This Health Campus is VITAL for our region as Laverton is a regional hub and there is no other hospital between Laverton and Yulara to service communities and industry.
- The Shire of Laverton is eager to have this facility progressed and finalised asap.



Projects in the Shire of Laverton

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LAVERTON AGED LIVING UNITS

- The Hon. Kyle McGinn MLC has formed a Working Group with the Goldfields-Esperance Development Commission, the Shire of Leonora and the Shire of Laverton.
- Suitable ground and area is being sought for the units. The area to the west of the Laverton Hospital is the most favoured by the Shire.
- The Shire is working on land release and native title implications.

MOUNT WELD ROAD UPGRADE

- \$4.8M project - 23km to be sealed / project is 75% complete
- Rain events have historically closed this road for extended periods. This upgrade enables local mining personnel to access their accommodation in Laverton or our Airport when gravel airstrips close and lets contractors, freight and consumables access mine sites during these rain events.
- Mining companies have been major contributors to this project
- Contract was awarded to local companies

Projects in the Shire of Laverton

FUTURE PROJECTS

- ❖ High-level Water Tank Lookout
- ❖ Sports Facilities Upgrade
- ❖ Laverton Battery
- ❖ Laverton Futures Fund

Yilka People - Native Title Claim and Implications for the Outback Way

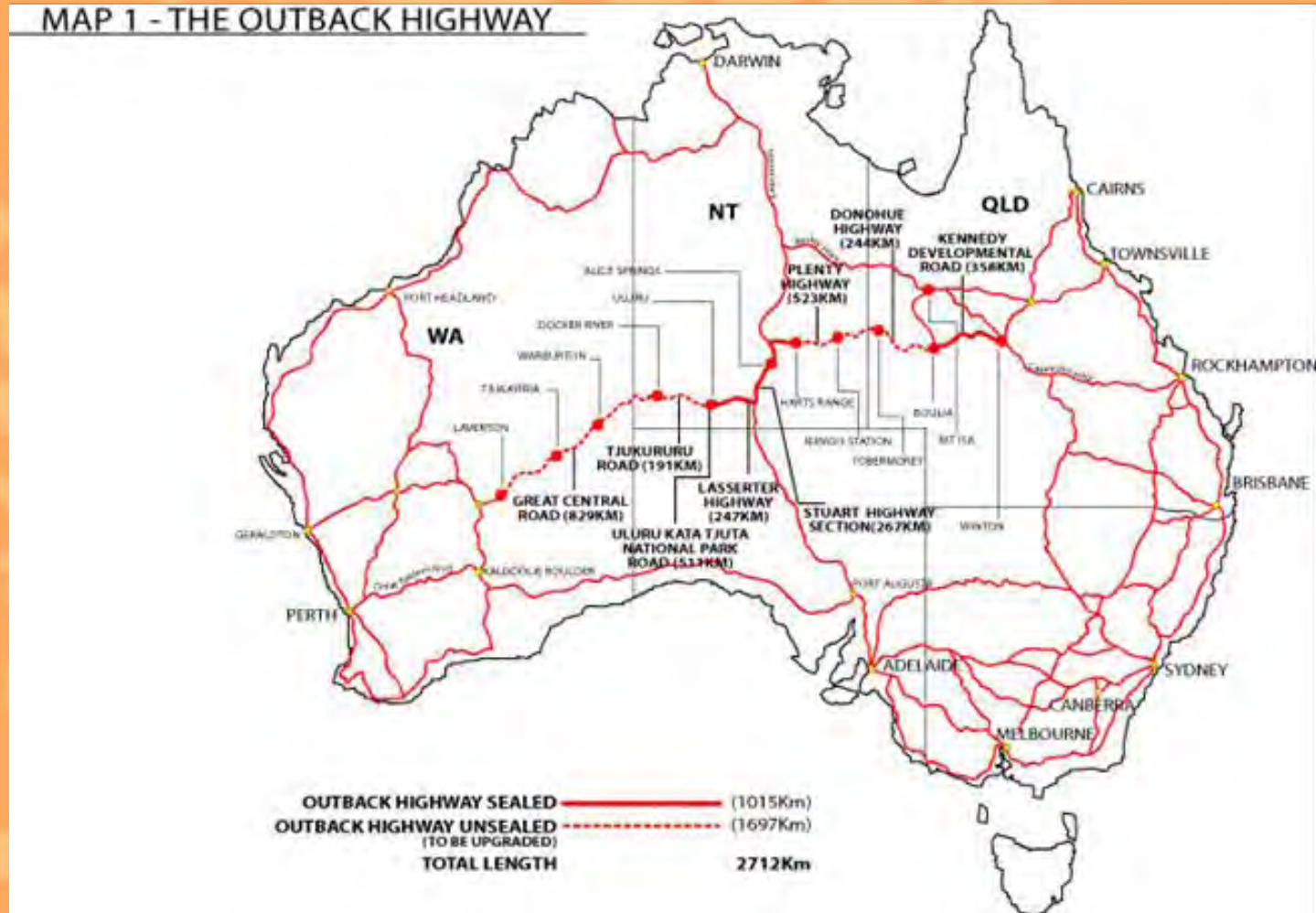
YILKA Native Title Claim - Outback Way

- ❖ The Department of Main Roads Western Australia has recently met with the Native Title Holders.
- ❖ Currently going through the consultation process with the Native Title Holders, the Department of Premier & Cabinet Native Title Unit and other relevant Departments in order to progress the dedication of the Great Central Road.
- ❖ The outlook for these negotiations is positive.

AUSTRALIA'S LONGEST SHORTCUT



- The Outback Way 2700km from Laverton to Winton.
- 1200km sealed road
- 1500km is being upgraded to sealed road to improve connectivity
- Delivers economic opportunities for transporters, pastoralists, tourism operators, tourists, roadhouses & community businesses
- Delivers social benefit for 13 indigenous communities along the entire route, improving continuity of health/education service delivery and access to fresh food



COLLABORATION IS KEY



Successful partnership of 7 local governments spanning through Central Australia: • Shire of Boulia (Qld)
• Shire of Winton (Qld) • Alice Springs Town Council (NT) • Shire of Ngaanyatjaraku (WA)
• Shire of Laverton (WA) and in kind support from Central Desert Regional Council & MacDonnell Regional Council

Our Supporters

- Australia's Golden Outback – Tourism Authority
- Goldfields Esperance Development Commission
- Central Land Council and Ngaanyatjarra Land Council
- Regional Development Australia
- QLD, NT & WA Tourism bodies
- WA, QLD & NT Local Government Associations and ALGA
- City of Kalgoorlie-Boulder

State Road Authorities

- Department of Transport & Main Roads, Queensland
- Department of Transport, Northern Territory
- Department of Main Roads, Western Australia



FUNDING PROGRESS - OVER \$200M SECURED

THE OUTBACK WAY IS A GOING CONCERN AND WELL UNDERWAY



2016

- Qld, NT, WA and local councils are finalising the expenditure of \$75million
- Northern Territory has \$35M Northern Australia Regional Projects funding allocated to the Plenty Highway

2017

- The Federal Government, along with the Outback Highway Development Council Inc and the QLD, NT & WA jurisdictions, have finalised the priority sections of the 'Investment Strategy' for \$125 million (80% Federal and 20% QLD, NT & WA)

2018

- 50km of seal completed on the WA section in the Shire of Laverton

PRIORITY SECTIONS - Announced by Minister Chester 1 Nov 2017

- WA will seal 80.71km with \$46.5 million
- NT will seal 60.9km with \$52.06 million
- QLD will seal 40km and widen 28.97km with \$26.44 Million

SEALING A FURTHER 210KM

The Investment Strategy also provides the Australian Government with a rolling priority projects and costing list to complete the Outback Way by 2025.

COST BENEFIT ANALYSIS

- Ernst Young - Updating CBA 2015
- Long term strategy - sealed by 2025



PROJECT DELIVERS



Productivity increases for freight & trade

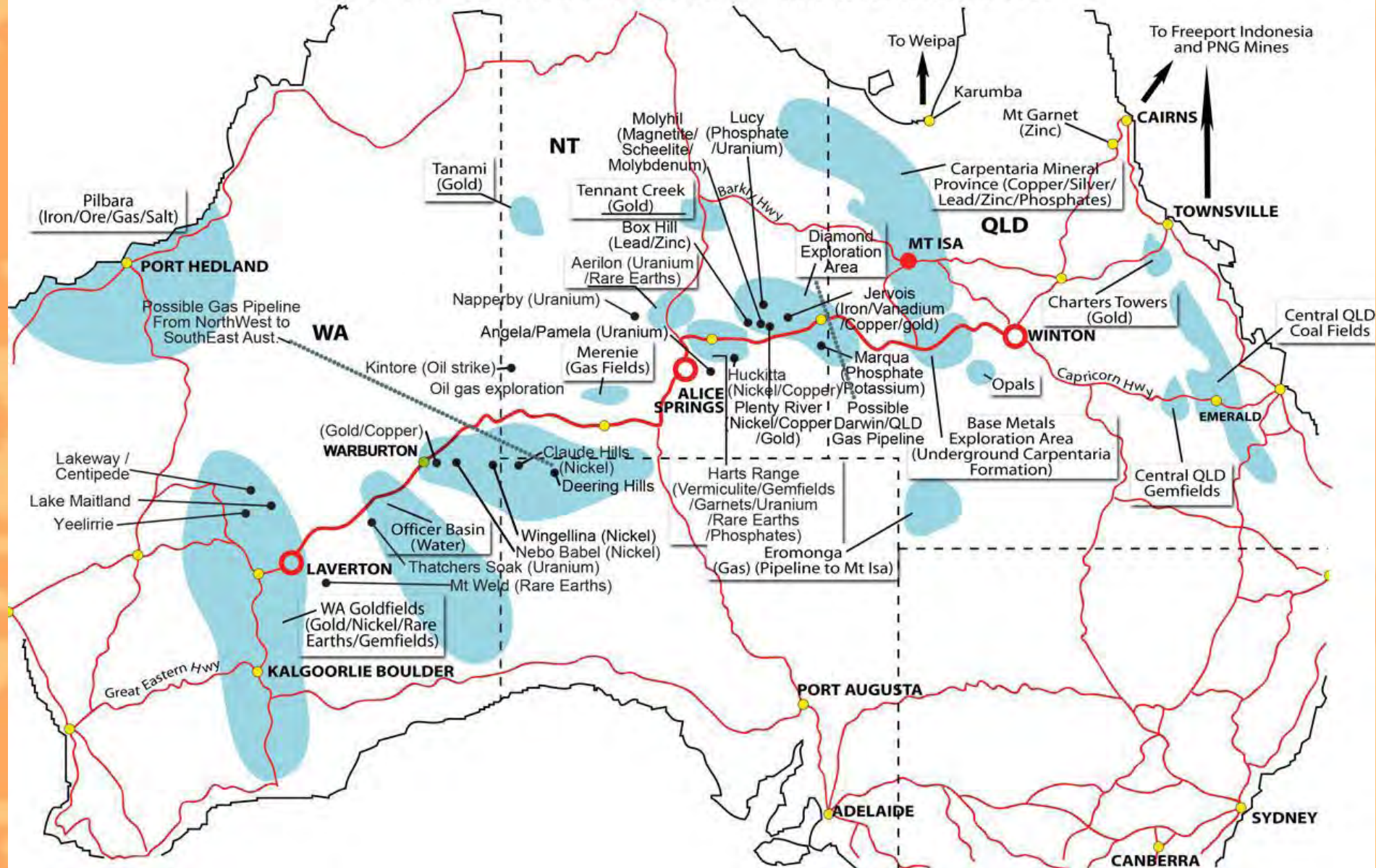
- The 10 hr time saving from the Southern Pilbara Region to Central Australia
- The 10hrs savings from Perth region (Southern WA) to Alice Springs, would divert over 50% of the freight from other routes
- Sealed road modelling suggests WA section 600-700km savings from North & South Qld to Central Australia and WA.



MINING



MAP 12 - THE OUTBACK WAY - MINING INDUSTRY



DEVELOPMENTS ON THE ROAD



MINING

- Great Land Gold - Exploring Ernest Giles 350km north-east of Laverton - North of the Outback Way
- Lake Wells – Australian Potash Ltd project 200km north-east of Laverton – Salt Lake Potash project
- Gold Fields Australia and Gold Road Resources - Gruyere Project – 13 year project 200km east of Laverton - South of Outback Way
- Metals X - Musgrave Range project – Wintgellina
- OZ Minerals – Jamieson Project

TOURISM

- Docker River Art Gallery is open
- Docker River Campground is being upgraded
- Alcoota Fossil Dig site - Museum in Alice Springs - potential tours and day trips
- Boulia Min Min Encounter has been upgraded
- **Boulia's Plesiosaurus is now displayed**
- **New 'Walk with Dinosaurs' at Australia Age of Dinosaurs** - Winton Qld
- Outback Way marketing plan - digital refresh - national route marketing campaign
- Goldfields Tourism Trail has added attractions in Shire of Laverton
- Harts Range Outdoor Art Gallery in progress



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*Thank you for attending our
2019 Mining Liaison Meeting*