



PENRICE MINE

Community Newsletter

APRIL 2009

Community Consultation – A Penrice Priority

From the CEO's desk



Guy Roberts
Managing Director and
Chief Executive Officer
Penrice Soda Holdings

Hello and welcome to the *Penrice Mine Community Newsletter*.

As a Company, we have decided to distribute a regular newsletter to keep you up to date with the progress and general work being undertaken at the mine.

Penrice has a very proud history as owner of the Angaston mine.

For those who don't know, the mine has been part of Barossa Valley industry for nearly 60 years and has played a pivotal role in supplying the products that allow a range of local businesses to operate.

During this time, we have employed many people from the region and currently directly employ more than 70 people.

Penrice is acutely aware of its social and environmental responsibilities in operating the mine, and has been pro-active in recent years in introducing a range of improvements designed to continue to reduce its environmental footprint as the business grows.

This is part of our continuous improvement program for the mine, more of which you will read about in this newsletter.

We know we need to improve, and all we ask is that people remain patient with us – particularly those who live near the mine – as we continue to introduce initiatives and programs to further improve the way we go about our business.

On behalf of Penrice, I hope you find this edition of *Penrice Mine Community Newsletter* informative and that it contributes to local awareness of the ongoing operations at the Angaston mine, and our commitment to community involvement.

Feedback provided by the local community is playing an important role in a range of improvements being introduced at the Angaston mine.

This is being assisted by the Penrice Community Consultative Group (PCCG), which was established in late 2008 to advise the Company and State Government regulators of the views and concerns of the local community. This Group aims to improve communication between the mine and local residents, and to provide an on-going forum through which the Barossa community can better understand and have input to what is being undertaken and planned at the mine.



Charles Irwin
Chair, PCCG

Environmental improvements at the mine are being assisted by the establishment of the PCCG.

The PCCG is chaired by independent member, Mr Charles Irwin, who also performs a similar role for Terramin's Angas zinc mine at Strathalbyn.

Other members of the Group include local residents **Mr Peter Clark** (Moculta), **Mr Robert Edwards** (Penrice), **Mr Andrew Newland** (Light Pass), **Mr Mal Millikan** (Glenelg & Angaston), **Ms Janette Rennie** (Angaston), **Dr Mark Herbertt** (Angaston & Tennyson) and **Mr Julian Murray** (Eden Valley); Barossa Council representatives **Cr Chris Linke** (elected, also a Penrice resident) and **Mr Ian Baldwin** (staff); PIRSA representatives **Mr Greg Marshall**, **Mr Hans Bailiht**, **Mr John Morton**, **Mr Serge Caplygin** and **Ms Virginia Simpson** (secretariat); and Penrice Mine representatives **Mr Mike Carter** and **Mr Darrin Wright**. Additional experts from the EPA, other government authorities and specialist consultants are called on as appropriate.

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YOUR HOTLINE FOR ANY LOCAL CONCERNS AND FEEDBACK

A telephone hotline has been established by Penrice for members of the community to lodge any concerns and/or general comments about the mine and the improvements being undertaken.

As part of the Company's reporting system into any environmental concerns, people are urged to call **(08) 8563 8800** if they have any issues they wish to put forward and discuss.

Penrice is committed to responding to all concerns **within one working day**, and to report all recorded concerns/complaints to the PCCG on a monthly basis – as well as the action taken by the Company to attempt to resolve the issue.

Alternatively, any concerns can be lodged either with the Environmental Protection Authority (EPA) and/or the Department of Primary Industries and Resources South Australia (PIRSA) on **(08) 8204 2004**.

The personal details of people making such calls remain confidential and like the dedicated Penrice phone line, the reasons for their calls will also be reported to the PCCG.



Continuous Improvement Plan Delivering Benefits

The installation of a new \$295,000 weighbridge – the first phase of a major upgrade to the main entrance of the Angaston mine – is the latest in a series of improvements made at the site.

The proposed redesign of the mine's entrance will cost about \$850,000, and has been financed from this year's budget, and the 2009/10 financial year.

This major project includes: relocation and installation of the new weighbridge; design and construction of a new entry/exit intersection into Penrice Road; sealing of the mine road from the Penrice Rd entry point to the weighbridge; improvement to the truck-wash facility, including new water sprays and stronger water pressure, and; conversion of the old weighbridge into a new truck wheel-wash facility.

A range of improvements will directly result from the upgrade, including the reduction in "drag out" from the site, less water being used for dust control, lower fugitive dust emissions, and reduced noise from empty trucks entering the site.

Other recent improvements introduced at the mine include an upgraded \$150,000 watering system designed to more efficiently reduce the amount of dust emanating from the site.

The diesel-fuelled, transportable pumping system was installed in October last year in preparation for summer.

The upgrade to the mine's watering system also included the installation of four water-delivery points around the site, increased



The new \$295,000 weighbridge – part of major overhaul of mine's front entrance.

storage tanks in two locations to ensure more rapid deployment of water trucks, and also has the flexibility to be utilised to deliver more water to the pug mill process that supplies crushed rock for road-making.

In a further development, a new computerised weather station has been installed on the western side of the mine that regularly downloads current weather conditions and immediately sends the information to the mine office.

Data from the new weather station is helpful in identifying suitable blasting conditions, and more importantly, identifying wind strengths and direction that allow the Company to decide if operations should be suspended or relocated due to the likelihood of potential fugitive dust emissions.

The new system will also assist Penrice with its complaint investigation process.

Community Consultation – A Penrice Priority ... continued

"The decision to establish an independent PCCG reflects current industry best practice. It has already proven a positive initiative, allowing factual information to flow between Penrice, the community and mine regulators," Group Chairman, Mr Charles Irwin, said.

"The Group has brought together the relevant state and local government officials, as well as local residents, to systematically work through the environmental and social issues resulting from the mining operation, or raised by local stakeholders," he said.

"Penrice acknowledges it has a social responsibility to meet community expectations. The PCCG process assists the company to better understand community impacts and concerns.

"The co-operative forum allows the local community to 'open up' and air any thoughts they have regarding the mine operations, and the liaison will have beneficial outcomes for all concerned, both over the life of the mine and after it is closed."

Mr Irwin said the PCCG had established specific protocols to deal with issues raised by the community.

This process involves seven stages during which the PCCG will:

- Identify current and future operations or plans that might impact upon the community;

- Review applicable legislative standards, codes of practice, warden court requirements, etc;
- Review the current management of impacts;
- Analyse the effects of significant impacts, taking into account monitoring techniques, community responses and feedback to date, and complaints handling and remediation;
- Review proposed outcomes, monitoring and control strategies, and regulatory criteria;
- Obtain additional expert information as required, and;
- Recommend preferred outcomes, criteria and monitoring arrangements for significant impacts.

The Group's recommendations advise the staff of Penrice and PIRSA as they develop operational requirements and procedures for the mining operation.

Members of the wider community are welcome to join the public gallery to observe Group meetings on the first Wednesday of each month from 6-10pm in the Barossa Council chamber, Nuriootpa.

Residents wishing to raise specific issues for consideration by the Group should contact any of the community members known to them or call the Chairman Charles Irwin on (08) 8555 1880.

For more information on the PCCG, go to:

www.pir.sa.gov.au/minerals/sa_mines/operating_mines/penrice_mine
www.penrice.com.au

Fugitive Dust Reduction a "Must"

Reducing the levels of fugitive dust that leave the Angaston mine is at the top of Penrice's "must do" list at the site.

To achieve this key community objective, a comprehensive Environment Improvement Program (EIP) for dust management and monitoring has been developed and will be incorporated into the Company's Environmental Licence, and is planned to be rolled out this month.

Key elements of the program – which is focused on reducing dust emissions from the mine into the community, and of which about 20 specific initiatives were presented to last week's PCCG meeting, include:

- Modifying operations in high wind conditions (*already implemented*);
- Improving water spraying techniques of materials leaving the site by train (*implemented*);
- Educating staff on dust generation activities (*implemented*);
- A dust suppressant trial (*implemented*);
- Improving sweeping of drag out from mine (*commenced 6 April 2009*);
- Closing down fine mill plant (*from 1 May 2009*);
- Spraying stockpile with a green dust suppressant covering (*by 30 April 2009*), and;
- Automated water spraying of trucks entering PC1 crusher area to unload (*as of 31 July 2009*).

Other longer-term initiatives being investigated by Penrice include:

- Dust extraction on all crusher transfer points;
- Enclosing conveyor belts;
- New crushing plant for glass grade limestone;
- Installing mounding/shrouding around the mobile crusher;
- Automating the stockpile conveyor belt to better accommodate the varying heights of the product, and;
- Installation of large storage bins at the aggregate plant.

Penrice is conscious of the fact that its contribution to nuisance dust in the area must be reduced.

The Company is committed to reducing dust emissions emanating from the premises by implementing dust mitigation strategies over a period of time as agreed with the EPA.

To view a presentation given by the Company at last week's PCCG, go to:

www.pir.sa.gov.au/minerals/sa_mines/operating_mines/penrice_mine

DRAFT STRATEGIC VISUAL AMENITY PLAN RELEASED TO PCCG

A firm specialising in low-impact landscape architecture has been engaged by Penrice to help improve the mine's visual appearance.

This followed input from the community meetings held in July and August last year as part of the Miscellaneous Purposes Licence (MPL) consultation process.

Adelaide-based Oxigen has developed a detailed 61-page draft report for the Company outlining a range of objectives designed to enhance the overall aesthetic impact of the site.

The aim of the Strategic Visual Amenity Plan (SVAP) is to model the visual effects of future mining operations by adopting a strategic approach that addresses the existing mine operations, and seeking to minimise the overall visual impact of the site on the existing broader landscape.

Penrice is inviting comments and suggestions through the PCCG on its proposed SVAP, which can be viewed online at www.penrice.com.au

The Plan includes:

- 1 A detailed survey and analysis of the existing landscape and character through photographic survey and analysis.
- 2 Objectives for enhancing the site's visual amenity. These include:
 - a) **Landform** – Integrate and harmonise with the natural landform of the adjacent foothills.
 - b) **Colour within the landscape** – Visually soften contrasting and reflective landforms which are temporarily "idle".
 - c) **Vegetation** – Integrate and harmonise new planting with the existing tree cover on the adjacent foothills.
 - d) **Built structures** – Screen visually prominent built structures with vegetation.
- 3 Techniques to strategically address the visual impact of future mining operations as well as address existing operations.
- 4 Measurable actions in the implementation of the strategy.
- 5 The effects of mine operations and associated landscape remediation from agreed key viewpoints in the surrounding district.



Extensive tree planting is already taking place on site.

The Plan covers such areas as Landscape Character and Visual Impact, Objectives, Landscape Techniques, Implementation and Visual Outcomes.

Safety Measures Upgraded

The mine conducts a number of potentially high risk activities which, if not conducted in accordance with our safety operating procedures, could cause serious injury.

The importance of safety – and to alerting the community to these risks – is a major part of our safety foundation program.

As part of this program, security measures including fencing the entire perimeter of the mine boundary will be upgraded following an increase in the number of reports of trespassing.

This will involve fully securing the site with an unobtrusive cyclone fencing system as part of the Company's capital expenditure budget over the next two years.

The Company has advertised in local newspapers to ensure the community is fully aware of the increased security measures – including the possibility of criminal charges for anyone found on the mine site without proper authorisation.



One of the new signs installed as part of the upgraded security measures.



PENRICE Quarry & Mineral

SAFETY AT THE
PENRICE QUARRY

Committed To Success



The Penrice Quarry has safe work systems in place to prevent injury to our employees, contractors and visitors that are on site.

All visitors to the site must sign in at the weighbridge upon entry and be accompanied by a Penrice person

Please note the site boundaries (left) that include the rail line and adjoining private properties.

Unauthorised entry is strictly prohibited and will be reported to PIRSA and the police. This may lead to prosecution.

If you wish to visit the quarry please ring Penrice on 8563 8800

A copy of the advertisement recently published in the local newspaper.

New signs have also been erected at strategic locations on the property warning of this danger.

Penrice has a duty of care to prevent injury to our employees, contractors and visitors that are on site.

Unauthorised entry is strictly prohibited, and any known reports of trespassing will be reported to PIRSA and police. This may include prosecution.

All visitors to our mine must sign in at the weighbridge upon entry, and be accompanied by a Penrice staff member during the duration of their visit.

Anyone wishing to visit the mine should call the administration office on **(08) 8563 8800**.

STRONG COMMUNITY INVOLVEMENT

Close ties with the local community have long been a proud hallmark of the Penrice mine operation.

As well as supplying many local businesses with products from the mine, the Company has been a willing and active member of the community for nearly 60 years – the time it has been operating the mine.

It regularly sponsors and/or participates in a diverse range of community events. 2009 is no exception.

Penrice is a major sponsor of this month's **2009 Barossa Vintage Festival**.

It is currently in the process of building a float to participate in the **Vintage Festival Parade** on Saturday, 18 April 2009.

The Penrice mine – along with other local industries – will also have a display at the **Angaston Town Day** on Wednesday, 15 April.

And just to prove our strong community ties reach beyond the Valley, workers at the mine take part in the annual Leukaemia Foundation's **World's Greatest Shave**, for leukaemia research. Last year this fundraising initiative contributed about \$10,000 to the Foundation.

Penrice is proud of its close historical and continuing ties with the community through the many different events and activities it sponsors.

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