

Dubbo Project Community Consultative Committee Meeting

Report of Meeting

Title:	Community Consultative Committee	Meeting Date:	13 July 2023
		Time:	5.40 pm
Chairperson:	Michael Silver OAM		
Meeting Attendees:	Megan Brennan, Community Member Royce Munro, Community Member Michael Sutherland, General Manager NSW ASM Annaliese Eames, General Counsel & Company Secretary ASM Ian Donabie, Communications Manager ASM Dale Josephson, Project Director ASM (on-line)		
Apologies:	Ashleigh Knight, Manny Portelli, Janice Hosking, Paul Carr, Cr Shibli Chowdhury, Dubbo Regional Council, Fergus Job, Farm Manager, Toongi Pastoral Company		
Observers	Esther Williamson, Property Manager, Alkane		
Venue:	ASM Site Office, Toongi Road, Toongi NSW 2830		

Agenda Item 1 Welcome

The meeting was declared open at 5.42pm. The Chair extended a warm welcome to Ms Annaliese Eames and Mr Ian Donabie from ASM's Perth office. The Chair noted that unfortunately a quorum was not present and that consequently a record of discussions would be kept and presented as a report of the meeting by him.

Agenda Item 2 Acknowledgement of Country

The Chair acknowledged the traditional owners of the land on which the meeting is being held, and their Elders past, present and emerging.

Agenda Item 3 Apologies

The Chair noted the apology of Ashleigh Knight, Manny Portelli, Janice Hosking, Paul Carr, Cr Shibli Chowdhury, and Fergus Job.

Agenda Item 4 Declaration of Pecuniary or other interests

Michael Silver declared that his expenses as Independent Chair are borne by the Proponent. Megan Brennan advised that her husband was undertaking minor contract work for a subsidiary of ASM.

The Chair also noted that all other declarations from members were as lodged with him.

Agenda Item 5 Chair’s Report - Community Consultative Committee Guidelines

The Chair advised that he had participated in an online presentation from the Department of Planning, earlier in the day, regarding the new Community Consultative Committee Guidelines that had been released by the Department at the end of June. Mr Silver highlighted the significant amendments for members information.

Mr Silver advised that further CCCs would only be established for projects post approval. He also indicated that a stronger focus on declarations of interests would occur with all CCC members required to complete new declarations within six months or the next CCC meeting. Mr Silver advised he would forward an overview of all the changes to members prior to the next meeting.

Agenda Item 6 Minutes of previous meetings

It was noted that the minutes of the meeting held on 7 December 2022 were approved on 9 January 2023. It was also noted that the meeting scheduled for 8 March 2023 had been postponed.

Agenda Item 7 Business Arising from previous minutes

Nil

Agenda Item 8 Correspondence

Nil

Agenda Item 9 Proponent’s Report

Michael Sutherland provided an overview of the Proponent’s presentation.

Corporate Changes

Annaliese Eames advised that the following changes and appointments had been made to ASM’s operational structure:

- Rowena Smith - now Managing Director and appointed to the Board
- Agata Krupa - Vice President Risk & Corporate Services
- Peter Finnimore - Vice President Sales & Marketing
- Ian Donabie - Manager Corporate Communications

Ms Eames also advised that ASM is currently recruiting for a Chief Operations Officer.

Modification 1

Mr Sutherland noted that the original approval for the project occurred in May 2015. Subsequently proposed amendments to the original consent to improve the design, environmental efficiency and effectiveness of the project have been subject to a modification to the original consent. The modification follows the December 2021 Optimisation Study which led to several design improvements including:

- Increasing the brine concentrator capacity - this will increase the recycling of water and reagents, halving water consumption at the project.
- Refurbishment of the railway line - this simplifies project logistics and significantly reduces the number of truck movements through the Dubbo community.
- Inclusion of a chlor-alkali plant - this reduces the transport of acid and caustic soda from the roads of Dubbo and NSW and allows for production of reagents at the project site, reducing the cost of reagents and their handling and transportation.

- Increase of personnel for processing plant operations to approximately 270.

Mr Sutherland advised that consent to Modification 1 had been granted on 2 March 2023. He commented that whilst there were some additional consent conditions, the outcome will be a better project with better environmental outcomes and consequently some environmental offsets will now not be required but will still be retained.

Korean Metals Plant

Ms Eames provided an update on the Korean Metals Plant. She indicated that a fully vertically integrated supply chain was now in place to support the process of converting the raw materials to metal products primarily used for battery production.

Ms Eames advised that last year ASM had signed its first metals contract to sell neodymium iron boron alloy from its Korean metals plant to U.S. based rare-earth magnet maker Noveon Magnetics Inc. She added that ASM was looking to develop a long-term partnership with Noveon for the offtake of rare-earth materials as it builds out its supply and customer base.

Ms Eames also indicated that, in the immediate term, ASM will supply its Korean Metals Plant with feedstock of rare earth oxides from Vietnam.

She concluded that active discussions are ongoing with other companies for metal supply.

Funding and Offtakes

Annaliese Eames provided an outline of activities to secure offtakes and the required funding.

She noted that a key concern for financiers in looking at a project was whether the project would be commercially viable and therefore, noted that securing funding for offtake companies will be essential. Ms Eames noted that the original strategy was to link the project to the Korean car market, however the approach has now broadened to include markets including the US, Europe and Japan.

Ms Eames advised this broadening of approach was supported by recent developments and policy announcements by governments in those jurisdictions signalling an importance to securing an alternative critical mineral supply. In particular, Australia has won the backing of the United States for development of its critical minerals industry after the two countries reached an agreement to coordinate policies and investment to support the industry's growth. France, Germany, and Japan are taking similar approaches.

Ms Eames advised that numerous active discussions are underway regarding offtakes, with ASM targeting offtake agreements to be in place by the end of 2023. In addition to offtake agreements and to assist in securing funding for the project, ASM is also seeking that the offtake be partnered with further investment from these parties. This will enable further funding of the project to be finalised in the following year with ASM targeting an investment decision on the project will be made towards the end of 2024 and construction scheduled to start in 2025. In the interim further capital raising opportunities and potential underwriters will be explored.

Government Grants

Mr Josephson reported on the grants that the Dubbo Project has received. He advised that toward the end of 2022, ASM were awarded grant funding under Streams 1 and 2 of the NSW government's Critical Minerals and High-tech Metals Activation Fund (CMAF). This included:

- \$500,000 to contribute to a study aimed at finalising the process flowsheet for the Terbium/Dysprosium solvent extraction circuit.
- \$10 million to support Dubbo Project early establishment activities involving the upgrade of two major road creek crossings, road intersections plus upgrade of

pavement along the Western Plains Zoo boundary with Obley Road. These road works have a total cost of \$20 million.

- \$6.5 million under Tranche 2 of the Australian Government's Critical Minerals Development Program (CMDP). The funding will support the final design of the Project's carbon, water, and residue management.

Environmental Management

Mr Sutherland provided an overview of work being undertaken to update various management plans because of the consent conditions for Modification 1, including:

- Construction Management Plan
- Surface Water Management Plan
- Ground Water Management Plan
- Noise Management Plan
- Biodiversity Management Plan
- Air Quality Management Plan
- Rehabilitation Strategy
- Forward Program (Resources Regulator)
- Rehabilitation Management Plan

Community Engagement

Mr Sutherland highlighted the various community engagement activities that ASM has undertaken or been involved in over the past six months.

- Dubbo Show - presence at the 150th Annual Dubbo Show (19 to 21 May 2023)
- Resource Innovation Forum at Dubbo - provided an opportunity to present on the project and undertake networking (6 to 9 June 2023)
- Dubbo Field Naturalist & Conservation Society - recent site inspection and demonstration by Ecologist, Phillip Cameron showing how surveys are undertaken. There was particular focus on a 'Fuzzy Box' site at Toongi Hall and discussion on other biodiversity areas. A bushwalk from the orebody and up and around the northern trachyte followed.
- Carbon Estimation Area (CEA) - parts of the TPC farm have been registered with the Commonwealth as a carbon project. Mr Sutherland advised that CEAs are areas where specific agricultural actions will be undertaken to increase carbon in the soil. Baseline carbon levels in soils will be derived from soil cores that are drawn from each of the CEAs this quarter. CEAs are the area where carbon will be sequestered, and for which Australian Carbon Credit Units (ACCUs) are issued.
- Macquarie Anglican Grammar School - is continuing to use the Project Site Office as an education centre for the Macquarie Agricultural Pathways Program.

Carbon Neutral

Ms Eames spoke to ASM's Environmental, Social and Governance (ESG) responsibilities and its aspirations regarding its clean energy transformation. She advised that ASM is looking to achieve 'net zero' emissions across all operational sites. Assessment of emission and offsets will be undertaken, and proposed targets will be published.

Mr Josephson then outlined some of the ways that ASM will look to help achieve these goals. He indicated estimates on carbon emission based on the current technical design have been undertaken with analysis of the burning process, additive processes, mining process (diesel), stationary equipment and explosives.

He indicated that use of renewable energy was critical with options to connect into the grid to source energy from renewable suppliers. He suggested that the transformation could remove half a million tons of scope 1 and 2 carbon emissions. The opportunity to change some equipment (such as the roaster) from gas to electricity is being examined. He outlined other potential changes that will further reduce emissions such as using quick lime in lieu of limestone in the processing and operating electric trucks or installing electric conveyors. Mr Josephson said the company is targeting a carbon net zero outcome by 2050 and further interim targets and the carbon net zero approach to achieve these targets would be published by ASM.

Agenda Item 11 Other Agenda Items

- **Bushfires** - Mr Sutherland reported that farm staff had worked for over a week on suppressing the bushfires in the area during March 2023. Subsequently, hay from the farm had been donated to support that that had lost feed for stock because of the bush fires.

Agenda Item 12 General Business

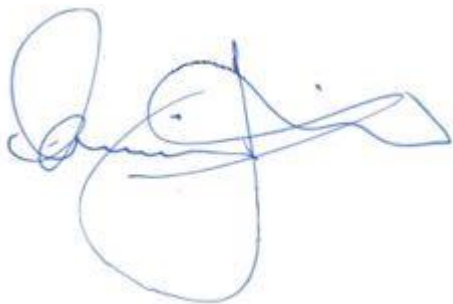
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Agenda Item 13 Next Meeting

Next meeting is proposed for October 2023 at a date to be confirmed.

The meeting closed at 6.50 pm.

Report endorsed:



Michael J Silver OAM
Independent Chair

4 July 2023

Dubbo Project

Community Consultative Committee Meeting Action List

Action Sheet - Meeting 16/08/2022

Ref #	Meeting Date	Agenda Item	Action	Responsibility	Completion date
1	16/11/20		For discussion - Dubbo Project process modification, due to the refined process	M Sutherland	On hold
2	17/05/21	4	Declarations of pecuniary interest to be re-issued due to demerger of ASM	M Silver OAM	COMPLETED 11/6/21
3	17/05/21	4	Discussion with Wiradjuri Elders group about positions on CCC	M. Sutherland	COMPLETED 18/5/21
4	06/12/21	9	Telecommunications in Toongi area - Chair to approach Member for Parkes	M Silver OAM	COMPLETED 04/04/22
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