

Background to BRL's bauxite mining

Following is a summary of what we know about BRL's background and its bauxite mining plans in the Shire of Chittering.

- BRL is a Perth based public company listed on the ASX (ASX code: BAU). Its mission is to become a high volume, low margin bauxite miner and processor and ultimately to construct an alumina refinery at Kemerton. This refinery is being strongly resisted by nearby residents with the support of their local member.
- BRL states that it holds "16,800 km² of project area" under mining titles or applications in the North, East and South Darling Ranges from which it plans to mine 180 million tonnes of bauxite ore.
- BRL has said it intends to mine in the Bindoon area for between 10 and 25 years at a rate of 3 million tonnes pa – a significant mining project. This is between 30 and 75 million tonnes of bauxite. No detail about its mining plans have been disclosed.
- In May 2009 BRL applied to the Shire for an Extractive Industry Licence (EIL) (known as Stage 1) to extract 130,000 tonnes of "bauxite gravels" from land north of Bindoon at Stephens Road on a "trial" basis and
 - truck the product approximately 16km to the Mooliabeenee rail siding (unused for 59 years)
 - load the product onto trains at the siding for shipment to Kwinana and export to China
- In July 2009 the Shire granted development approval for the EIL subject to certain conditions on the basis that BRL was proposing an "extractive industry" (for gravel extraction).
- On 11 August 2009 BRL announced the commencement of bauxite mining at its Bindoon mine.
- On 18 September 2009 BRL announced the completion of a capital raising to investors of \$57 million on the back of its proposed Stage 2 mining project. When the money was raised BRL did not have Shire approval or environmental approval for Stage 2.
- On 23 September BRL's application for an EIL for Stage 2 bauxite mining operations was advertised in The Advocate. Stage 2 was a proposal to mine up to 9 million tonnes of bauxite ore at a rate of 3 million tonnes per annum.
- On 29 September R4RM notified the Department of Environment and Conservation (DEC) of BRL's activities and DEC has subsequently referred the Stage 2 proposal to the Environmental Protection Authority (EPA) for assessment.
- **After a rethink about the scale and nature of what BRL was proposing, and extensive submissions by R4RM about the TPS, on 25 November the Shire rejected BRL's Stage 2 application because Mining is not permitted under**

the TPS, and the proposal was likely to cause adverse environmental impacts from dust and noise as well as road safety issues

- BRL has the right to appeal the Shire's decision however BRL has not lodged an appeal within the deadline (it may still try to do so)
- On 29 December 2009 BRL announced that it now proposes to mine bauxite in 2010 at the Stephens Road property, and that it has referred its proposed "2010 activity" to the EPA for assessment after which it will apply for a Mining Lease under the Mining Act 1978
- It is BRL's view that if a Mining Lease is granted our TPS is "irrelevant" – in other words it will over-ride our property rights.
- With Stage 2 rejected, BRL continues to suggest in its ASX company announcement that the next stage of mining will continue in 2010 on "nearby mineralized areas".

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