



Residents for Responsible Mining

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Bindoon battle continues for Bauxite

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BAUXITE Resources has formally lodged an appeal to the Western Australian Office of the Appeals Convenor contesting the Environmental Protection Authority's decision that its proposed 1.2 million tonne per annum bauxite mining operation near Bindoon will require a public environmental review.

In a statement, Bauxite said the level of assessment was irregular and disproportionate compared with the level set for other similar-scale projects.

"The EPA decision appears to take into account Bauxite Resources' future vision, rather than the specific, minimal impact, six-month mining project," the statement said.

The company said in 2009 that the average time taken for completed PERs was 2.4 years, whereas the EPA's website proposes the new PERs will take about 15 months.

The Office of the Appeals Convenor's website advises that most appeals are assessed and referred to the minister for a decision within six weeks of the appeals closing date, while more complex appeals or those involving several parties may take longer.

Either way, it would seem the timeline will definitely push out Bauxite's plans to start bauxite mining by July this year at the 1.2Mtpa rate from Hare's farm, before ramping up to 2.4Mtpa next year and ultimately 6Mtpa from state-owned lands.

The proposal has not been without controversy.

In February a group of Bindoon farmers hit back at claims by Bauxite Resources that they were conducting a smear campaign against the company and called into question the viability of its mining and alumina refinery aspirations.

Residents for Responsible Mining, a group of 70 second and third-generation agricultural families from the Bindoon area, accused the company of not considering the cumulative long-term impact of bauxite mining on the Darling Scarp region and for not following due process.

The group was formed in October last year after Bauxite Resources started a four-month, 130,000t trial mining and 16-kilometre haul road campaign in the area.

Bauxite has publicly stated its plans to grow from 1.2Mtpa to ultimately 6Mtpa and, in fact, three trial shipments have already left Kwinana and arrived in China.

The company reported last month that it was close to finalising an offtake deal with its Chinese partner, Shangdong Provincial Bureau of Geology and Mineral Resources, but to date no official agreement has been signed.

The Chinese group took out a \$A9.85 million direct equity investment in the company last year.

Bauxite Resources is conducting a bankable feasibility study into developing an 800,000tpa alumina refinery in WA's South West by 2014 and signed a memorandum of understanding last year with another Chinese group, Yankuang Coal and Alumina Smelting Group, which will fund 75% of the cost of the refinery.

Bauxite recently responded to a complaint to the Australian Securities Exchange regarding its JORC-compliant

maiden resource of 18.2 million tonnes.

The core of the complaint was that the applications for mining tenements on private land would only allow the company to secure rights below 30m from the surface, and that the bauxite occurred as a surface enrichment.

Bauxite said in a statement that at the time of the JORC resource announcement in January 2009, it held a reasonable expectation it would gain access to surface rights on private land that was the subject of the resource estimate by obtaining the consent of the owner in due course.

"We note in any event that the resource estimate was made on an inferred basis, which has the lowest category of the JORC Code," Bauxite said.

"In relation to the actual or potential constraint associated with access to the top 30 metres of private property, the company can now report that in its current areas of interest, comprising areas both inside and outside the areas which were the subject of the original announcement, where it has sought formal agreement to explore private land it has been able to put in place exploration agreements with 82 properties."

Shares in Bauxite Resources were down 5.81% to 40.5c.