

## ALERT TO MEMBERS

The threat to Yorke Peninsula's farming, tourism and local communities is increasing.

Hillside is unlikely to be the only large open cut mine on YP

### 1. MORE TARGETS IDENTIFIED BY REX MINERALS

In May 2013, Rex Minerals' Chief Executive Mr. Mark Parry, stated, "*within our existing exploration licence, there **are 50 highly prospective targets that we will start to aggressively look at as we get through funding and start to build the [Hillside] plant*** (ASX Spotlight, Hong Kong, Singapore).

This work is now well underway.

In February 2014, Rex released an updated map (**ATTACHED**) showing **12 'satellite targets'** within the vicinity of Hillside, where preliminary testing has indicated economically viable copper (and in some cases, gold) deposits. And this represents only a portion of the area covered by Rex's exploration licence.



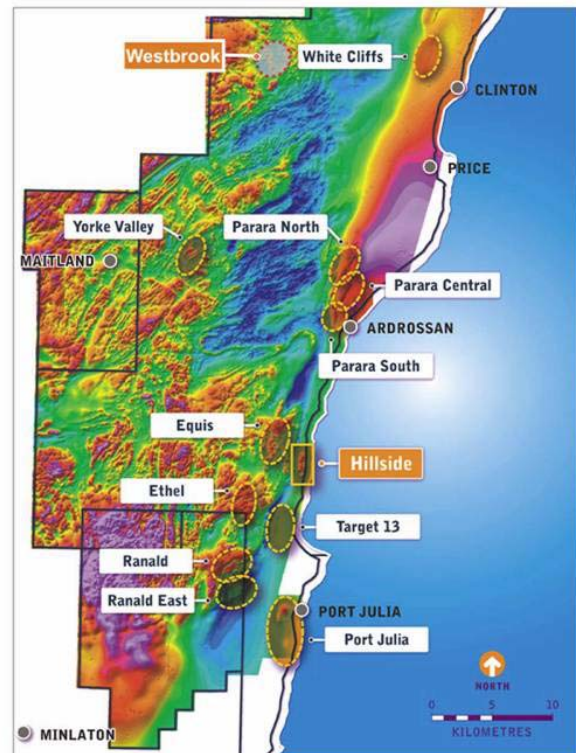
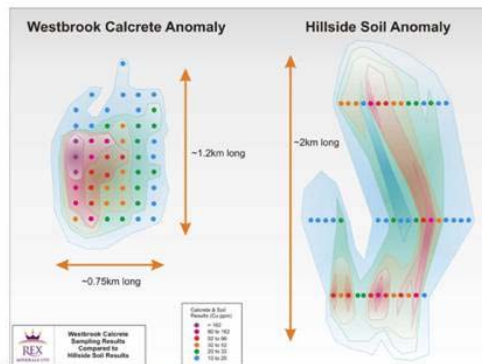
## HILLSIDE PROJECT POTENTIAL

Growth Potential

February 2014

### Regional Upside

- Satellite targets to leverage Hillside investment
- 5 priority targets identified
- Rapid soil testing (pXRF), ground EM/IP and drill testing



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AUSTRALIA'S NEXT GREAT COPPER PROJECT. HILLSIDE: SOUTH AUSTRALIA

If these target sites are developed, this would mean that all key population centres in this region of the Peninsula - , Clinton, Ardrossan, Maitland, Rogues Point/James Well, Pine Point, Black Point, and Port Julia - would be close to, and directly affected by, a potentially polluting open cut heavy metal mine.

The development of these satellite sites appears to be critical to the economic viability of the Hillside project. Rex's intention is not to establish separate processing facilities at each site, but to truck the excavated material back to Hillside for processing.

This would allow the company to, in their words, "leverage the Hillside investment", by allowing the expensive processing/crushing plant at Hillside to continue in use well beyond the life of the Hillside ore body itself.

While this may reduce the amount of infrastructure required at each satellite mine, there would presumably still be vast quantities of waste rock produced (leading to large waste rock dumps at each) and the need to construct a network of wide haul roads across farmland to transport the excavated rock back to Hillside using massive haul trucks. The result would be further significant losses of valuable farming land, increased environmental risks (to air quality, noise levels, ground water etc) and increased risks to the health and well being of YP communities.

It would also mean that the Hillside site would not be decommissioned for many decades to come, creating even more problems for local residents.

## **2. More Exploration Companies granted tenements on YP**

**Then:** April 2012

In their edition of April 12th, 2012, the YPCT printed a map showing the location of all tenements leased by Mining Exploration Companies. At that stage, there were nine mineral exploration companies with tenements covering 6,163 square kms.

**Now:** April 2014

YPLOG has recently undated that map (Attachment). There are now 16 exploration companies operating on the Peninsula. In total, their licences cover approx 7500 square kms.

There is now very little of the Peninsula which is not under exploration.

**The way to stop the proliferation of vast, polluting open-cut heavy metal mines on Yorke Peninsula and to protect the region's vital farming and tourism industries is to stop Hillside.**

