



MINUTES OF CRG MEETING:

Thursday 3 April @ 12.00pm at the CME Conference Room, Egan Street, Kalgoorlie

“The Community Reference Group is a link between KCGM and the community to provide information and open two way communication, to ensure all views are heard and to create an atmosphere of trust and harmony

“This will be achieved through consultation on issues of importance to the community in relation to KCGM’s performance and future planned activities so that the community and KCGM achieve as far as possible each others long term needs and expectations.”

1. ATTENDANCE :

CRG Members:

Jeff Jones
Max Bentley
Anne Petz
Tim Champion
Guy Brownlee
Kevin Smallhorn
Kathleen Bentley

KCGM Members:

Jim Bawden
Graeme Smith
Jess Ciantar

Invited Guests

Fiona Westcott – DEC

2. APOLOGIES:

Charles Douglas – DOH
Janine Cameron – DOIR
Jim Boucaut – DOCEP
Wayne Astill – DEC
Kym Russell – DIA
Murray Joyce

No Show

Deborah Botica

Previous Minutes

Minutes of previous meeting (Thursday February and March) have been passed

Update on Operations (Jim Bawden attended on behalf of Russell Cole)

- Things have been quite steady. We are in a period of high costs, high gold prices and also high turnover.
- We had an internal review with our joint venture owners a couple of weeks ago which went very well. It showed some opportunities on where we can improve our operations. Had experts here from across the region to run the ruler over us and it also gave our engineers and other professionals an opportunity to showcase what they have been doing.
- Last week we kicked off into the cyanide audit, which finishes today – It has looked at the whole of the operation systems wise, going through the Fimiston mill last week and out to Gidji this week, they will be closing out today. We think we will be in a very good situation. There may well be 1 or 2 items listed that we will need to follow up on, but nothing substantial or consequential that will impact on the community, the

environment or people's safety, which is what the code aims to achieve. The code is a very high bar to jump over. It's been a journey of some 3-5 years that we have been working to get to this point and it's just been amazing to watch how much hard work that people have been able to showcase what they have done. I feel very proud of what they have done.

- Underground, Open Pit mining and the Mill are going well. A couple of days ago, we fired a blast on the area where the slip had occurred – down at the southern end of the pit. That slip was a topic of much conversation around town and in the newspaper. There were all green lights the whole way through the blast. The blast and dust did not blow towards the town and there have been no complaints to us from the community. There were no vibration concerns. It will take about a week or so clean that material up, dig it away and get back on in that southern end of the pit. It was a lot of clever work from the partners, to help us design the blast and make sure it went well.

Negative Press on Outsourcing to QFS (JC)

- As talked about in the previous meeting, we have attracted a bit of negative press. We don't think the media fully understand how the concept worked. We did our best to educate them with a couple of additional releases which they then ran after the front page article that appeared on that Saturday's paper. Since then we have had nothing but good press about it. One of the reporters actually sat in on one of the sessions and subsequent articles have explained 1) the reasons why KCGM have gone to the QFS training and 2) how the QFS training actually works and the benefits for the people that take up that training. The last lot of articles also printed how pleased the people who had been involved in the training were and how professional QFS was as an organisation to deal with and then also from an internal point of view, Russell talks to the new starters and they had again commented on what a good experience they had had.

Update on Golden Pike Approval Process (GS)

- We have two approvals running in parallel. One is the Public Environmental Review which allows us to do the cutback and the other one is the variation to the noise regulation. Last meeting I reported to say that the appeals were still being reviewed by the appeals convener and that is still the case. We are expecting the report within the next couple of weeks. We have attended a meeting with the appeals convener to iron out and finalise any issues that were outstanding – so we are expecting the report to be sent to the minister within 2 weeks. Both responses are running in parallel, so both responses will go to the minister at the same time. Once the minister receives the reports, he will review the appeals and will set conditions for us, for those projects.
- In tandem with that, we have the preparation and submission of the Mining proposal which is a document that goes to the Department of Industry and Resources and also to the Department of Environment and Conservation and that document is being finalised and we will be submitting that to the Departments in April as well.
- Would other mines that aren't so close to a public environment like ours, need to go through the same process? GS responded by saying they do need to go through the same process, they probably don't have the same number of appeals that we do.

Environment (GS)

- Dust Management – Graeme advised we are still in the process of validating the data and will provide an update in the next meeting. There have been no major dust issues of late.

March 2008: Stats

Sponsorship Requests –

- Dept of Environment & Conversation – Leave for Danielle
- Goldfields Esperence Area - Grants Expo \$4500 - No
- HELP Inc – Leave for Danielle
- Golden Pipeline – Leave for Danielle
- The Rotary Club of Hannans Incorporated \$1000 – Yes
- Hannans Golf Club \$1500 – No
- Education Dept - \$85000 – No
- Kathleen Day Playgroup – Up to \$500 merchandise for raffle
- JPC “Smithy” – \$2,500 for gold sponsorship - yes

Visitors and Sales: Numbers were down for March (by approx 500 for the same period last year – the general vibe from what we can gather is that is was a quiet March right across Boulder), with a total of 2056 for the month. Total sales for the month were \$13060.00 with a profit of \$4937.00.

PIL: There were 12 PIL’s (6 enquiries and 6 complaints) in March. The tone was largely neutral.

GENERAL BUSINESS:

- Is KCGM going to be involved in the Reconciliation conference? – Jess isn’t sure – she will follow that up.
- What is our retention rate of indigenous employment? – Jess will follow this up and also what are the reasons for us losing them? Is it a normal trend of them changing jobs – or is there a specific reason?
- Jess advised that we have approx 40 indigenous people working for us.
- Jess to forward our indigenous policy to Guy.
- What is the general turnover of KCGM? – Jess suggested that we should maybe get a HR rep next meeting?
- There was a general discussion on retention of staff.
- Have we had any responses to the CRG ad for additional members – Danielle to provide an update

NEXT MEETING - Thursday 5 May 2008

CLOSE - Meeting Closed at 12:55pm.