

3rd December 2024

Mr David Ryan
Chief Executive
SA Water
GPO Box 1751
Adelaide SA 5000

Phil Tyler
[REDACTED]
[REDACTED]
[REDACTED]
pbyler@bigpond.com

RE: Port Wakefield to Pine Point water supply upgrade

Dear Mr Ryan

I write on behalf of the Hillside Mine Community Consultative Committee (HMCCC) regarding the above matter.

The HMCCC is an independent community group that focuses on the interests of the entire community in the development of the Hillside Project. Our key approach is to work closely with the developer, Rex Minerals to ensure that the Yorke Peninsula community gets the best possible outcomes from the mine's development. The committee considers the common interests of the community and provides feedback and advice to Rex, to assist them with their decision-making and operational activities that are ultimately of interest or benefit to the wider community.

Prior to and during the development of the Rex Minerals Program for Environment Protection and Rehabilitation (PEPR), water was a key issue at public meetings, and one of the benefits from the mine's development often stated was the increase in water supply, particularly to Pine Point, Ardrossan and surrounding communities through the Port Wakefield to Pine Point water supply upgrade.

It was often stated that this upgrade will result in an additional 2GL per year for the region of which 1.5GL would be for the development of the Hillside Mine and 0.5GL would be delivered into the existing network to augment water supply for Yorke Peninsula communities and local businesses.

According to the State Parliament's Public Works Committee final report on the upgrade (Dec 2013, page 5) "*The expected benefits of the project are to facilitate the minerals production and processing and hence the sustainability of the region's towns by providing a reliable water supply, increase revenue by SA Water available to support the State through additional sales of water to Rex Minerals. It can also support the growth of the regional economy via;*

- *job creation during the construction and operation of Rex Minerals' Hillside mining related infrastructure and construction of new houses;*
- *expected cash flow through the region from their mining activities; and*
- *providing opportunity for new development in towns along the pipeline due to increased water available."*

HMCCC understands that this is now not the case, and that other arrangements to supply water to the Hillside Project (such as desalination of ground water) are being investigated by Rex Minerals due to SA Water downgrading the capacity of the Hoyleton to Pt Wakefield pipeline as a measure to mitigate future failures. This de-rating of this pipeline and the subsequent cessation of the project to extend the pipeline through to Pine Point means that without remediation, the pipeline is unable to reliably provide water required to the Hillside Project and the 0.5GL of additional water to the wider local community that was promised.

We understand that expenditure required to rectify this and deliver water to the mine site is the major reason. However, we argue that the conclusions of the Public Works Committee report to justify the upgrade still apply.

This lack of increase in water to the region is a major disappointment and will also be a significant infrastructure impediment to housing and other economic development opportunities that will need to be addressed if the region is to prosper and benefit from the mine's development, and the job and economic opportunities that flow from this.

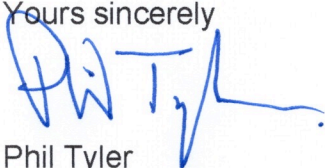
One of the major impediments to growth in the area is the under-supply of housing and accommodation on Yorke Peninsula. We believe this is a major problem for Rex Minerals and the local community in growing the local economy and the development of the Hillside Project.

We are aware that there are developers positioning to open up new housing subdivisions in readiness for an increase in population, to capitalise on the housing demand which will flow in the near future from hundreds of new jobs at Rex Minerals and associated local businesses. The lack of available water has been identified as a major setback and it will be problematic for Rex Minerals and supply chain companies to attract workers, which in turn drive economic growth. This is not only a local problem; it becomes a State problem.

HMCCC urges SA Water to make this matter an immediate priority and to actively seek an alternative solution that will provide the water necessary to support growth in the region, delivering long-term benefit to Yorke Peninsula and the State. Construction of roads to support the Hillside Project has commenced, with site development continuing in 2025 through to first product from the mine in late 2027. The water requirements of the region will increase during this period and beyond.

I would be happy to discuss this matter with you.

Yours sincerely



Phil Tyler

Independent Chair.

Hillside Mine Community Consultative Committee

0401 120 933

CC:

Hon Susan Close MP, Deputy Premier; Minister for Climate, Environment and Water
Mr Jason Schell, Chief Executive, South Australia, Rex Minerals.