



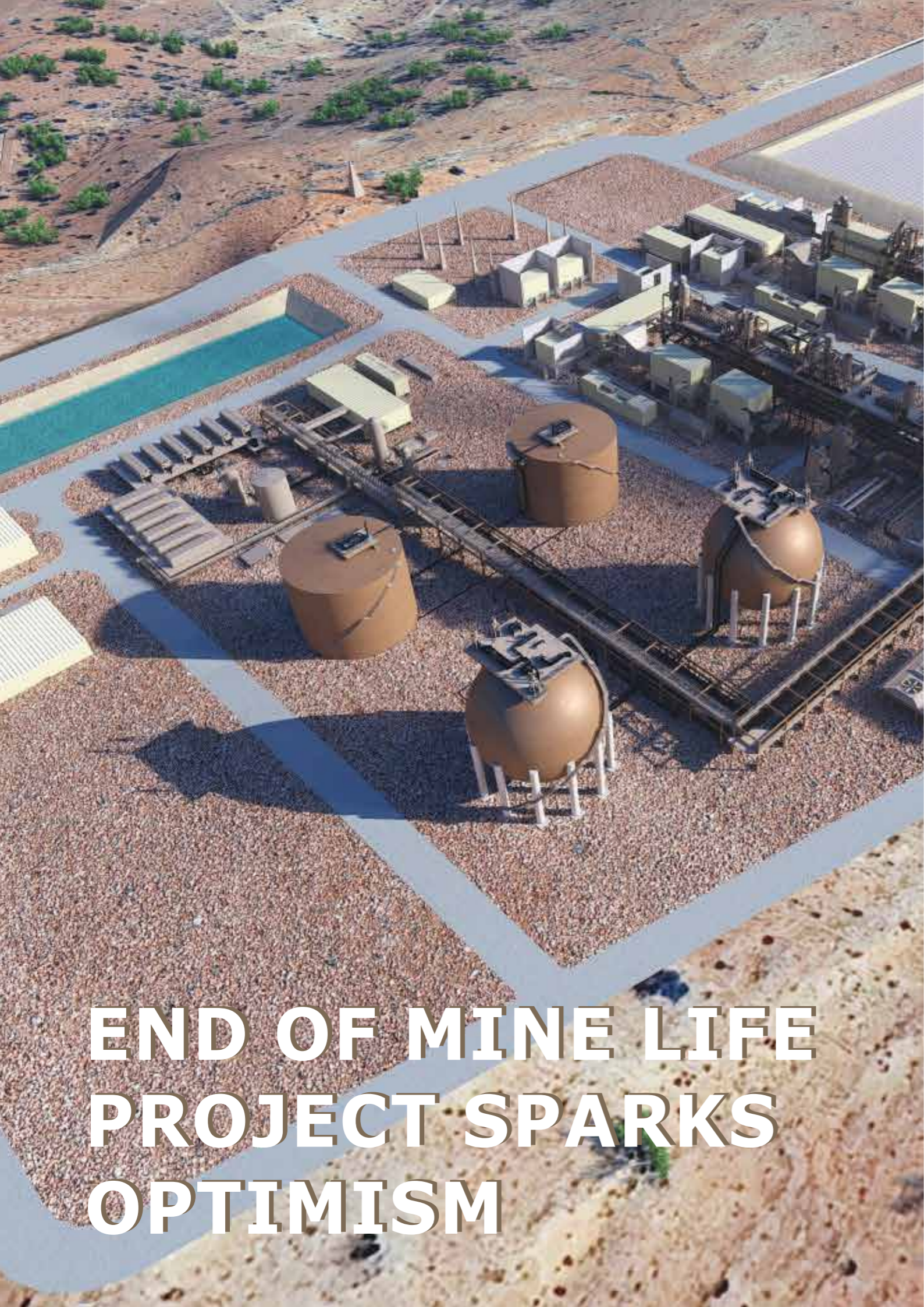
JULY/AUGUST 2024

THE PROSPECTOR

MEMBER COUNCILS INTERNAL MONTHLY UPDATE



AUSTRALIAN
MINING CITIES
ALLIANCE



END OF MINE LIFE PROJECT SPARKS OPTIMISM

A mine coming to the end of its useful life is rarely a cause for optimism in a mining community, but that is currently the case in Broken Hill as Canadian company Hydrostor prepares to turn a local mine into a giant battery.

The Potosi Mine operated by Perilya and located on the eastern edge of Broken Hill will cease operation in roughly six weeks, which will allow Hydrostor to begin construction on its billion dollar Advanced Compressed Air Energy Storage (A-CAES) project.

The facility uses energy to compress air from the atmosphere and injects it into a purpose-built cavern deep underground. The air remains stored under pressure in the sealed cavern until the electrical grid requires energy.

The compressed air is then released from the cavern and recombined with heat that was stored during the compression process to generate reliable power for up to 200,000 homes over 8 hours during times of peak demand, and will end Broken Hill's reliance on diesel generators when backup power is required.

The construction phase of the project is expected to generate around 750 direct and indirect jobs, with 40 enduring direct and indirect jobs in the operation and maintenance phase,

providing opportunities for skills, training and local employment.

The project is also expected to offset more than 11 million metric tons of carbon dioxide across its 50+ year lifespan - the equivalent to annual emissions of roughly 50,000 cars.

Council's General Manager, Jay Nankivell, predicted the project would be watched with interest by other mining centres around the country.

"It's an innovative approach to renewable energy, and obviously one that's very relevant to Broken Hill given its capacity to generate electricity using disused mine shafts and infrastructure," said Mr Nankivell.

"It has the potential to really change the way we look at end of mine life, and probably opens up new avenues of consideration for mining companies that are facing the mine remediation process.

"The financial benefits of the project are also very important for Broken Hill, with the project expected to generate roughly \$12 million per annum of operations expenditures which will be purchased from our region."

He said the project was also important for Council as

it looks to realise its own aspirations relating to clean energy and reducing its environmental footprint.

"Our Councillors have expressed a desire to ensure the city is at the forefront of renewable energy technology, and this project certainly aligns with that vision," he said.

"It's also in line with goals in our Renewable Energy Action Plan and Sustainability Strategy, and will complement the renewable energy projects that have already been undertaken locally which includes large wind and solar power generation projects.

"The community itself has also said through our Community Strategic Plan that it wants us to pursue renewable energy and battery technology, enhance the circular economy via renewable resources, and minimise the environmental, social, and rehabilitation impacts associated with mining.

"Given all these factors, both the current and former elected Council have offered strong support to this project, and we look forward to construction getting underway in the coming months."

Those seeking further information on Hydrostor's Broken Hill project can visit Hydrostor.ca.

BOARD MEETING WRAP-UP

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During the Board meeting, the following was discussed.

- The 2024/25 AMCA budget was approved
- Membership fees for 2024/25 were set
- The Board appointed Alternate Director(s), Cr Kirsty Dellar (Kalgoorlie—Boulder) and Cr Crowther (Mt Isa)

The Board, at its 3 May 2024 meeting, resolved to adopt the 2024 calendar of meetings provisionally as follows.

- September – Teams meeting
- November - Canberra (parliamentary sitting days 18th to 21st and 25th to 28th November)
- The March meeting to be held in Broken Hill was discussed, and it was planned to have this to coincide with the St Patrick's Day race meeting.

The following issues were also raised following our delegations.

- There is a need for more discussions on our Advocacy priorities to provide a clear position for AMCA.
- The preparation of position papers for our advocacy positions.
- Working on continuing the working relationship with the MCA.
- There is a need for a premeeting discussion of AMCA before future delegations.
- Increased social media and media use to state AMCA's positions.

JULY PARLIAMENTARY TRIP

During the 3rd and 4th of July, representatives of AMCA meet with

- Minister McBain, Minister for Regional Development, Local Government and Territories
- The Hon Kristy McBain, MP Minister for Regional Development, Local Government and Territories

- The Hon Madeleine King, MP Minister for Resources and Minister for Northern Australia
- Hannah Frank - Senior Adviser - Office of the Prime Minister
- Tania Constable, CEO MCA
- The Hon Susan McDonald Shadow Minister for Resources, Shadow Minister for Northern Australia

- Mark Coulton, Member for Parkes
- Ted O'Brien MP Member for Fairfax, Shadow minister for climate change
- Rick Wilson MP - Member for O'Connor
- The Hon Chris Bowen MP Minister for Climate Change and Energy - The Chair Glenn Wilson sat at the dinner table at the ACLG dinner



ADVOCACY WRAP UP FROM CANBERRA DELEGATION



During these meetings, the following advocacy positions were provided.

Issue: Transitioning Mining Communities' sustainability

National Net Zero Authority
AMCA seeks appropriate government and industry commitments to engage with mining communities and their Councils to promote collaborative and meaningful planning and investment in their sustainable outlook. MCA believes that Local Government, and particularly those Councils potentially impacted the greatest, should have a seat at the table.

Funding
To meaningfully commit to the proper transformation

of communities affected by global decarbonisation edicts, AMCA contends that the Commonwealth Government must commit sufficient funding to the budget and forward estimates to ensure the sustainability of affected communities and their workers, residents, and support industries.

Monitoring and reporting
AMCA contends that the Climate Change Authority should monitor and report on social and economic impacts on affected mining communities. This should include disbenefits and not just be confined to benefits as AMCA believes is inappropriately set out in the Climate Change Act 2022.

Issue: Critical Minerals Strategy

AMCA advocates that all governments should collaborate to ensure Australia is well-placed to meet the global demand for minerals required for alternative energy generation. Reference should be made to AMCA's submissions.

Issue: Housing

Market failures

AMCA believes that housing supply and pricing characteristics in mining communities are beyond the control of standard market conventions (supply-demand), sometimes requiring government intervention.

Affordable housing supply

AMCA advocates that state

and local governments have a role in providing affordable housing infrastructure, and the Commonwealth Government should give special funding for this purpose.

Affordable housing grants
AMCA believes that the Commonwealth Government should critically review the constraints within its National Housing Financing Investment Commission (NHFIC) grants to expand opportunities to assist local governments in mining communities in providing affordable housing.

Fringe Benefits Tax for housing
AMCA supports the More Than Mining Campaign and advocates for;

- A new category of

remote area within the taxation legislation is named "Remote Area – Mining Community", defined as communities affected by the volatility of mining construction and commodity price cycles and impacted by Fly-in-Fly-out workforces.

- Remote Area Mining Communities to benefit from 100% Fringe Benefit Tax exemption for rent, owner-occupier housing purchase cost and mortgage interest when an employer pays these expenses out of the employee's pre-tax income.

Issue: 2013 Cancer of the Bush FIFO Inquiry

AMCA calls on the Commonwealth and

State Governments to implement the dormant recommendations of the various studies, particularly recommendations 1, 2, and 18.

Minister King's Speech to CEDA

Minister King, at the reference CEDA conference 'In addition to our tax credits and generational support for pre-competitive data, the government will work with states and territories to look at developing common user minerals processing hubs' believing that this will 'cut costs for producers, increased profits and create jobs. AMCA seeks to understand what the common user minerals processing hubs model looks like.