

FOSTERVILLE GOLD MINE - ENVIRONMENTAL REVIEW COMMITTEE

Tuesday 3rd November 2015

MINUTES

Tour Undertaken at 9.30am
Attendance: Barrie Winzar Tim Harrington Jeff Cummins
Areas visited: Deepcore Exploration Drill Rigs and TSF4

Meeting Opened at: 11:04am	Minutes by: Tegan Parsons
Attendance: Chairman : Cr Rod Campbell (COGB) Morgan James (COGB) Bob Disken (DEDJTR) Ashley Elliott – Goldfields Revegetation Samuel Trowse EPA Barrie Winzar – Community Representative Jeff Cummins – Community Representative Tim Harrington – Community Representative Ian Holland – Fosterville Gold Mine (FGM) Felicia Binks – FGM Tegan Parsons – FGM Steve Gannon – FGM	Apologies Lynley Strachan (GMW) Cr Helen Leech – COGB Observers Erin Simpson Joseph Hughes Alison Campbell

Meeting Commenced: Cr Rod Campbell commenced the meeting and welcomed everyone to the ERC Meeting.

Minutes of the Previous Meeting

Amendments/Corrections

Jeff Cummins commented that he was pleased the company provided detailed information as requested from the previous ERC. Also to see how Tegan Parsons went with the Annual Community & Environment Report for 2014.

Tegan Parsons reported that the Corporate Office again had been contacted not only by FGM but also Stawell and has been now been passed on to the Vice President of HR, Safety & Environment to follow up. Jeff Cummins also noted that it might be beneficial for Community Representatives to make contact. Ian Holland said that would be fine.

Business arising from the Minutes: (Action Plan)

Information Update:

1: Spray Drift Update – Ian Holland

As of last ERC meeting the company confirmed purchase of the property with a 6 month transition period, to give the landholder time to source another property. Just after the meeting, the company was notified by the EPA that the company would be prosecuted. Discussions between the Company and EPA were in detail and the company agreed to plead guilty to one charge. The company feels the process with EPA was done in an effective and transparent way. It was completed at the Bendigo Magistrates Court on October 27th which the company agreed with the statement of facts and stepped through the factors relating to the incident and its management.

The magistrate considered the Company to be a good corporate citizen and the penalty imposed a donation of \$25k to City of Greater Bendigo for a suitable project plus EPA costs with no conviction recorded. Ian said he has spoken to Chief Executive Officer Craig Niemann at COGB to discuss projects and for the company to be advised what the project would be and where the money would be allocated. Given the nature of the incident, something like a tree planting project would probably be most appropriate. Ian said payment needed to be made in 60 days. The company reiterated that they were sorry that the event occurred and clearly it is not how we operate. The Company has moved forward with many changes to the evaporation system and ongoing monitoring program and we also feel comfortable in the support offered by the company to landholder [REDACTED]

Cr Campbell said the company would sure to be focussing on boundaries and not have any reoccurrences and vital to maintain good community rapport.

Jeff Cummins wanted to hear from EPA and if the money could be put towards a local project in the Fosterville region. Samuel Trowse said that EPA had also spoken to COGB and the money would be spend on rehabilitation and would look at local projects. Sam also noted that it had been a lengthy process and it is good to have a resolution in place.

Barrie Winzar noted that EPA's delayed response would have put the plaintiff under undue stress, not to mention the company administrators but also no comfort to the Community Representatives and he feels thoroughly disappointed with the regulator.

Cr Campbell asked that the EPA provide a person to every ERC Meeting held here at Fosterville and to take the sentiment back to EPA about the delayed time.

Samuel Trowes said it is a common issue within the EPA and is being investigated; also resources are being looked at. Jeff Cummins said we understand the stretch but there have been a couple of significant issues raised and no one was here to answer from the EPA. After 2.5 years there is a strong desire for the money given to COGB to be put towards a local project.

2: In pit Tails & Mine Water: Updated by Steven Gannon

As per presentation slides:

Coffey's established that the source of the elevated sulphates in the compliance bores was due to water recharging from Hunts Pit.

The following recommendations to reduce sulphates in PB02 and MB15 included:

1. Continue extracting from PB08 at a nominal rate of 15,000 m³/ month or greater,
2. Commence operation of the Hunts pit under drainage system at a nominal rate of 20,000 m³/ month, or
3. Alternatively a combination of pumping from the under drainage system in conjunction with pumping from PB08.

These recommendations were adhered to throughout the 3rd quarter of 2015.

Questions:

Barrie asked how long have the corrective actions been in place. Steve said since April 2015 and all sulphates are starting to trend downwards now.

Cr Campbell asked for this to be a continued update.

Tim Harrington asked if the corrective actions were completed and if other contractors would review or would it just be Coffey's. Steve Gannon said the corrective actions from Coffeys were immediately put into action however, aquifer injection would be the preferred path, but there is no infrastructure in place and the metals arsenic and antimony in the mine water remain an obstacle to the project.

Ian Holland asked Steve Gannon to give an update on the potential project to remove metals.

Steve updated the ERC stating that we believe we have found technology to remove arsenic, sulphates and antimony which would mean we would be able to inject the groundwater into the area of Hunts. This would need

the approval EPA, GMW, EER. Felicia Binks said the company were waiting the return of Collin Thornton to organise round two of the meeting with all regulators in attendance. Felicia noted AGT is contracted to also look into this technology who have trained professional hydro- geologist who would be giving the company recommendations.

Concerns were raised regarding what happens when the mine closes who would be responsible. Bob Disken said it would be rehabilitated and said at this stage a lot more information would be needed.

Jeff Cummins said with the active intervention on going do you think this would eliminate excursions, which Steve answered yes, he would think so.

Felicia Binks noted the question to ask would be when is our steady state? – This is a question for the next consultant meetings.

Steve said that the whole project would be called a trial, the company need to prove it will work.

Jeff Cummins asked how it would the process operate. Steve said the technology has two steps: Oxidise the arsenic and antimony and then form a precipitate that would be fed into either Biox or put into CIL tailings. The sulphates would be treated with resin and again the wastes could be treated in our current plant. This is significantly cheaper than purchasing an RO plant.

3: EER Update/ Review – Bob Disken

The structure of the Regulator group – latest information:

- The minister has put in a group of 3 directors under the Executive director - this will aid policy development.
- This has specifically come from the Minister as a result of the inquiry into coal mine fire.
- No change to staffing – 15 inspectors for the whole state of Victoria

Jeff Cummins asked if the regulator function will continue. Bob Disken said there would be fine tuning to relationships with companies, but if Coal seam gas was approved in the state, and then the department would need to employ specific staff with the right knowledge. Also in addition to the coal mine inquiry – 6 positions have been created.

OPERATIONS REPORT – Presented by Ian Holland – General Manager

(As per Operations Report issued to members)

Safety:

As per the report:

Fosterville Gold Mine Emergency Response members attended the Victorian Mine Rescue competition on the weekend at the Yallourn Power station. The team did a fantastic job representing our site with wins in the Search and Rescue, Breathing Apparatus exercises as well as the Captains award. Overall the team were second by less than 1 point and placed a close second in another three events. Cr Campbell asked that from all at the ERC Meeting to pass on Congratulations on to the Team.

Environment:

As per report and presentation:

Projects:

Barrie asked about the ENSPEC consultants who had conducted vegetation inspection at Robbins Hill and on private property - had there been much recovery and any impact to wire or steel posts. Felicia Binks said there had been substantial recovery on the company side and also recovery from what we could see within the neighbours land but nothing we can confirm in relation to wire or steel posts.

Jeff Cummins asked Bob Disken (DEDJTR) if the department was happy with the additional monitoring station installed for Falcon Mine water spray system. Bob Disken said yes, happy so far and still awaiting results to come through. Felicia Binks noted that the company reduced maximum wind triggers and added an instantaneous cut off to the system controlling the evaporation sprays. Jeff asked Felicia if the additional monitoring helped in which Felicia said it gives us more information and that every 6 months an update goes through to the regulators.

Surface Water:

Jeff Cummins asked if FWO7 was in close proximity to Robbins Hill and is it due to evaporation. Felicia said no, it's North of Robbins Hill heaps and yes due to evaporation of the water in the dam itself.

Ground Water:

Ashley Elliot asked if there was water in Daley's Hill; Felicia said yes, it is topped to a certain level which is also the case with John's Pit.

Noise Abatement:

Jeff Cummins noted that the first breach was marginally over and if the areas in the processing plant are being worked on. Felicia updated on the project taking place involving upgrading the BIOX medium pressure blower control system. The blowers were previously identified by an external consultant (AECOM) investigation to be a major contributor to noise emissions from the processing plant.

Jeff Cummins noted it's a system control before a barrier control.

Jeff queried on the Drill Rigs – is the LEQ completed on short bursts or the whole 30minute average. Felicia said that it's based on the whole 30minutes and found that it has really developed over time with specific notes written of types of spikes so we know where it is coming from and which department we need to make contact with regarding specific activities.

Community:

As per report

Demolition of old house at Core shed yard was completed. Barrie Winzar asked a copy of photos of the house before the demolition to show at the next Fosterville Family & Friends Day. Which then Barrie thanked the company for the tour and attendance.

Tim Harrington asked if the screening of the toilet block could be improved, it could look better. Erin Simpson said the idea was to get a creeper plant. Felicia said we had to be mindful of pipes etc.

Ian Holland updated the ERC on the milestone celebration for the current operation – 1 million ounces poured for February 3rd, 2016 and invite was given to all ERC Members. The Minister Hon Ms Lily D'Ambrosio will be in attendance.

Production Update:

As per report:

Exploration:

As per report:

Drilling has commenced on 2 projects, the 6200mN Benu South and 7950mN Benu North, which will continue through the rest of the year. Approximately 1500m of around 7300m of diamond drilling has been completed to the end of Q3

Rehabilitation Report

As per report:

Revegetation of all others sites were postponed due to the dry end to winter. It is expected these areas will be part of the 2016 Revegetation plan.

General Business/ Questions from the Gallery

Tim Harrington asked about the heap leach material and is it benign to roofing, water tanks etc. Tim queried the mindfulness of the fire season approaching have the fire truck and staff's knowledge of the site, tracks etc.

Ian Holland said there needs to be more data on that but the higher risk the more appropriate further mitigation would be put in place. Ian said regarding fire season, preparation has been increased and have a bush fire mitigation plan on standby.

Tim suggested that for Fire Prevention, any future works on TSF4 or TSF5 should consider cleaning up the Campaspe road side -concerned about community safety during this period.

Ian Holland thought it was logical from our point.

Tim also mentioned management for road side trees, as a concern for employee safety. Felicia said she had notified COGB regarding the Fosterville-Epsom road leading to the core shed.

Bob Disken spoke on the Bond Review which is currently at \$6.7 million which the company submitted a new one for \$7.8million which is still to be confirmed/approved. Regulators try to review the bond every year considering how much FGM is changing, also noted that the money is a bank guarantee and really specific details on the bond would come at closure. Ian Holland noted the trigger for the change was TSF4.

Ashley Elliott asked about when the mining lease would be finished, which Ian Holland said it is due 2020 but the company would be reapplying. The bigger issue for the moment is the Exploration Lease which is due soon.

Action Plan

No	Action	Responsibility	When
1	Send out letter to Community on bore trial.	Felicia	Now
2	Update on Falcon pit monitoring results	Felicia	Next Meeting
3	Results from Anaerobic Wetland Trial	J HUGHES	Next Meeting

Meeting Closed: 12:55pm

Next Meeting: Tuesday 9th February 2016

Site Tour at 9.30am followed by the meeting at 11am