

FOSTERVILLE GOLD MINE - ENVIRONMENTAL REVIEW COMMITTEE

9th August 2016

MINUTES

Tour Undertaken at 9.30am
Attendance: Jeff Cummins Nick Tuohey Tim Harrington
Areas visited: Tour included the Gunyha Creek Area and the Robins Hill Exploration Drill Site

Meeting Opened at: 11:00am	Minutes by: Trudi Jackson
Attendance: Chairman : Cr Rod Campbell (COGB) Morgan James (COGB) Nick Tuohey - EPA Ashley Elliot – Goldfields Revegetation Jeff Cummins – Community Representative Tim Harrington – Community Representative Ian Holland – Fosterville Gold Mine (FGM) Felicia Binks – FGM Trudi Jackson – FGM Erin Simpson - FGM Joseph Hughes- FGM Benny Asirvatham (EER) Steve Gannon - FGM	Apologies Lynley Strachan (GMW) Barrie Winzar – Community Representative Bob Disken (EER) Alan Read Observers Alison Campbell

Meeting Commenced: Cr Rod Campbell commenced the meeting and welcomed everyone to the ERC Meeting. Cr Campbell welcomed the Community Representatives and reminded the meeting that representatives are volunteers who give their time to attend meetings and we appreciate their efforts.

Minutes of the Previous Meeting

Amendments – Jeff discussed the following corrections he wanted to be made

New Mining lease

- Jeff also asked if an EES was required, as there were no EER officers present this issue to be brought forward to next meeting

Environment

- Jeff queried the accuracy of the BoM meteorological data- Bendigo airport which is approx. 15 km from site
- Jeff tables EPA's SEPP AQM- Mining and Extractive Industries, Protocol for Environmental Management and asked if FGM intended to extending the compliance monitoring program to include:
 - Arsenic
 - Respirable Crystalline silica

Moved: Jeff Cummins
Seconded: Felicia Binks

Information Update:

CIL Hardstand # 3 – Steve Gannon (as per presentation)

Steve explained that Fosterville currently has two CIL Hardstands. HS1 is already filled and HS2 has approximately 4.5 years until capacity is reached. In anticipation of this a third hardstand will be needed as a part of the long term plan, potentially 10 years and beyond. Proposed location was indicated on map and Steve indicated a survey was carried out to consider the potential view of the hardstand from the Axedale – Goornong Road.

Rod asked what the height of the raise would be. Steve indicated not higher than the sugar loaf range. Jeff wanted clarification on the vertical measure which Steve responded approximately 12m. Tim questioned if the surveyor he observed at various drive ways along the Axedale Goornong Road had had been engaged to look at this and why only two vantage points were discussed in the presentation. Tim queried the location and if it would be higher than the Sandhurst waste dump. Tim raised the point that he thinks this would cause community concern due to the grey dust which is already coming from the current hardstand, particularly in summer and on extreme weather days. He has already spoken with community members who have concerns with dust. Tim asked what the time frames would be for construction of the hardstand.

Ian Holland indicated approval was being sought in 2016, with design in 2017 and construction by 2018. Tim asked if there are any alternatives. Steve spoke about the tailings being a resource into the future and after underground mining has concluded the tailings could be retreated.

Tim stated that Fosterville has had minimal above ground impact due to being an underground operation but to be aware that any raise on the heaps will draw more attention to the site. He also mentioned that on windy days dust can be seen leaving the heaps. Felicia noted dust suppression management practices are in place and would continue.

Jeff Cummins asked Benny what community input could occur with regards to the work plan variation. Benny responded that the ERC was the first step. Community Reps talking to others and input received by EER would allow community concerns to be considered before the Work Plan Variation, but won't stop decision. A specific group is available for facilitation through Melbourne EER if needed. The Work Plan Variation needs to meet legislative requirements whilst also considering community concerns.

Ian Holland appreciated the comments and advised more detail would come. Accepts that a reasonable outcome is needed which appropriately addresses community comments. Fosterville is still at the concept stage and there is more work to do. Tim asked are we retreating the tails at the moment and if we could retreat the tails as we go. Ian advised that we are on a small scale but no alternative large scale retreat options are available. Tim asked if there is a better outcome that could be considered.

Jeff stated he understands the reasons for the hardstand in terms of not sterilising a resource however visual impact, rehabilitation and dust control are all important. Community would be more comfortable if tails are capped and encourages increased rates of retreatment. It is a significant community issues and they need to be involved.

Benny commented that CIL is rich in chemicals and that worries community members. They need to have confidence in management.

Tim said the sleeper is that the CIL still contains resource and gives the mine life after underground mining is ceased. The process of retreating pushes out rehabilitation and creates a stalemate where the company and the community can't move forward. He believes the process to retreat is important to work towards rather than a care and maintenance situation such as the Robbins Hill area for example.

Ian Holland acknowledged the need for a viable processing plant for retreating and if underground stopped then this could be increased, however at present this would take several years. Ian also said that the Company see's a clear and continuous operation post mining closure.

Rod summarised the discussion around the CIL hardstand mentioning more thinking is required and the caution sign is up from the community.

Column Leach Testing – Joseph Hughes (as per presentation)

Joe presented information regarding Column Leach Testing and Waste Rock Classification.

Tim Harrington asked if the testing is mostly carried out on Oxide material. Joe responded that the testwork is on fresh rock from underground which are sulphide sources. Jeff asked what are the objectives of the test, is it to validate predictive information to which Joe replied it was best practice to do so and as we begin mining different areas rock types will change and we need to continue to have the updated data. Ian Holland added that we need to make sure that our assumptions are still reasonable and the data supports this.

Jeff stated that most waste rock is below the surface and Joe said that some does come to the surface. Tim asked if there is only a small percentage of rock coming to surface then why is this important? Ian said although most remains underground with only some coming to surface there is the potential for this to increase. Joe added that the testing will also help determine capping requirements i.e. what type is need to stop oxidation as well as help in the final closure plan decision making.

Jeff asked about the time frame for the testing, will it continue to go for years? Joe confirmed that it will. Benny asked if Joe can give us an explanation about acid mine generating potential. Joe responded that the rock has low sulphur content and abundant calcium carbonate minerals hence the acid mine generation potential is minimal. Benny stated that there is value in knowing now what potential there is. Joe mentioned that he had supplied this information at the Closure Plan meeting last year and that he would action providing this data to EER.

Update on Mining Lease Application – Felicia Binks

Felicia provided an update to the committee that the application was submitted to the regulator and we are now awaiting a response. It is not a Work Plan Variation but that would be the next step in the process. Ian Holland stated the challenge is that the location is adjacent to the mining operation but doesn't hold resource per say. We want to develop so we can then drill in the area. This makes it complex as to the category for the application. Ian reiterated that there would be no surface footprint and development would be on the existing mine lease, the process is a live one with the regulator.

Jeff then asked what formal approvals are required to which Morgan confirmed a planning permit would be required. Regarding an EES Ian said we don't think this is necessary but discussions around this are occurring. Rod asked what the time frames are at present to which Ian stated it is still a live process.

OPERATIONS REPORT

(As per Operations Report issued to members)

Safety

As per the report

Ian Holland discussed the thumb injury during the last quarter.

Environment Report

As per report and presentation

Discussions

Benny asked what is the life of Hunts Pit? Ian Holland responded stating it was in its final stages with only months remaining of intermittent topping up. Benny reiterated that there is ground contamination potential and rehab is important going forward in the closure/capping process. Ian Holland said that consolidation of floatation tails will take time before rehab can occur.

Air Quality

Tim commented that his tenant had a large burn off after he was evicted and that may have coincided with the exceedence reported in the quarter. Felicia added that we can't assay to distinguish a particular type of ash source i.e. unable to confirm it was related to this fire.

Jeff brought up the AECOM report noting that Fosterville has acted on some of the recommendations but wanted updates on the progress of the other recommendations. Ian stated it was a live document that we were working through but we didn't have any further updates for this meeting. Jeff asked if the report had been shared with the regulators and Benny confirmed this had been done. Benny also mentioned that there are rarely exceedences from this site.

Jeff stated he was comfortable with depositional dust but still concerned about respirable dust and how we intend to move forward with the recommendations. Benny added that EER will look into the report and recommendations mentioning that real time data is good but directional dust monitoring is okay. Nick asked if changes had been made yet to locations of monitors and Felicia said she had requested feedback but has heard nothing and we won't move anything until approval granted. Rod then asked about time frames surrounding this process. Benny answered stating that they will seek EPA advice and respond within a week as to where the approval is at. One month would be the maximum time frame for assessment.

Jeff noted that the company has only taken some of the recommendations on board and that the regulators should enforce all recommendations to be implemented adding the company can't 'pick and choose'. Ian responded stating this is not the case and that we are mapping a path but can't do everything at once. Currently we are working through the report and sharing with the regulators but also moving forward with the easiest path.

Benny concluded that we have a further discussions at the next ERC meeting with Nick adding that he hasn't looked at the report but we should act quickly given the warmer weather is approaching. He will review the report and correspond with EER.

Noise

Jeff complimented the company on the communication between the noise monitoring technician and shift supervisor and the follow up actions taken as a result. Benny asked if recommendations from noise assessment report been implemented. Felicia said yes mentioning the fabric noise attenuation material over the gear box motor, box inside SAG mill shed and the BIOX blowers/agitators. We are almost through the recommendations with exception of the crusher which is being looked at presently but needs to be practical. Benny said it seems we are revisiting the same recommendations over again. Ian Holland said it is a sequential process and we are seeing real improvements each time.

Ash noted that the top of McCormick's waste dump is a good spot to identify noises and their source. Ian added that the boundaries of the lease were the most important and efforts are concentrated here.

Community

As per the report and presentation

Discussions

Ash asked what was the concern with the dam? Ian stated that a sample taken by a landholder from a dam on his property was found to be high in arsenic. The company has engaged with the landholder and has since dug out the dam and it has been refilled. Ian added it is the company's view that there is no mine contamination but we are happy to work through the issue with the landholder. We don't know the full history of the area and data taken in 2013 suggest no contamination was present at that location. Tim queried the size and the depth of the dam and if the dam still contained water when the mine was notified. Could the landholder have disturbed the dam prior to filling up and made potential historical arsenic soils more mobile? Rod asked if the landholder was happy with the outcomes.

Ian responded that we had met with the landholder since and don't see any issues but wanted to update everyone. Tim asked what if it happens again, who takes the initiative? Ian stated we are increasing sampling across all flows and waiting for data. Nick asked if water sampling was done since refilling and if any soil samples were taken. Erin said no and that the sediment samples were taken when dam was dry. Nick said if it happens again we should clarify where it is coming from and asked if we sample whenever there is rain. Erin confirmed that water sampling on site is not just as per schedule but also when there are flows. Felicia added that this is the first year a lot of areas have been flowing and the offsite monitoring is required when the water is flowing. Benny reiterated that follow up monitoring should occur.

Jeff said there were lots of maybes and that Tim and himself will engage with the landowner. He was concerned the EPA wasn't advised and that they can provide assistance and guidance in such an event. He feels the company failed in terms of its statutory obligations to report this to the EPA.

Ian said he takes the comments on board but also acknowledges the complaint may not have had merit. The company will review management practices surrounding reporting and stated that the contact initially came from the department and we will rely on EER for support and advice on reporting.

Nick said the EPA would be interested in the results from the landholder and would seek permission to release these. Felicia Binks agreed for Nick to view the company results. Nick said data is needed to support that there is no impact from the mine. Benny reiterated that the company must investigate and work the EPA and landholder.

Ian Holland summarised the noise complaint received during the previous quarter. It is a difficult area when complaints are made regarding employees not on site time but the dissatisfaction has been communicated and disciplinary action will be looked at if there are repeat incidences.

Production Update

As per the report

Exploration

As per the report

Personnel

As per the report

Rehabilitation Report

As per the report

Ash discussed the successful survival rate of plants in the rehabilitation program can be attributed to the watering program and the best plants appeared to be in the hardest ground with not a lot of mulch. Rod asked about the overall rate of rehabilitation at the mine site to which Ian responded that the rate is dependent upon available land.

OTHER BUSINESS

ERC Options/Reforms

Felicia raised the possibility of having a shorter ERC meeting in November to facilitate the annual public meeting being held immediately after. This would replace the public meeting held on Open Day which doesn't get a lot of interest. Felicia also asked the regulators if they would remain around and be available to take questions from the public as this may spark interest and increase attendance. Jeff agreed this would be a better option. Ash asked if the date for the next ERC which is Melbourne Cup Day might be a problem, all members agreeing that an alternative date/time should be looked at. General Consensus was reached to move forward with this idea and Felicia will send invites to local landholders.

Jeff raised the departmental Reform of ERC'S and the corresponding survey. He has contacted the Project Manager at EER to express concerns over the terms of reference being a too narrow and should not just be for the community members but the whole ERC. Benny will email project manager and invite to next ERC to discuss.

Other

Nick requested that any graphs shown in the ERC presentations being included in the operations report.

Benny enquired about the site water balance given the good rainfall this winter with more to come. Ian responded that the immediate management is fine with Steve looking into the long term management but there are no updates at this meeting.

Action Plan

No	Action	Responsibility	When
1	Joseph to supply ERR with waste rock characterisation acid accounting data.	JH	August
2	Felicia to supply EPA with company data from Gunyah Creek sampling.	FB	August

Meeting Closed: 13:30

Next Meeting: 18th October

Site Tour at 9.30am followed by the meeting at 10:30am