

FOSTERVILLE GOLD MINE - ENVIRONMENTAL REVIEW COMMITTEE

1st August 2017

MINUTES

Tour Undertaken at 9.30am
Attendance: Tim Harrington Barrie Winzar Lynley Strachan Jeff Cummins
Areas visited: Deepcore Noise Abatement Shed & RSF1 Discussion held regarding the new wall raise on RSF1 and previous height limits prior to the last approval, revegetation of outer walls, material sources and construction timing. A tour of the Deepcore shed was very informative and provided an opportunity for Deepcore to explain the noise reduction materials used, drilling targets and timeframes.

Meeting Opened at: 11:00am	Minutes by: Trudi Jackson
Attendance: Chairman : Clare Fountain Nick Tuohey - EPA Tim Harrington – Community Representative Steve Gannon – Fosterville Gold Mine (FGM) Felicia Binks – FGM Trudi Jackson – FGM Erin Simpson - FGM Joseph Hughes- FGM Troy Fuller - FGM Grant McFarlene (ERR) Lynley Strachan (GMW) Barrie Winzar – Community Representative Cr James Williams (COGB) Jeff Cummins – Community Representative	Apologies Ashley Elliot – Goldfields Revegetation Alan Read Morgan James (CoGB) Observers

Meeting Commenced: Clare Fountain commenced the meeting and welcomed everyone. Clare also thanked the Community Representatives who volunteer their time to be a part of the ERC and we appreciate their efforts. Clare also thanked the committee for welcoming her to chair the meetings and provided an opportunity for each attendee to introduce themselves.

Grant informed the committee that Earth Resources Regulation (ERR) has undergone a restructure and attendance at the local ERC meetings will now be shared with Grant the ERR's representative for the FGM ERC.

Clare then raised the Conflict of Interested Declaration to be introduced at the start of each ERC meeting. It is a standard in most meetings and asked the committee what a Conflict of Interest (COI) might look like. Felicia mentioned an example whereby a Council Representative has owned property which borders the mine site and she considered this would be a COI. Clare added that someone may have a COI if they were consulting for the mine or any regulatory body sitting on the ERC or anyone gaining income outside of the ERC.

Cr Williams said immediate family working for the mine can also be considered a conflict of interest. Lynley asked would it be a COI if you owned shares to which Nick responded that they generally need to be declared through work. James said that as a councillor you need to declare shares if it is above a certain amount, if you feel conflicted then it is best to declare. Clare asked if anyone had a COI to declare.

Tim advised that he sits on a Surface and Groundwater Committee that views water applications and can have some influence on the board. He is also a member of the Land and Water Committee for Lake Eppalock as well as a Ministerial Committee for Lake Eppalock. FGM owns land that he has lease hold over and in the past he had done work as a fencing contractor for the mine.

Nick added that he is a second cousin to Tim and that he also knows Barrie as he is a local to the area. He also has a few siblings that work for FGM. Barrie declared he had received money from a previous owner of FGM to put a pipe under his property but only for a period of 12 months. Felicia said that all compensations to landholders are listed with ERR.

Clare wrapped up by saying that a register will be created and referenced in future minutes.

Minutes of the Previous Meeting

Tim stated that Ian and he had met to discuss the historic tailings. Felicia then added that FGM will sample the tailings to get an indication of mineralogy and we would look to move material when machinery was onsite. Tim added that it was good to see some progress being made.

Moved: Cr James Williams

Seconded: Barrie Winzar

Action Items – updated by Felicia

Tailings – as discussed

Map has been added to report

Explorations Community Meetings update will be discussed later

PROJECT UPDATES

RSF1 Raise

Steve Gannon updated the committee on RSF1 raise by saying it is an upstream raise and FGM would be building a wall on top of tailings so a good foundation is needed. During construction there will be 5 trucks, a dozer and a grader operating 7-5pm Monday to Friday and on Saturday mornings. This will occur from October through to December which are the dryer months. The only design change has been the emergency spillway location.

Jeff asked if there would be any noise implications to which Steve addressed by saying targeted noise monitoring will be occurring so that during construction noise remains within the limits. Tim asked if a new engineer had looked at the design. Steve outlined that Australian Tailings Consultants did the original designs, Coffey's did the in pit tails and Worley Parsons won the tender to build. It was unsustainable to have 3 engineers involved so in 2014 Worley Parsons did an audit on all FGM tails dams and the works were amalgamated and managed by a sole engineer.

Tim asked where Worley Parsons was located and Steve said they are Geelong based. Cr Williams questioned if the spillway discharge will now go to a different location or the same as in the original design. Steve indicated that it would eventually end up in the same location. Barrie then added that this would not happen until it reached Kerang.

Grant then added that it is worth mentioning that the RSF1 is on the ICOLD register / database and that it is the only one in the North West Region. Lynley questioned this as it would then be classed as a hazardous dam and it should therefore have an operating licence. Felicia said that the approvals may have predated Goulburn Murray Water. Lynley then said she was not aware RSF1 had an operating licence and that it would have a construction licence only as it is not a water storage facility and if it was on the register it would need to be inspected monthly.

Grant said he had seen in circulation correspondence to investigate and assess tailing dams on the register and Fosterville was on this list. He will follow this up internally. Erin added that it is a grey area as tailing are not water. Cr Williams then refereed back to the discharge suggesting it would go to the Bendigo Creek and not the Campaspe. Lynley said it was her understanding that there was enough area around the facility that if a 100 year event occurred then discharge would still be captured around the dam. Steve reinforced this statement saying the new design had the same amount of flood storage.

Nick asked how is it a controlled spillway. Steve answered by saying it would not be controlling flow just the point that it will go to and the spillway will be built of hard rock and will not erode. Cr Williams said if it does discharge we need to understand where it discharges to and understand the risks. Felicia said it would go into Gunyah Creek. Tim added if TSF4 was redesigned discharging to the west would be better.

Tim also asked if he could have confirmation of the maximum height of RSF1. Steve answered by saying the maximum additional height was 10m of which 2.5m is already complete. This lift will add another 2.5 m and then there will be an additional 5m to go after that.

OPERATIONS REPORT **(As per Operations Report issued to members)**

Safety

As per the report

Discussions

Tim asked if the operator got any of the hydraulic oil in his blood. Troy said he doesn't believe so but can't give an absolute answer.

Environment Report

As per report and presentation

Discussions

Jeff raised a point about reporting spills in relation to the regulations. He stated that we need to be given all the details so we can have an idea of trends and would like to see FGM go back to past practices of doing this. Felicia responded by saying these are small operational issues and it takes time to discuss all the details and a decision was made to take these details out some time ago. Jeff said the safety reporting accounts for all details so environment should also. Grant added that if it is a reportable incident then it needs to be brought up. Clare clarified that currently FGM complies with this and the committee can request more information which is then left to the company's discretion. Jeff requested a discussion around more information being provided and this be made an action item.

Jeff then asked about the FGM work plan variations and an update on Aquifer Injection (AI). Felicia responded by saying because of the delay with the work plan approval we have had to prioritise projects. The ventilation upgrade is our first priority otherwise we will see a reduction in operations.

Steve said the Work Plan Variation for AI was complete but can't be submitted until the site plan is approved. It will also come down to a sequence of submission for all work plan variations as we don't want some to hold up others

and the AI may involve a more lengthy approval process. Jeff then referred to the risk management plan for AI that had been shared and noted he has raised some concerns for the company to address.

In terms of Environmental Activities mentioned in the Public Sustainability report Jeff asked what were the reasons for the PM dust information not being reported. Felicia said she will follow up why it was not in there and also Grant would look into this as well as the public report is compiled at the request of ERR for key sites, of which FGM is one. He would also be providing feedback to Felicia to establish if the report addresses all criteria.

Lynley then asked Jeff if he had had any response from GMW around the concerns he raised with them about AI to which he replied no.

Water Quality

As per report and presentation

Nick said it was pleasing to see low levels of As near Gunyah Creek especially given the recent community concern. He also asked if any more sampling of the dam had occurred as it would be worth doing. Felicia said the dam is north of the Campaspe and on Private Land and permission to access needs to be given by the landholder. Nick said he would be happy to assist if FGM had difficulties in gaining this access.

Barrie commented that the Northern end of Robbins Hill erosion tunnels need tidying up before they get any worse.

Steve then made comment on the RSF2 PB02 compliance bore. Tim asked if he was still happy with the recommendations from Coffey's on how to manage this and how deep are these bores. Steve said they were 35-37m. Tim then asked what the depth of the AI bores are, and the distance between these two bores. Steve said the AI bores are 70 to 80m deep and the benefit of AI is the water treatment plant as it removes arsenic, antimony and sulphates, which may reduce Sulphates in the compliance bore.

Jeff added that the host aquifer was some distance away and is it confined at 120m depth? Steve said the fault line is the permeable part and the major risk is too much water being injected which would raise the water mound and intersect the higher aquifer and hence the reason for not introducing too much at a time. Tim commented that you can't measure where the water will go. Lynley mentioned she had asked Brendan if the water will travel north and he had said yes but at a slow rate. Tim said AI seems a risk if you put it near Hunts Pit. Clare asked if the management of these risks are outlined in the work plan variation to which Steve said yes.

Jeff commented that it is the expectation that the community concerns raised will be addressed in the WPV. Nick asked if MBOS07 has naturally occurring Arsenic to which Felicia said yes. Steve said we are trying to manage leakage from pits and Sulphates give an indication of leakage, not Arsenic. Nick asked if Arsenic goes up in the dry season and Felicia said not in the bores unlike dams as they dry out.

Air Quality

As per report and presentation

Jeff referred to PM 2.5 and asked given the burning off that was mentioned do FGM test for ash content? Erin said no. Tim stated it must be very sensitive as the burning off referred to was km's away. Jeff asked if an ash content test could be carried out to confirm the assumption and Joe said he would look into this.

Noise

As per report and presentation

Grant started off by saying that ERR had been corresponding with Felicia and discussing breaches, fines and notices and that a 24 hour logger will be in place for a period of time. Felicia said that AECOM will be installing the logger and it is in progress. Grant said how the logger is implemented is up to the company. Felicia said FGM is looking for more information with regards to source noise.

Nick commented that although there has been no noted impact to residents the frequency of the exceedances indicated we need to look at the source. FGM does not have very close residents but there has been a lot of talk and there needs to be a change. Jeff said exceedances are far too frequent and monitoring of night time noise is not adequate. 13% of FGM'S monitoring is at night and this needs to increase as FGM has a problem. The noise logger is not going to indicate the mine's noise contribution. Grant addressed this by saying the modern loggers can. Jeff asked if AECOM will do the work. Felicia has asked for a proposal from AECOM.

Lynley said that monitoring of noise in regional areas is difficult. Quantitative monitoring is much better as it is targeted. Felicia said it is difficult as it accumulates. Jeff outlined that in August 2014 FGM employed an acoustics consultant to report on noise levels and sources. The recent sources of exceedances seem to be SAG mill, Cooling towers, Loaders and Rock Crusher. The responses by FGM have been piece meal and it would be good to have that consultant revisit the report. It is good to see some projects being undertaken but there is still exceedances.

Clare then said this can't be resolved now and FGM will respond at the next meeting. Tim wanted to reiterate the night time point made by Jeff. It is the night time that is important and more frequent monitoring is more appropriate for evening than the daytime for residents. Felicia said FGM will not be doing more voluntary monitoring until we speak with the regulators about it and the impacts to the company. Clare then asked for feedback on that conversation between FGM and the regulators be provided at the next meeting.

Community

As per the report and presentation

Barrie confirmed that that Fosterville Family and Friends day will be held again on the first of October at 11am.

Production Update

As per the report

Personnel

As per the report

Exploration

As per the report

Jeff asked if FGM wanted to convert the Exploration Licence area to a Mining Licence. Troy said No. Grant asked if FGM has an XRF machine. Troy said we are purchasing one which will be good for determining arsenic and sulphur but not for gold. Cr Williams asked if FGM will be sharing the information and Troy said we would be happy to share with the landholders.

Jeff referred to the KLG website which indicates a very ambitious plan for Fosterville Gold Mine and exploration distances of up to 50km from the processing plant. This could lead to lots of truck movements and what would the mining activities look like? Troy responded by saying the exploration is targeted at depth and if any surface exploration activities are undertaken then FGM would be looking more underground as that is where our success has been. Tim added that FGM would need to have some pits in order to get access to underground. Troy said a box cut maybe all that is required for access and Felicia added it is a long process. Tim said everyone understands it is a long process but these questions will be asked.

Lynley asked if more than one company can be exploring on that area and Felicia said no.

Rehabilitation Report

As per the report

OTHER BUSINESS

Clare suggested that "Other Business" be moved to the top of the meeting.

Tim raised the issue of beautification work at the Old Core Shed House Site where the portable toilet is currently located. Felicia said this area is currently under review.

Felicia also mentioned that an Environmental Officer will be employed in the near future, Erin has been promoted to Senior Environment and Community Advisor. Ian Holland has also been promoted to VP Australian Operations and Ion Hann is the now the FGM Operations Manager.

Other – Action Items

RSF1 approval - provide information to committee around total height approved for RSF1 and when this was last raised in the ERC meeting.

2016 Sustainability Report – advise the committee on inclusion of PM dust information.

Fosterville Family and Friends Day – add to the next Community Newsletter

RSF1 – Is the dam on ICOLD or ANCOLD register, Grant to follow up

Conflict of Interest Register to be created.

Meeting Closed: 1-00pm

Next Meeting: Wednesday 8th of November 2017