

# FOSTERVILLE GOLD MINE - ENVIRONMENTAL REVIEW COMMITTEE

14<sup>th</sup> February 2018

## MINUTES

<b>Tour Undertaken at 9.30am</b>
<b>Attendance:</b> Tim Harrington Barrie Winzar Jeff Cummins Lynley Strachan Morgan James Ashley Elliot
<b>Areas visited:</b> Biosolids Trial Area

<b>Meeting Opened at:</b> 11:00am	<b>Minutes by:</b> Trudi Jackson
<b>Attendance: Chairman :</b> Clare Fountain Tim Harrington – Community Representative Troy Fuller – Fosterville Gold Mine (FGM) Felicia Binks – FGM Trudi Jackson – FGM Erin Simpson - FGM Joseph Hughes- FGM Ian Holland – FGM Ion Hann – FGM Rachael Spencer - FGM Grant McFarlane (ERR) Lynley Strachan (GMW) Barrie Winzar – Community Representative Cr James Williams (CoGB) Morgan James (CoGB) Jeff Cummins – Community Representative Ashley Elliot – Goldfields Revegetation Stacey Bloomfields – EPA	<b>Apologies</b>  <b>Observers</b>

**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 then asked the committee if anyone would like to declare a new conflict of interest to add to the existing register. There was no response from the committee and no new conflicts of interest recorded.

### **Minutes of the Previous Meeting**

Tim asked for some clarification of discussions at the last ERC meeting. Does FGM want to be contacted if there is a fire in the area? Ian responded by saying we are available to be contacted for external fires and that has what has happened in the past. We would respond if appropriate. Felicia added our response would be by a case by case basis. Tim then gave an example of a fire 2km or less burning towards site.

Jeff noted that the sustainability report was still not updated as discussed in the previous meeting and would like it expedited. Ian said yes this would be done.

Claire then said action items would be addressed later and asked if there was any additional items to be raised. Felicia wanted to discuss Solar Panels in the area. Minutes were then moved.

**Moved: Barrie Winzar**

**Seconded: Jeff Cummins**

## **PROJECT UPDATES**

### **Exploration Activities**

**(As per presentation delivered by Troy Fuller)**

Jeff asked if the rig on Axedale Goornong Road will be drilling at the Backhaus target to which Troy said yes. Jeff then asked if there had been any issues with the community regarding noise. Troy responded by saying no and that the noise mitigation systems had been effective so far. Barrie then enquired about the direction of the drilling and if it was this side of the river and to the East. Troy said it was this side and back towards the mine.

Grant asked what was the average depth of the drill programs. Troy said 300 to 500 meters. Cr Williams said it would be good to get some detail on the Lyall and Backhaus locations as council get a lot of enquires regarding FGM exploration. Tim asked if Accotts was further to the East and if it was on Sugarloaf? Troy said it was west of Axedale.

Felicia commented that the exact locations are not set yet and the presentation localities were a guide. A lot of the locations will be dependent on landholders. Barrie asked if Mayreef was just off the Goornong – Mayreef Road to which Ian said it was not defined yet. Troy said once these targets were finalised he would be able to give more detail. Barrie asked if the drilling would be east or west with Troy saying it would be multidirectional.

Ian then said this exploration was an expanding strategy and our current exploration licence is old and in renewal for 1 year which means FGM needs to reapply. The drilling is intended to enable conversion to a resource which then allows FGM to apply for a mining licence. Some of the drilling is actually condemnation drilling i.e. it will identify areas which FGM will then disclude from further exploration.

Tim then asked about the current drill sites and why we are using so much water? Troy responded by saying that with diamond drilling water is required and some may be lost down the hole. Tim said there was an increase in frequency of water delivered to the drill sites compared to what he has seen before. Troy indicated that a couple of fills per day would be normal but he will follow up to see if there had been more. He said lubricants and muds were used down the hole when drilling to decrease water loss. Erin added that onsite we can tap into water supplies for diamond drill activities whereas water carts are required for offsite drilling and perhaps this can make it seem like more water is being used. Troy said he could look into the water usage data.

Jeff enquired about the recent modifications to the exhaust fans to direct the noise downwards. Felicia said there would be some information regarding this in the presentation to come.

Tim asked about the soil sampling program and how much of the soil sample is assayed? Troy said most of it is assayed. Tim then asked how much of the soil sampling thus far has been successful and how long does it take to see the results? Troy said some Arsenic anomalies had been identified and it takes around one month. Lynley then asked if it was surface sampling or if the soil was taken from around 1m down. Troy answered saying it was surface sampling. Lynley then asked if it is accurate enough to which Troy said yes.

In reference to the 3-D seismic exploration survey Ian said it was most likely that it would be delayed. Cr Williams asked if the survey was to target areas for drilling or areas for mining. Ian said the info would make drill targeting more effective.

## **Action Items**

### Old Historical Tailings

Grant stated that with Arsenic levels greater than 500ppm then EPA approvals would be required for removal of the historic tailings. Stacey asked if the tailings were on FGM land, Ian said they are on the mining lease however they are from historic mining back in the 1930's. Grant added that this a case of being proactive and that FGM is not responsible for old historic tailings. Tim stated that he was the one to bring this up but we all have an obligation to clean this up and that FGM is here because of the historic mining. He understands the legality of different agencies being involved but they have been moved previously in other areas and the cost involved is minimal compared to the cost of operation.

Felicia stated that is can't be done without approvals. Grant asked if they can't be moved can they be capped? Jeff also asked if in situ capping could result in sterilisation, is there still gold that can be recovered? Ian said any gold in the tailings is unlikely to be commercial. Broadly we don't have an obligation but we believe that is the wrong approach. We don't want to increase environmental risk but will certainly take a measured approach. Jeff then asked what the options are being considered at the moment. Ian said that capping seems to be the better option. Stacey asked what time frames does FGM have for this. Ian said there were no time frames at the moment.

Barrie added by saying that given the historic mining there is possibly 15 to 20 more dumps like it and 40 years ago any tails with high enough gold content was retreated. Lynley asked if the Arsenic levels of the whole dump were known to which Felicia replied that only a few samples were taken. Joe elaborated by saying they were all about half a meter in depth and they were all sent to the lab and not XRFed. Tim stated that these dumps are often located nears hills historically but they still have some run off. Cr Williams also said that this legacy stuff is often left but the community do want it rehabilitated.

### Noise Monitoring

Jeff wanted to state his reservations on FGM noise monitoring because of "white noise" and asked will continuous noise monitoring improve this. Ian said the great volume of data is an advantage but there are limitations in targeting sources. Jeff also added he is heartened to hear that FGM is undertaking monitoring closer to the plant to identify the sources of noise.

### Bond Review

Felicia provided an overview presentation of the bond review process and the amount of FGM's Bond. Grant stated that the existing liability for Sharky's Pit was less when consultation commenced and has since been increased. He is not sure if we are now required to re-consult now that the figures have changed. Ian said the bond is actually restricted cash in an ANZ secured account. Cr Williams enquired if any works that are completed and are a part of the bond need to be raised with regulators. Felicia stated that FGM do provide documentation of works to ERR.

Tim asked about the project management amount and how many people would be involved in the process? Grant said it would be a big task so a large sum is required for this particular item. The project manager would be a Civil Projects Engineer. Tim added that the money would be eroded very quickly by contractors and alike.

Grant said that the government take on 80% risk liability and it is not 100% on site. This is taken into consideration when the figures are populated so if insolvency was to occur the risk is taken on by the government to use that money. Jeff asked Grant how often has the government had to do this? He said some small sites have had to call in bonds but he is not sure about any larger ones.

Jeff then asked what is the form of the guarantee of the ANZ secured Bank Account. Ian said it is the most secure it can be as it is physical cash in a legally restricted account.

RSF1 – Grant updated the Committee on RSF1 stating that there had been a delay in ERR passing on information and it was still not listed, he will update the group once on the ICOLD register.

## **Biosolids**

**(As per presentation delivered by Joe Hughes)**

Ian said it was important that there is a consensus on the species mix, we don't want to introduce non compatible plants of ones that present a risk to neighbours. Irrespective of whether we cover up the area we are looking for a long term solution. Felicia said she was happy for people to go away and think about it and then provide comment back to Joe who can then facilitate another meeting. Joe added that the species mix may change and in the EIP this has been identified.

Tim asked if we were approached by Coliban or if FGM approached them. Joe said it has been used at other mine sites and there has been a lot of research completed on the process. Lynley asked is it a straight application and Joe said yes it was. Joe also said that there are EPA guidelines on where you can't and can use the biosolids and what controls are required. Jeff elaborated and said the EPA have a publication on reclaimed water but biosolids are a big hit of nutrients. Checks and balances are needed in EIP. Epsom biosolids go through rigorous processes which frees up end uses. Pathogen reduction is remarkable so Coliban can identify a lot of various end uses that others can't.

Lynley said she has known of two farmers who tried biosolids with one saying the freight costs made it uneconomic and the other stating it dried up and blew away. Claire then added that the species discussion would occur at a later time.

Barrie said that it was encouraging that a waste pad was being used and that revegetation had historically been good on areas that had previous vegetation. A return to productive land would be good. Tim also said it was the right path but wants to be involved.

## **OPERATIONS REPORT**

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

### **Safety**

As per the report

### **Environment Report**

As per report and presentation

## **Discussions**

Incidents – Jeff asked about the 2<sup>nd</sup> incident that was presented and asked if it beached the containment bund. Felicia advised that it breached the CCD bund but not the processing plant bund. Jeff asked if we have an idea of volume. Erin said it may be determined but she is unsure if it has been.

Tim then asked a question regarding the sucker truck and how does it get rid of the water. Felicia said it goes back into the CIL circuit. Tim then said is a contractor called to which Felicia replied yes. Tim then asked if in an event like this will it take a day? Felicia said no it was two loads in this case. Tim then asked if we give him a wash onsite and Erin responded saying we allow him to use the wash bay. Jeff asked that given the Robbins Hills Heap Leach is right on the mining lease boundary, was the spill contained onsite? Ian said it wasn't on the boundary and yes it was contained on site.

Ian then made the statement that FGM continues to have significant challenges working through the approval path. Jeff then asked Grant to elaborate on response required by FGM to the mine water used for dust suppression. Grant said this was in relation to where mine water is used for dust suppression after it was noticed the water truck was filling up with mine water. Felicia added that it was just an information request. Grant said it was clarification on where it was used so there was no impact seen offsite. Tim said historically it may have ended up on roads and previous operators had seen rusted vehicles etc.

Jeff then made reference to the recent tailing incident and asked in relation to the EPA notice, does it include preventative measures. Felicia said she believed so but all valves have now been removed. Ian added that FGM is a large site that is accessible so we take this seriously. It was either deliberate or it has failed. If it is deliberate it could be an employee or someone connected with an employee. The police have been informed and a security firm has been engaged. The second measure is to examine physical infrastructure. The outcome of this incident may be minor but it may have not been.

Tim said there was once historical tailings on the east side of this dam which have since been removed. The dam was 100m from where we were standing today and the whole area has historic tailings. There may need to be further testing to delineate was it historical and what was a consequence of the incident. Tim offered to show someone the dam and the area.

#### Water Quality

As per report and presentation

#### Air Quality

As per report and presentation

Jeff asked if new Hi Vol unit was back on line yet. Erin said no and Joe added that a replacement had been sent but it was still noisy. An old hood was going to be sent to us however it has been held up with engineers. Grant asked if FGM are adhering to monitoring 1 in 6 days to which Erin said yes.

Jeff commented on wind direction during the exceedance and asked if any investigation had been carried out to determine the source of dust. Erin said no with Felicia adding it would be useful to investigate as it looks mine related. This information will be added in future reports. Erin noted that monitors were classed as upwind and downwind so run at the same time and it was noted that the same day the other site was below the limit.

#### Noise

As per report and presentation

#### Community

As per the report and presentation

Tim asked if FGM needs a spare blast monitor onsite. Ion answered by saying we still have all our existing monitors operating, they just didn't pick up the event. We assume this was quite a localised impact. Cr Williams said historically the blasting has not failed like this before, was it to do with emulsion? Ion said it was the first time we have had an offsite impact and there has been some product problems over the past few months.

#### Production Update

As per the report

#### Personnel

As per the report

#### Exploration

As per the report

#### Rehabilitation Report

As per the report

#### **OTHER BUSINESS**

Felicia introduced our new environmental officer – Rachel Spencer

### Solar Panels

FGM has been approached by BSG and outside corporations to put solar panels on our land and we would like to get an idea on how the community feels about this. Barrie said he was happy with this idea, windmills have always been around so why not. He approves of any productive use of the land.

Tim said he had regularly been approached by overseas companies but doesn't want to see any more agricultural land taken out. FGM has already taken a lot out. If there are areas that can't be used for agriculture that's fine but arable land should be left as is. Jeff said the devil is in the detail, BSG do great work and as a concept it is good. Ian said it is complex for a company to deal with us and another home might be easier. We do have a vested interest as we own the terminal station.

### Other – Action Items

Hi Vol results to be displayed in Annual Report

Provide more detail on future exploration program locations to Cr Williams and ERC Committee

Historical Tailings – Check guidelines for moving contaminated materials and progress rehabilitation or movement of tails

Add volumes for reportable spills in future

Dust Breaches – add wind direction to report and investigate possible sources

**Meeting Closed:** 1-15pm

**Next Meeting: Wednesday 2<sup>nd</sup> of May 2018**