

Exploration Licence Application – EL007340

Information for the Community

On 10 June 2020, Ironbark Mining Pty Ltd (“Ironbark Mining”) submitted an Exploration Licence Application over Freehold and Crown Land in the general area to the north of Stawell, EL007340 as displayed in the diagram below.

The application for Exploration Licence No 007340 (“EL007340” or “Stawell North Project”) is located 5km north of Stawell, surrounded by Glenorchy to the west and Navarre to the east.

The Stawell North Project area is in the western region of the Lachlan Fold Belt. The geologic zone has been historically explored for gold, silver, molybdenum, bismuth, tin, copper, lead, zinc, and rare earth elements.

A brief review of the tenement area suggests that the project may host the potential for mineralisation to be identified through the collation of past data and a systematic regional exploration program.

The first stage, and most important phase of exploration that Ironbark Mining will undertake is to develop an understanding of the Community and Environment in which we seek to operate. This will assist the Company to undertake proposed exploration programs in a manner that minimises impact to the Environment and Communities of the project area.

A program of work is proposed which includes low impact geological surveys consisting of collation of historic data relating to previous exploration and any mining activities in the general area, to develop an internal understanding of the geology and structural features that are interpreted through the project area. This information will be used to develop models of the geology and structure, and identify areas considered prospective for further exploration. Further exploration will initially consist of surface geochemistry and geological mapping.

From these initial exploration stages, several prospects may be identified, and ranked prior to further exploration, which may possibly include drilling methods from surface. In assessing the ranking of the prospects, factors which will be taken into consideration will include, but not limited to exploration results, environment, community, expected disturbance, time of year (season) and access. The initial two years of the program will predominantly involve desktop work with minimal access to the area for the purpose of ground mapping and site inspections.

For an outline of the systems the Company will engage in managing the impacts of the proposed exploration work to the community (including freehold landowners and occupiers, Crown Land and Reserves) and the environment, please refer to section below on ***Systems to Manage impacts on the Community and Environment***.

For an outline of how Ironbark Mining intends to meet its obligations under Section 39A of the *Mineral Resources (Sustainable Development) Act, 1990* to consult with communities (including landowners and occupiers) please refer to the section below on ***Managing Community Consultation***.

The information provided in this document is published in accordance with section 15(5) of the *Mineral Resources (Sustainable Development) Act 1990* and Regulation 22(1) and Schedule 1 of the *Mineral Resources (Sustainable Development) (Mineral Industries) Regulations 2019*.

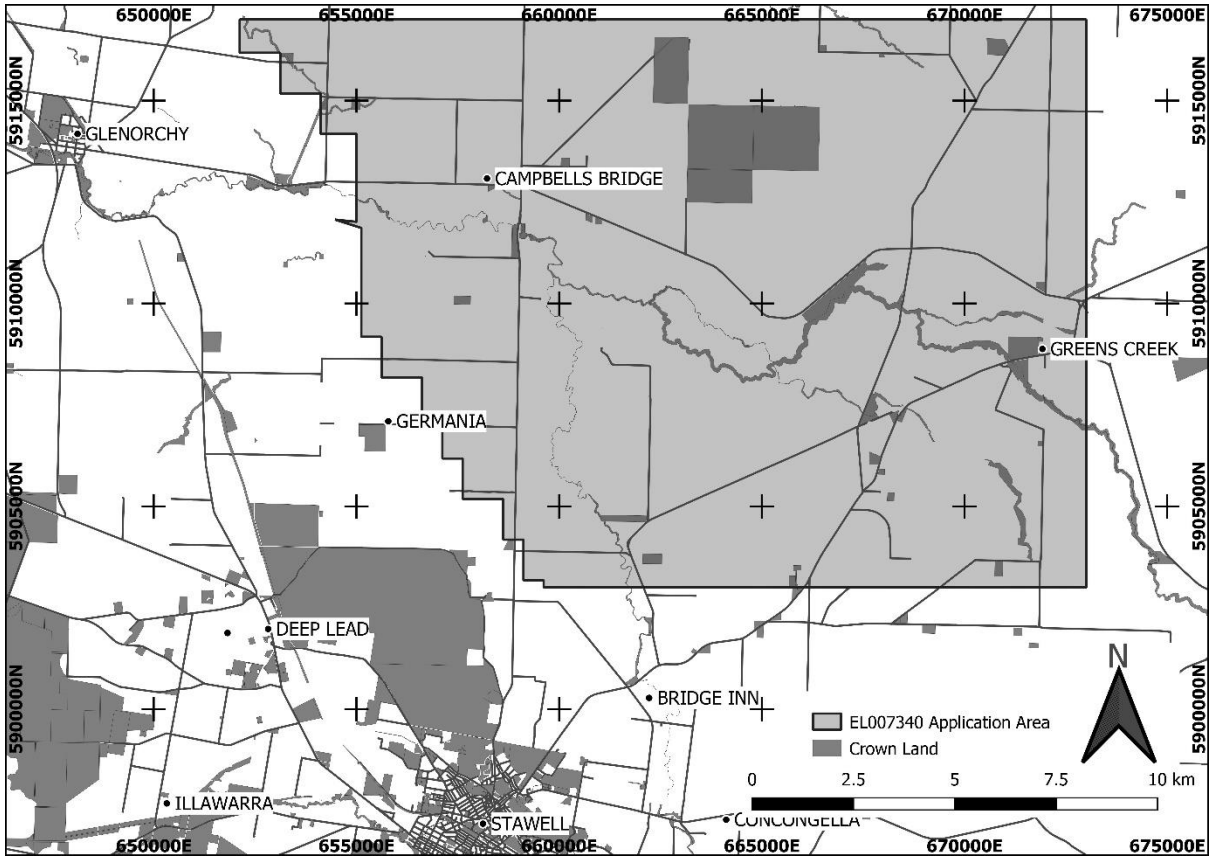


Figure 1: EL007340 Location Plan

Ironbark Mining Pty Ltd

Ironbark Mining is a subsidiary company of Golden Point Group Pty Ltd, the operator of the Ballarat Gold Mine, Ballarat – Victoria. Ironbark operates as an exploration company on various projects of Victoria, currently undertaking exploration for gold and molybdenum upon Exploration Licence 006036 and Retention Licence 2027 situated in the Tarnagulla, Golden Triangle region of Central Victoria.

Following investment into the parent Company (Shen Yao Holdings Ltd), Ironbark Mining has commenced an exploration program upon projects through Victoria for gold mineralisation and reviewing the potential for other economic mineralisation. To achieve this Ironbark Mining will initially undertake office-based assessments of the project areas, identifying targets that warrant further Low Impact Exploration. Ironbark Mining will engage work practices that minimise the potential impact to the communities and environments in which we seek to operate.

Further information on the parent companies of Ironbark Mining Pty Ltd can be located at:

<https://ballaratgoldmine.com.au/>

Information for Landholders (Owners and Occupiers)

What is an Exploration Licence, and what does it involve?

An exploration licence provides the explorer with sole rights to search for minerals within the licence area. An exploration licence **does not** permit the explorer to mine for minerals, nor does it guarantee that a mining licence will be granted over the licence area. For exploration to be undertaken on a licence, the explorer is required to comply with more than 20 laws which are designed to protect the environment, Indigenous heritage, non-Indigenous heritage, water, land, Native Title, flora and fauna, biodiversity, water catchment and communities.

Exploration is defined as *“a range of activities to help determine if there are minerals under the ground. If the exploration process identifies minerals can be commercially extracted, then mining in the future may be possible.”*

Less than one percent (1%) of exploration projects progress to a mining operation. As the earth’s population and technology develops, the requirement/dependence for specific minerals change, as such some minerals previously considered ‘uneconomic’ through past mineral exploration and mining, may now be regarded as ‘economic’, and considered prospective for future exploration.

The exploration process typically targets large areas initially, which are systematically reviewed and explored through office-based activities and limited surface investigations. As the exploration process develops, and specific exploration targets are identified, the area of exploration becomes more focussed on specific, smaller target areas. As the specific, smaller target areas are identified, exploration methods will be more detailed and may include more ground intrusive work. Exploration for mineral resources will typically include the following, but not limited to:

- Research of past activities in the licence area
- Geological mapping
- Collecting samples for chemical analysis of minerals
- Surveying methods of the licence area through either surface or air techniques
- Drilling

The requirements of an Exploration Licence holder

Exploration companies have a duty to:

- Consult with the landholder or occupier
- Manage environmental impacts
- Consider public safety and land use concerns
- Negotiate access and/or have compensation agreements in place with landholders/occupiers
- Share information on any activities authorised under the licence
- Provide the community with a reasonable opportunity to express views about those activities

The licence holder needs to take all reasonable measures to:

- Minimise the impacts of exploration operations
- Protect the environment, human health, and services

Exploration operations are overseen by the Earth Resources Regulation, which ensures that exploration activities occur legally, regulating the exploration industry and supporting communities in which exploration is undertaken.

For Victoria, minerals exploration is managed under the *Mineral Resources (Sustainable Development) Act, 1990* (MRSDA) and the *Mineral Resources (Sustainable Development) (Mineral Industries) Regulations, 2019* (MRSDMIR). Exploration companies are required to comply with a *Code of Practice for minerals exploration*.

Information relating to the regulation of the minerals exploration industry can be obtained from:

<https://earthresources.vic.gov.au/legislation-and-regulations>

Should EL007340 be granted by the Victorian Department of Jobs, Precincts and Regions, Victoria it will be valid for a period of five years, with the option to apply for renewal for a further five years. It is a requirement of an exploration licence that compulsory relinquishment of the original licence area be undertaken at the second anniversary (25%), fourth anniversary (35%), seventh anniversary (20%) and the tenth anniversary (10%).

Can I object to or comment on the granting of an exploration licence?

Any person may object to, or comment on an exploration licence being granted, provided that the licence application is new, and not a renewal of the licence.

Any objection or comment in relation to the exploration licence must be in writing, include the grounds on which it is made (relevant to the legislative provisions), and be sent to the appropriate government representative within 21 days after the latest date on which the licence application was advertised.

All objection and comments received are considered by the appropriate government representative before a decision is made on whether to grant the licence.

As a result, additional conditions may be imposed on the licence. These may relate to technical requirements but can also include issues that are of community concern.

Information on the location of exploration, retention, prospecting and mining licences and their location to your area of interest can be located at *Mining Licences Near Me*:

<https://earthresources.vic.gov.au/licensing-approvals/location-of-mining-petroleum-licences/mining-licences-near-me>

Can an Exploration Company access my land?

Prior to any exploration company entering or undertaking work on any freehold (private) land it is a requirement that the company has the consent of the landowner and occupier.

Consent may consist of “Informed Verbal Consent” or a “Written Compensation Agreement”.

Ironbark Mining has determined that in managing impacts to the community and landholders/occupiers, that prior to entering, or undertaking work on any private land that the Company will seek a written consent Agreement and or written compensation Agreement with the landholder and occupier.

In approaching the landholder and occupier to obtain the required consent, Ironbark Mining will provide:

- The nature, extent, duration, conditions of access and potential impacts of the work proposed to be undertaken should Ironbark Mining be allowed access to the land
- Any compensation that may be payable for the loss or damage that may be, or has been sustained as a result of the proposed exploration
- That exploration work can only be undertaken on private land with the landholder’s consent
- Information for the landholder on any consent Agreement relating to the private property, outlining the requirements to be met by Ironbark Mining, and providing information relating to the rights of the landholder and regarding dispute resolution

Prior to Ironbark Mining seeking the consent of the landholder to enter private land, the Company will consider all available factors to determine appropriate access and the undertaking of any proposed work. This may include, but not limited to factors such as: livestock present on the land, the duration of the required land access, impact of the proposed activities on the surface and subsurface, location of proposed exploration activities in relation to features (watercourses, dams, buildings, livestock), time of year in which proposed access is sought (fire, crops, livestock seasons), any rehabilitation that may be required, access paths/routes to locations sought and impact of activities (livestock, residences, communities, environment).

Exploration or access to private property is not permitted without consent of the landholder.

Compensation may be payable to the landholder for access and exploration. This is determined through Agreement between the explorer and the landholder. A landholder and/or occupier can provide consent without receiving compensation. In determining a compensation Agreement, compensation is not paid for any minerals found on the property. Minerals are the property of the Crown, which owns the minerals on the behalf of all Victorians.

All parties involved in the reaching of a consent or compensation Agreement are entitled to seek independent advice in relation to the Agreement. Ironbark Mining will maintain regular communication with the landholder and communities regarding Agreements. Where possible this may avoid the potential for any future disputes, in the case that a future dispute arises, either the landholder or explorer can refer the matter to the Mining Warden or Victorian Small Business Commission for Alternative Dispute Resolution.

Community Engagement and Consultation

Community Engagement is the interaction between stakeholders aimed at using community input to assist in making decisions. The stakeholders are usually landholders, residents, government, and the minerals exploration company, however, may include other organisations to be determined.

Community Engagement is discussion between the stakeholders where the communities can have input into the proposed exploration operations.

Ironbark Mining is committed to open and effective communication with community groups, landowners and occupiers and organisations regarding the proposed mineral exploration by the Company.

A Community can be broad and diverse, depending upon the location. It usually consists of landowners and occupiers with a relationship to the tenement area, may include organisations that have an association with the land proposed to be explored (example – Crown Land users) and regulatory authorities. There is no specific definition of what constitutes a Community for an exploration project, the organisations and individuals forming a Community will vary for every exploration project.

Community Engagement is often a 'live' process which will change as the exploration project advances and develops. Community Engagement also needs to be flexible and transparent to conform to the community needs.

When an exploration company prepares a Work Plan to progress with proposed exploration work, it is a requirement that the exploration company has a Community Engagement Plan. The contents of a Community Engagement Plan need to identify the Communities in which exploration is planned and outline all the aspects of engagement at each stage of the exploration project.

The content of a Community Engagement Plan will vary on the communities in which exploration is proposed, and the activities intended to be undertaken. The minimum requirements for a Community Engagement Plan are detailed in Schedule 13 of the Mineral Resources (Sustainable Development)(Minerals Industry) Regulations, 2019

To operate a successful exploration program Ironbark Mining considers consultation with the Community as an essential prerequisite, this involves seeking, listening, and considering feedback from the Community. It is a requirement that Ironbark Mining consults with the community, involving:

- Informing the Community about any activities authorised by the licence that may affect the community
- Providing the Community with the ability to express their views.

Consultation may include, but not limited to:

- face to face meetings
- notice boards
- fact sheets
- telecommunications
- written electronic surveys
- media advertising
- public meetings, and
- submissions from public exhibitions or online.

Environmental Consideration

For Ironbark Mining to operate successfully, careful consideration is required regarding the environment in which we intend to operate.

The MRSDA and MRSDMIR contain strict provisions relating to the activities which Ironbark Mining can undertake, in addition a large number of supporting legislation (environment, water, planning, flora and fauna etc) is in existence which details what may be allowed by the Company in the undertaking of exploration.

Prior to the commencement of any ground intrusive work on an exploration licence, the explorer is required to lodge a rehabilitation bond, considered sufficient to cover the disturbance from the proposed exploration activities. Additional approvals may be required under the *Environment Protection Act, 1970* and the *Water Act, 1989*.

In undertaking exploration work, Ironbark Mining will comply with the Earth Resources Regulation Code of Practice for Mineral Exploration (<https://earthresources.vic.gov.au/legislation-and-regulations/guidelines-and-codes-of-practice/code-of-practice-for-mineral-exploration>) as a minimum standard. This code provides practical guidance on regulatory requirements and environmental standards for exploration through the State of Victoria.

Should Ironbark Mining propose to undertake ground intrusive works through the exploration licence area, it may require the preparation and approval of a Work Plan prior to the commencement of work. In preparing a Work Plan Ironbark Mining will be required to consider, and manage risks in relation to the following:

- Dust, noise, and light emissions control
- Drainage and discharge control
- Erosion control
- Noxious weed and pest control
- Removal or restoration of native vegetation
- Impact to flora and fauna
- Progressive and final rehabilitation
- Groundwater protection
- Surface water protection
- Community impact
- Safety to the public and public infrastructure
- Indigenous and non-Indigenous heritage impact
- Seasonal concerns (fire, floods, high wind seasons)

In certain Crown Land areas (i.e. Restricted Crown Land) it is required to obtain further consent of the relevant Minister.

The rehabilitation of all exploration sites is a requirement for all exploration companies to consider. Ironbark Mining is obligated to manage the rehabilitation of exploration sites at the completion of exploration, and beyond the completion of the exploration program. The rehabilitation of proposed exploration sites and consideration to the long-term future rehabilitation requirements must be commenced at the earliest stage of exploration, this will benefit the long-term planning and exploration of a project area.

Proposed Work Program

Ironbark Mining proposes a staged program of exploration work to systematically and thoroughly explore the exploration licence area. The initial proposed work program for the tenement area includes a program of office-based work, with limited surface investigations. A draft program of work to be undertaken initially will consist of, but not limited to the following:

- Collection of historical exploration and mining undertaken through the project
- Review of historical information sources such as newspapers, reports, previous research
- Initial desktop review of communities and environment
- Review of available government data relating to geophysical and geochemical assessments
- Field reconnaissance investigations/mapping to develop understanding of geology

A secondary stage of groundwork may be expected, involving, but not limited to the following:

- More intensive surface geological mapping obtaining lithological and structural information
- Surface geochemical exploration (collection of rock chip, soil, stream, vegetation, water samples for chemical analysis)
- Geophysical methods involving assessing subsurface geology
- Shallow drilling or augering to obtain subsurface geological samples

Any proposed exploration work program will be a “living” program, in that the future exploration will be dependent upon the results obtained previously. Exploration results will dictate future activities. Should results not be considered prospective, then it may be determined to limit further exploration, or conversely encouraging results may ‘fast track’ further exploration on a specific target area.

At the completion of the above work it is expected to allow Ironbark Mining to conduct a review of the prospectivity of the area, allowing the Company to rank and plan the future exploration programs. Prior to the undertaking of further exploration work it may be expected that Ironbark Mining is required to prepare detailed Work Plans. Such Work Plans will consider the communities and environment in which exploration is proposed.

Prior to the approval of Work Plans, and dependant upon the area in which work is proposed, the Regulator may impose additional conditions required to be adhered to prior to the commencement of further ground intrusive exploration work.

Ironbark Mining welcomes objections, concerns, and comments from the community in relation to the application for the exploration licence and proposed work programs. Ironbark Mining places significant value on the environment and communities in which we seek to operate and value all comments from communities while Ironbark is associated with exploration projects. Should members of the communities wish to discuss the current and proposed operations of Ironbark Mining, details can be forwarded to the Company personnel at details listed below.

Systems to Manage impacts on the Community and Environment

Ironbark Mining recognises that its exploration activities may have impacts upon the environment and communities in which we seek to operate, this may affect our social licence to operate in the North East region of Victoria. Ironbark Mining is committed to operating in both an ethical and sustainable manner that minimises negative impacts on the communities, landowners, occupiers, and the environment.

Ironbark Mining will ensure that any proposed exploration program for the Stawell North project is consciously planned and managed to ensure little to no lasting negative impact on the environment and communities in which we seek to operate.

To properly manage the impact of the proposed work on the community and environment, all activities will be carried out in accordance with the granted Exploration Licence Conditions and the *Code of Practice for Mineral Exploration*, including, but not limited to:

- Ensure that all soil imported into the exploration licence area is free of disease and noxious weeds
- Minimise the spread of noxious weeds, pest animals and plant diseases whilst undertaking exploration activities
- Adhere to any biosecurity protocols that have been adopted on the land being explored
- Design, install and maintain erosion and sediment controls to prevent erosion of areas of disturbed land and sedimentation of waterway
- Take all reasonable measures to prevent contamination of the environment by the release of fuels, lubricants, and chemicals
- Ensure that Aboriginal Cultural Heritage and non-Indigenous Cultural Heritage is not harmed from the proposed works undertaken within the exploration licence area
- Prior to undertaking any exploration activities, develop and implement a fire response and readiness plan
- Ensure all waste generated on site is disposed of at an appropriate waste management facility
- Ensure that noise generated by exploration activities does not exceed limits established by the Environment Protection Authority and the Local Council
- Establish dust/emissions control measures to prevent adverse impacts as a result of the release of dust, odour and/or emission of light
- Ensure livestock disturbance, noise, access, and exclusion areas as well as rehabilitation issues are addressed in the consent/compensation agreement to the satisfaction of the landowner/occupier
- Where possible, use existing roads and tracks for vehicles and machinery. Exploration works will be planned to use the existing disturbed areas where practical.

Ironbark Mining will comply with the Environment Protection Act, 1970 and the State Environment Protection Policy: Waters of Victoria, 2003 and all other relevant legislation.

Ironbark Mining will ensure that all disturbed areas resulting from the Company exploration programs are rehabilitated as soon as practical after the completion of exploration works and monitored for degradation post completion of exploration.

Managing Community Consultation

Ironbark Mining is required by Section 39A of the MRSDA to consult with the community throughout the period of the licence by:

- Sharing with the community information about any activities authorised by the licence that may affect the community; and
- Giving members of the community a reasonable opportunity to express their views about those activities.

Ironbark Mining understands the community has the right to be informed and involved in decisions that will affect their area, lifestyles, and interests. Accordingly, Ironbark Mining is committed to

establishing a thorough understanding of the concerns and needs of the community, so that these may be addressed to the highest degree possible. To do so, Ironbark Mining is committed to employing methods that allow for inclusive and accessible feedback mechanisms.

Ironbark Mining will consult with the community regarding proposed exploration activities. Ironbark Mining is committed to establishing and maintaining good working relationships with all community stakeholders and will consult with the communities regarding relevant issues, including land access and impact, infrastructure, water, special local land issues, vehicle movements, sensitive flora and fauna, Indigenous and non-Indigenous heritage issues. Community consultation will take place prior to any disruptive field operations taking place.

In conjunction with a Community Consultation and Engagement Plan, Ironbark Mining plans to conduct the following community consultation activities as a minimum:

- Identify and consult with relevant community, government authorities and stakeholders
- Identify the potential impacts of exploration activities on relevant stakeholders
- Utilise face to face meetings and one on one conversations, to establish clear, open, and ongoing channels of communication with all relevant stakeholders and ensure they are aware of any real and potential impacts (dependent upon COVID-19 restrictions)
- Respond to stakeholder concerns in a timely, transparent, and effective manner
- Establish a Community Engagement Register
- Establish stakeholder feedback mechanisms and demonstrate how feedback contributes to decision making
- Respect the rights, cultural beliefs and concerns of all parties having an interest in the land (and waters) within and surrounding the exploration project areas
- Where applicable, engage local knowledge and relevant authorities in the design of the exploration works
- Prior to designing and implementing a variety of exploration techniques and methods, consult and engage with land managers, owners and occupiers regarding the location, duration, and impact of the proposed exploration.

Further Information

Ironbark Mining welcomes interest and feedback from the communities in which we seek to operate. Should members of the community seek to obtain further information, please contact the Company on the details below:

Jason Fothergill
Manager
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Mt Clear, VIC. 3350

jfothergill@cgt.net.au

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In addition, further information relating to the minerals and extractive industries tenements of Victoria can be sourced from the Regulator website (Department of Jobs, Precincts and Regions) at the following address:

<https://earthresources.vic.gov.au/>