

A	O	N	P	W	A	S	T	E	R	O	C	K	T	Y	V	N	M	U	E
T	R	O	I	K	E	O	I	N	P	A	P	W	A	H	H	A	O	W	I
E	R	E	E	S	L	N	S	O	A	S	E	I	O	U	B	V	I	C	O
P	Q	R	P	Z	C	L	O	R	I	E	U	O	B	M	U	J	E	A	S
U	U	E	X	P	L	O	S	I	V	E	S	P	Y	T	R	E	E	C	A
E	A	S	O	N	T	Y	U	F	L	K	J	U	Y	T	F	G	X	O	F
G	R	C	S	O	D	D	R	I	L	L	I	N	G	C	D	X	P	P	E
R	T	U	A	I	E	I	K	B	N	F	U	X	M	S	E	R	L	Y	T
A	Z	E	L	T	C	A	E	F	G	L	A	B	O	R	A	T	O	R	Y
H	O	C	T	A	I	L	I	N	G	S	L	O	N	Y	T	V	R	I	C
C	A	H	I	L	O	O	D	F	D	E	K	A	I	O	T	M	A	T	N
N	O	A	Y	I	Z	M	X	N	H	E	F	R	T	U	T	Y	T	E	O
O	E	M	E	T	I	R	A	F	G	W	C	E	O	Q	W	B	I	N	O
L	O	B	A	N	I	E	T	F	R	U	I	L	R	O	S	T	O	P	E
P	L	E	E	E	K	G	J	H	U	I	O	P	I	H	G	M	N	E	R
U	I	R	E	V	E	G	E	T	A	T	I	O	N	N	Y	I	G	H	J
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D	O	E	I	A	N	B	H	J	E	R	I	D	D	W	E	L	O	I	C
U	R	T	S	N	I	U	R	T	W	T	S	U	L	A	S	S	A	Y	O
Y	E	N	I	A	M	E	L	T	S	A	C	R	T	S	Z	O	U	I	R

- |         |              |             |                |
|---------|--------------|-------------|----------------|
| decline | ventilation  | drilling    | rescue chamber |
| quartz  | charge up    | pyrite      | Woah Hawp      |
| geology | revegetation | exploration | monitoring     |
| bogger  | explosives   | bullion     | jumbo          |
| Eureka  | miner        | cuddy       | stope          |
| assay   | laboratory   | iron        | waste rock     |
| ore     | safety       | Castlemaine | tailings       |

24/7 — Contact

If you have any concerns or enquires relating to our mining operations we encourage you to contact us on **5327 2555**. As this number is attended 24 hours per day, 7 days per week, you will always be able to talk to us.

Message from the General Manager

Let me start by introducing myself. In early July I joined the rapidly growing CGT team as the Ballarat Mine General Manager; I am a mining engineer with nearly 30 years experience. Originally from Melbourne; mining has enabled me to work in many parts of Australia including Tasmania, Queensland, New South Wales and Western Australia. I have also been very fortunate to work at a number of mines in Victoria including a small gold exploration project located in East Gippsland, the first mineral sands mine in the Murray–Darling Basin located at Wemen, between Robinvale and Mildura, and at two other gold mines in Central Victoria. The first was at Tarnagulla (now one of CGT’s key exploration tenements) and for the last 6 years at the Kangaroo Flat mine in Bendigo.

As the General Manager I am ultimately responsible for all aspects of the Ballarat operations and my recent experience managing a mine similar to Ballarat with strict social and environmental operating conditions means I have a very clear understanding of what is required for CGT to deliver a sustainable business here in Ballarat.

A mining contractor (PYBAR) commenced mobilisation of equipment and personnel during February and mining recommenced underground on the 13 March. PYBAR will carry out the mining activity to extend the Woah Hawp and Llanberris underground declines that provide access to new ore zones discovered during the successful underground exploration drilling program that was carried out over the past 12 months. As the access to each of these new ore zones is established CGT personnel will be responsible for mining of the ore.

The onsite PYBAR mining team consist of approximately 40 people including mining and maintenance crews, administration and support staff. The majority of the PYBAR staff have previously worked at Ballarat and 60% are Ballarat residents.

Recruitment of the CGT workforce has been ongoing for the last few months with geologists, mining engineers, process plant and underground operators, maintenance personnel as well as administration support staff joining the CGT team. Current staffing levels are 79 with an expected 100 people to be employed by the end of the year. Similar to the PYBAR team many CGT employees are returning to the Ballarat site and 95% are living in Ballarat.

CGT is now entering an exciting phase; changing from gold explorer to gold producer. Everyone is focussed on contributing to the overall performance of the Ballarat Gold Project so that we achieve the key milestone of pouring our FIRST GOLD.



Lance Faulkner  
General Manager

In this issue:

Managers Message	1
Process Plant Re-Commissioned	2
Golden Point Shaft	2
Open Day for Neighbours	2
Blast Vibration	3
Ballarat South Forestry and Whitehorse Road	3
Find a Word	4

Contact Us



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### Process Plant Re-commissioned

After 12 months of exploration and 3 months of underground development at the Ballarat Gold Project, CGT intends to pour our first gold in September.

More than 3,500 tonnes of low-grade gold ore has been mined and trucked to the surface to recommence the processing plant operations. The processing plant is being re-commissioned after being placed into 'Care & Maintenance' in April 2010. It will initially be running on dayshift as part of this re-commissioning phase and to allow the newly recruited plant operators to be trained. A 24 hour operation should commence in September.

Noise attenuated trucks are once again in operation at the site. The Environment & Community team at CGT have been monitoring underground trucks and gold-processing plant activities as they recommence. This is to ensure the operation meets our night time compliance limits, which are the same regulatory and licence conditions under which the mine previously operated.

If you have any specific concerns, CGT encourages you to make contact with the Environment & Community team on 03 5327 2555.

### Golden Point Ventilation Shaft

Since the last news letter one of the underground fans has had a silencer attached, this dramatically improved the noise levels at the site. A final ventilation plan and the emergency egress system is still a few months away. CGT are determined to reduce the visual impact of the noise barrier and improve the general aesthetics of the site as soon as possible.

CGT will continue to work with BEST and GPLACE to discuss usage of the area and how the organisations can best work together. Initial discussions have included presentations to University of the 3rd Age (U3A) and the Men's Shed as well as long term planning and support for gardening around both sites.



### Open Day for Neighbours

Before mobilising the mining equipment and the recommencement of surface activity after 9 months of 'Care and Maintenance', CGT invited 150 of our nearest neighbours to a VIP Community Open Day. Approximately 40 people attended including the winners of the Underground Tour from the last CGT Community Newsletter. Our visitors enjoyed a company overview of the next 12 months, gold panning, gold processing plant and a general site tour.

CGT intend to run another Community Open Day in 2012.



Above: Pouring gold from the furnace in the Ballarat Gold room and a noise attenuated 40 tonne truck exiting the mine portal.

### Blast Vibration

March 2011 not only saw the return of underground mining activities at the Woolshed Gully site, but also the return of many miners familiar with the Ballarat community and lifestyle. These miners blast their way through tonnes of rock each day to follow ore bodies, and to develop the underground mine network to provide access to modelled ore bodies. While we try to limit firing times to shift change (7am & 7pm), they may occur at any time of the day.

This underground blasting activity can, at times, result in ground and or noise vibration being felt on the surface. Typically only a few seconds in duration, these very low rumblings can be 'felt or heard' inside some buildings.

CGT monitor all blasting activities through the use of a series of strategically placed vibration and noise monitors. These monitors record ground vibration or noise associated with the underground firings. These sensitive devices can detect earth tremors as far away as Gippsland. The collected data is compared against firing times and compliance limits set by licence conditions in the mine's Work Plan which are based on the Australian standards for blasting.

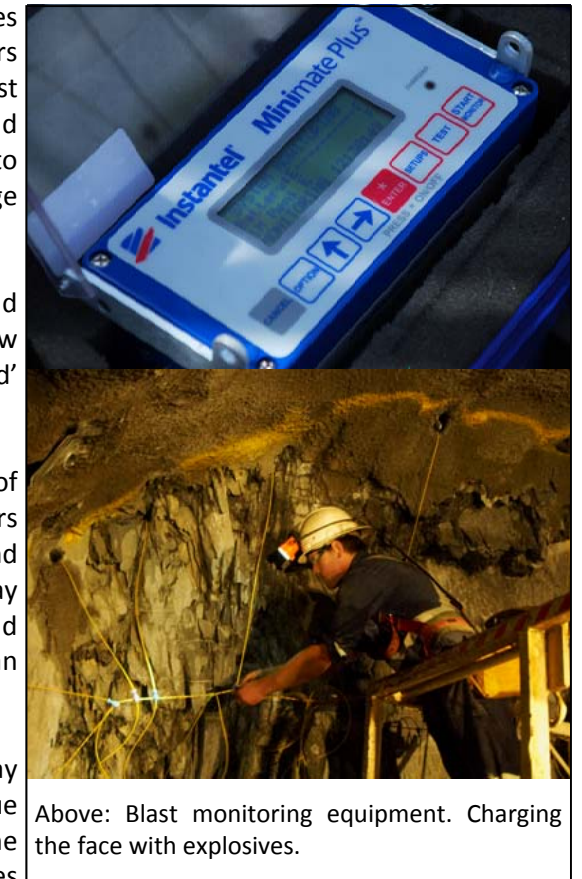
The maximum value for vibration is set for 10mm/sec during the day and 3mm/sec for night time firings. The typical vibration value recorded during previous mining was less than 1mm/sec. The monitors are set to record vibration above 0.3mm/sec. These values are not the same as the Richter scale used for measuring earthquakes. For example a one on the Richter scale would be approximately 15 times CGT's day time vibration limit.

Due to the depth (500+m) of the current mining activity almost no vibration has been detected. However, we are very interested to know if you have felt or heard any rumblings. Please accurately record the time and date so we can compare this to our blast monitors and firing records. This information helps CGT plan where to place the monitors and to continually improve our performance with the aim of reducing the impact to our community.

### Ballarat South Forestry and Whitehorse Road

In May 2011 CGT commenced final rehabilitation works at the Ballarat South site (ex Valdora Minerals, South of Whitehorse Road) to a state suitable for the cultivation of pine trees. CGT and the previous mine owner have rented this area from Hancock Victorian Plantations (HVP) for the last 6 years. Once the work is completed CGT will hand back this land to HVP, who own the forestry licence for the site.

The area of land immediately north of Whitehorse Road, which was previously planted to Pine trees, but was largely destroyed by fire in 2009, has been the subject of rehabilitation works. Following the mulching of the remaining burnt pine forest, the area has been revegetated with over 200 fire retardant native plants (mostly Wattles and sparse tight barked Eucalypts). This planting will be managed as a native buffer and north-south fire break. Weed control work will continue in Spring 2011 to assist the self regenerating and planted native vegetation.



Above: Blast monitoring equipment. Charging the face with explosives.



Above: Native buffer, revegetation works north of Whitehorse Road Mt Clear.