

Environmental Review Committee

At Castlemaine Goldfields, we host a quarterly Environmental Review Committee (ERC) meeting at our Mt Clear offices. The purpose of the ERC is to review the environmental performance of the company, exchange information relating to the operation, provide the platform to discuss community concerns and maintain good working relationship with stakeholders.

The ERC comprises representatives from regulatory authorities (Earth Resources Regulation, EPA Victoria, City of Ballarat), special interest groups (Ballarat Environment Network-BEN) and most importantly, residents from within the local community whom reside within the footprint of our mine operations.

If you would like to learn more about the role of Community Representatives, or express your interest in joining the ERC please contact the Environment & Community team.

Exploration Licence Granted

CGT and previous owners, have long been the holder of Exploration Licence (EL3018) which covers the majority of the greater Ballarat area and beyond. CGT recently acquired Exploration Licence (EL6442) which is located south of our existing EL3018 and west of Buninyong (See map to the right) or Visit "Mining Licences Near Me" for information on actual location (link below).

An Exploration Licence grants exclusive rights, subject to conditions, to explore for minerals in the licence area. Mining is NOT permitted on an Exploration Licence. An Exploration Licence is granted for a period of up to five years, with the option to apply for a renewal for a further five years. Work permitted on an Exploration Licence usually involves low-impact geological assessments, which determine the location of potential sites. More intrusive exploration may follow in order to identify the economic viability of the mineralisation.

Exploration Licences are regulated by the State Government of Victoria through the Mineral Resources (Sustainable Development) Act 1990 (MRSDA) (link below).

Useful Websites

<http://earthresources.vic.gov.au/earth-resources/maps-reports-and-data/mining-licences-near-me>
<http://www.earthresources.vic.gov.au/earth-resources-regulation>

24/7 Contact

If you have any concerns or enquires relating to our mining operations we encourage you to contact us on 5327 2555. Alternatively you can email- info@cgt.net.au

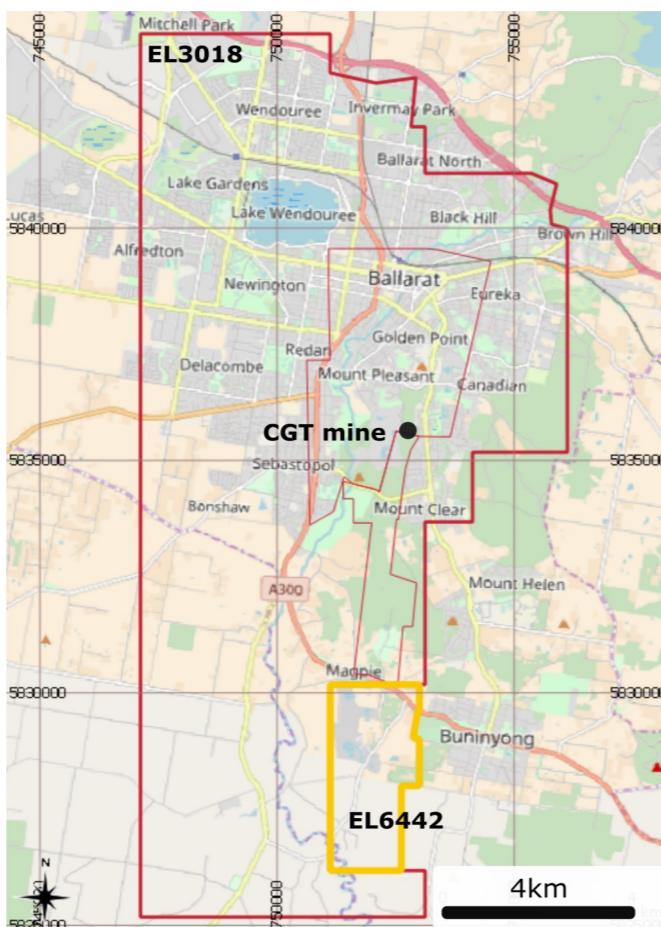
Recycling

CGT is committed to diverting 'waste' generated on site into recycling streams: we typically recycle 50-60% of our waste (by volume). Our major recycling streams include steel, plastic-drums, pallets and comingled recycling (paper, bottles, cans and cardboard).

CGT have long supported a local not-for-profit organisation (Ballarat Regional Industries) by donating our pallets to them for on-selling to their clients which is a win-win for all involved.

Where possible, CGT requests suppliers take back their own pallets for their own reuse. There remains a challenge for CGT to improve our recycling performance in the coming year by sourcing new and/or alternative recycling options for our waste products and ultimately reducing our landfill volumes.

If you have a community group that requires pallets, please don't hesitate to contact our Environment and Community team on 5327 2555.



Community Newsletter

#9 Spring 2018



Message from the General Manager

Welcome to our Community Newsletter for Spring 2018. I realise it has been some time since the last newsletter and hope that this one will bring you up to date with activities at our Mount Clear operations.

Castlemaine Goldfields continues to be a strong employer in Ballarat and our team consisted of 159 direct employees and 57 contractors on site at the start of this financial year. Last year, our expenditure in Victoria through wages and goods and services was close to 46 million dollars, with approx. two thirds of that figure being spent locally in Ballarat through 150-odd local suppliers and 180 local employees.

The main areas of underground activity during the previous 12 months included the Llanberis, Britannia, Canton, Sovereign and Victoria compartments (see map over the page for location detail). Over the next six to twelve months, the level of activity within the Llanberis compartment will reduce significantly from recent levels as we exhaust the currently known resources within this area, whilst the northern section of the mine will have limited mining activity but remain an exploration focus.

CGT's primary mining focus will move to the Canton and Normanby Compartments in the mid-south of the field. We have commenced tunnelling down to known gold resources in the Canton compartment and have undertaken several stope firings. Activity in the Normanby will significantly increase in the short-term and will initially consist of development down to modelled resources. The Normanby compartment will be accessed just below the historic New Normanby Mine that closed in 1917. Dewatering of the old workings is well advanced, marking the first step in accessing ore extensions beneath this successful historic mine. The surface remnants of the New Normanby Mine still exist in the Sovereign Hill Museum (captured in the background of the photograph to the right during a recent tour by CGT personnel). CGT will be accessing the same orebody that the historical miners last mined 101 years ago.



A major project for this financial year is a 3m lift on the existing tailings storage facility to provide additional storage capacity. This project commenced in September 2018 and is expected to be completed around March 2019. The wall lift involves placing and compacting approximately 215,000 tonnes of clay to produce a 600mm thick clay liner. The project is providing 30 full-time jobs during construction. While the current approval allows for an additional 1m lift in the future, CGT are currently undertaking site investigations for a new facility in the adjacent gully to the south. This will allow CGT to reduce the final height of the existing facility and to retreat existing tailings recovering over 20 Million dollars in gold.

Our performance in environmental areas such as noise, vibration, dust generation and surface water discharge have all been within compliance limits. I ask that the community continue to provide us with feedback on our performance, as it forms an integral part of our review and monitoring of our operations. This is especially true in regard to vibration. If you are experiencing vibration, or any other impacts related to our operations, please contact us on 5327 2555 at any time.

Stephen Jeffers

24/7 Contact

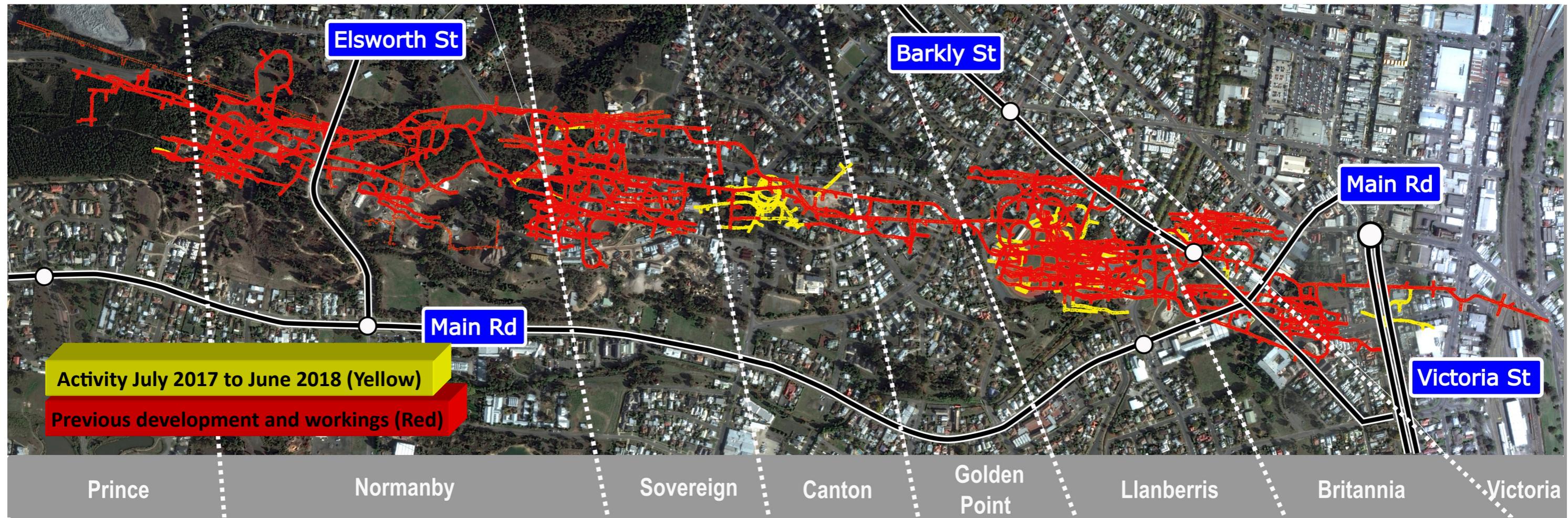
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Summary of mining activities 2017-2018

Over the course of the year CGT developed 3,443 metres of underground tunnels, through a continuous process of drilling and blasting. CGT brought 339,421 tonnes of gold-bearing ore to the surface and our Mill processed and recovered 35,104 ounces of gold. The areas of underground activity during this period can be seen in yellow on the map below. We plan to continue mining these areas during the coming year as well as opening up the Normanby compartment.

During the past 12 months CGT fired 1067 development firings (~3m advances). While most firings go virtually unnoticed on the surface, others are felt, heard or both. On a daily basis CGT undertakes development firings to develop tunnels to reach modelled ore bodies. Once at the orebody, we use production stope firings to break the ore for transport to the surface for processing. Stopes typically break larger volumes of rock and occur less often than development firings. Stopes also carry the potential to create elevated levels of vibration on the surface.

CGT has been in full gold production during the year and has undertaken 134 stope firings: Llanberis 98, Canton 16, Britannia 13, Victoria 4 & Sovereign 3. CGT installed up to six blast monitors in strategic locations (usually based on community feedback) for each stope to record vibration levels experienced on the surface. The graph in the bottom right hand corner of this page details the maximum level of vibration recorded for each stope firing over the past twelve months. CGT has a licence limit of 10mm/sec and 95% of firings must be less than 5mm/sec .



Community Feedback

CGT received feedback from the community, in particular from Golden Point and Mt Pleasant, that stope firings create noticeable levels of noise and vibration within homes. CGT Mining Engineers continue to monitor and review stope performance in relation to projected and actual vibration. The primary objective in stope design is to minimise the volume of explosives required to break the targeted ore bearing rock only. Blasting rock beyond the modelled ore body dilutes the ore, increasing ground support and processing costs and potentially elevates vibration at the surface. This year we have been working to reduce surface vibration by using blast initiation patterns to avoid natural harmonics of the ground and buildings.

CGT is committed to reducing the vibration experienced on the surface and urges anyone that hears or feels our firings to contact us: this valuable feedback assists us to better understand and manage vibration.

