Description of mining operations – Mining Program

This template is intended as a guide to assist applicants/lease holders address the requirements for an application for the grant of or the renewal of a mining lease under the Mineral Resources Act 1989.

Section 245 of the Mineral Resources Act 1989 requires a statement acceptable to the chief executive outlining the mining program proposed for a mining lease application.

The mining program for the renewal of a mining lease is required under section 286 of the Mineral Resources Act 1989.

The principal objectives of a mining program are to:
- provide a better understanding of the nature and extent of the proposed development and production of mineral resources from the lease;
- allow an assessment of the proposed development and whether it is appropriate (this is particularly important with respect to resources that are not currently being mined or have been not developed for some time);
- assess the prospective resource utilisation and identify any resource sterilisation issues; and
- allow appropriate resource management decisions to be made

Scope of mining programs
The scope of mining programs will vary depending on the size and complexity of the proposed mining operations. The plan for an alluvial gold project or a small open cut operation, for instance, would require less detail than a multi-seam open cut and underground operation that also had coal seam gas extraction issues.

If the mining lease supports other permits or forms part of a project, the program described must describe the project and clearly show the relationship of this mining lease.

1. Mining program to support

- [ ] New application
- [x] Renewal of mining lease

Proposed mining lease name: Potluck
Mining lease number:

2 Commencement of operations:

For new permits:

When are operations are expected to commence on this mining lease?

The Potluck MLA is in application to allow the identification and extraction of alluvial nuggets and fine gold from the application area. Gold will be detected by a hand held metal detector. The area will be re-detected multiple times after stripping around 150mm of surface material each time. If any gold fines are discovered. The material will be stockpiled awaiting processing through a small alluvial wash plant.

Operations are expected to commence within 3 months of grant of the Potluck MLA. Mining operations will continue for the first 13 years of the initial term and the final two years of the term have been reserved for final rehabilitation.
3. Supporting operations

<table>
<thead>
<tr>
<th>Is this mining lease being or to be operated in conjunction with other mining permits as part of a project?</th>
<th>Yes ☐</th>
<th>No ☒</th>
</tr>
</thead>
<tbody>
<tr>
<td>If yes, provide details of the project including a description of the relationship of this lease to the project, and why this lease is required for the project or operation of other permits</td>
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<tr>
<td>- Include a map showing the extent of the project</td>
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<tr>
<td>- Provide clarification of the extent of the mining program described ie what leases and permits are covered by the program</td>
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</tbody>
</table>

N/A
4 Method of operations

The mining program should:

- Cover every mineral that the lease holder or applicant has (or will have) the right to mine.
- If the lease was granted for a purpose other than mining, cover the use of the mining lease for the purpose it was granted for.
- Describe the method in enough detail to support the size, shape e.g. overburden dumps, pits, stockpiles, processing etc.
- Provide adequate graphic representations (i.e. maps, photos, diagrams) of the resource and mining Information to support the proposed use.
- Include a description of infrastructure to constructed/maintained on the lease.
- Describe the methods proposed for rehabilitation works.
- Include a description of the workforce to establish/maintain this operation.

1. Cover every mineral that the lease holder or applicant has (or will have) the right to mine:

The Potluck MLA is being sought for the purpose of extracting the identified alluvial gold resources and provision of the necessary (minimal) infrastructure required to extract that resource.

Previous prospecting within the application area has identified significant amounts of gold nuggets and fine alluvial gold. The Application area is situated over an old alluvial river bed that contains the alluvial gold resource.

2. If the lease was granted for a purpose other than mining, cover the uses of the mining lease for the purpose it was granted for:

N/A. See point 1 above. The Potluck MLA is required for the purpose of extracting the defined mineral resources and the minimal infrastructure required to extract that resource.

3. Describe the method in enough detail to support the size, shape e.g. overburden dumps, pits, stockpiles, processing etc.:

The total area of the Potluck MLA is approximately 45.6Ha in size, however, as the alluvial gold will be extracted via a series of small shallow pits, the total area of disturbance at any one time should be restricted to under 5Ha.

The Potluck MLA has numerous gutters of alluvial gold intersecting an old river bed. The application area has numerous shallow dry blown pits left by historic mining operations. Exploration activities to date indicate that the historic mining mining operations missed a lot of the primary gold and also did not process a significant portion of the primary resource area contained in the identified alluvial gutters.

Current resource estimations based on previous prospecting suggest that over 1,000,000t of ore exist (based on an average thickness of 2m. The majority of this material will be examined for gold nuggets using a high quality metal detector. Where the detector has identified material that appears to contain high traces of fine gold, that material will be stockpiled for subsequent treatment through a small on-site alluvial wash plant when water is available in the freshwater and stormwater dams.

The metal detecting operation will involve detecting the original surface first. A section measuring 50m by 100m will then be scraped of surface vegetation and topsoil. This material will be stored in parallel windrows on the northern (i.e. downhill side) of the operating area. The area will then be re-detected. A further 150mm of material will then be scraped and placed into a temporary stockpile to
one side of the working area. The area will then be re-detected. The area will then be re-stripped and redetected and so on until the excavation depth reaches the maximum depth (i.e. in the 2 to 5 m range). The adjacent working box section will then be stripped of vegetation and topsoil and placed into windrows. The process of stripping and re-detecting will be repeated until the maximum excavation depth is reached. The stripped material will be backfilled into the adjacent previous working area to assist with progressive re-contouring.

Once the previous disturbance boxcut is backfilled, the stockpiled topsoil and vegetation will be respread, along with appropriate additional seeds, to assist with re-vegetation. Appropriate erosion control structures will be added to the rehabilitated areas as necessary. In short, progressive re-vegetation will be undertaken on the operation. Monitoring of the re-growth areas will be undertaken and re-seeding will be undertaken where necessary.

4. Provide adequate graphical representations:
   Figure 1 – Potluck MLA Locality Sketch (attached)
   Figure 2 – Potluck MLA boundary - satellite imagery background (attached)
   Figure 3 - Potluck MLA boundary - cadastral background (attached)
   Figure 4 – Potluck MLA Initial Mine Plan (attached)

5. Include a description of infrastructure to be constructed/maintained on the lease:
   Due to the nature of the operation, only minimal infrastructure will be required for the Potluck MLA, summarised as follows:
   - Small and shallow open-cut operation areas
   - Vegetation and topsoil windrows
   - Internal access roads
   - Small office/ablutions donga
   - Stormwater dams and erosion control structures
   - small storage container
   - small alluvial washplant

   Again, due to the nature of the operation, the equipment requirements for the operation will be minimal and may include:
   - front end loader (expected to be a CAT930)
   - 2 good quality metal detectors
   - Small alluvial washplant

   Refer to attached figure 3 for specific details of the initial location of the site infrastructure. Please note that due to the nature of the progressive operation, the location of this infrastructure is likely to change over the initial term of the MLA.

6. Describe the methods proposed for rehabilitation works:
   Details of the proposed progressive rehabilitation techniques were detailed in point 3 above.
7. Description of Workforce

Full time employment on the site is expected to be only 2 persons with maximum employment not expected to increase above 5.

Provide a list of attached documents to support this mining program

- Figure 1 – Locality sketch
- Figure 2 – Potluck MLA Tenement Boundary (satellite imagery background)
- Figure 3 - Potluck MLA Tenement Boundary (cadastral background)
- Figure 4 – Potluck Mine Plan
5 Applicant’s declaration

I confirm the following:
- I understand my obligations as a holder of a mining lease.
- I have truthfully declared all relevant details required on this form.
- If any part of this form has been completed with the assistance of another person, I declare that the information as set down is true and correct and has been included with my full knowledge, consent and understanding.

Name: Brian Martin, Director, Hetherington Exploration and Mining Title Services (QLD) Pty Ltd

Position Director, Hetherington Exploration and Mining Title Services (QLD) Pty Ltd, AHR for Brendan Hardy

Signature

Date:

Name:

Position

Signature

Date:

Name:

Position

Signature

Date:

Name:

Position

Signature

Date: 26-8-20

If additional signatures, attach a separate piece of paper)
Figure 2 - Potluck MLA

Attribution

Esri, Geoscience Australia, NASA, NGA, USGS

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Figure 3 - Potluck MLA

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