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 ☒ Proposed mining lease name: Diggers Creek
   Renewal of mining lease ☐ Mining lease number:

2 Commencement of operations:

For new permits:

<table>
<thead>
<tr>
<th>When are operations are expected to commence on this mining lease?</th>
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<tbody>
<tr>
<td>Mining operations are ongoing and the current working lease is nearly completed. As such, work will commence on this lease as soon as it is granted and water is secured.</td>
</tr>
</tbody>
</table>
For renewals:

If operations have not commenced, when are operations expected to commence on this mining lease?

3. Supporting operations

| Is this mining lease being or to be operated in conjunction with other mining permits as part of a project? |
|---------------------------------------------------|---------------------------------------------------|
| Yes ☒ | No ☐ |

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.

- Include a map showing the extent of the project
- Provide clarification of the extent of the mining program described ie what leases and permits are covered by the program

This mining lease will be worked as a single project in conjunction with the following granted mining leases currently held by Mr Ree: ML30112, ML30113.

See attached map showing all leases in the project.
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 eg 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.

The target minerals for this project are gold and tin. Mining operations are currently underway on other leases held by Mr Ree and this application represents new ground for the ongoing project. The current working lease is nearly completed making the grant of this lease an urgent priority.

The operation involves standard alluvial mining techniques and gravity separation. Material will be mined from the lease using an excavator with a trommel bucket so the oversize is left adjacent to the mining excavation for immediate backfilling. The rest of the material will be loaded onto a truck and either emptied directly into the processing plant hopper or stockpiled adjacent to the plant.

Any coarse tailings from the processing plant will be stockpiled and used to progressively rehabilitate the mined area. Fine tailings will be channelled and retained in a settlement pond.

Water for the processing plant will be captured on-lease using overland flow catchment infrastructure as well as being recycled from the fine tailings settlement pond.

A water truck will be used for dust supression and mining will cease in the wet season to minimise erosion. Any haul roads constructed will be maintained as part of the project.

Mr Ree owns all the plant and machinery required to mine the lease including:

20t Excavator
24t Bulldozer
GD655 Grader
24t 470 Loader
Tipper truck with removable water tank
Processing plant including hopper, trommel, primary and secondary jigs and launders
Pumping equipment
Mobile sleeping quarters and messing facilities mounted on the back of a truck

Mining operations on this lease will be carried out for 4-5 months per year when water is available, 5 days a week, 8 hours a day, by the holders and no further staff will be required.

Existing camping and messing facilities located on ML30113 will continue to be used and another small camp will be established on this lease. This will be a simple roofed structure adjacent to which the mobile quarters will be parked.
<table>
<thead>
<tr>
<th>Provide a list of attached documents to support this mining program</th>
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<tbody>
<tr>
<td>Map Showing all leases held by Mr and Mrs Ree.</td>
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</table>
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: Mark William Ree
Position
Signature
Date: 11/11/2016

Name: Alice Lorraine Ree
Position
Signature
Date: 11/11/2016

Name:
Position
Signature
Date:

Name:
Position
Signature
Date:

Name:
Position
Signature
Date:

if additional signatures, attach a separate piece of paper)