

McPhillamys Gold Project

CCC Minutes

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| Title | McPhillamys Gold Project Community Consultative Committee (CCC) Meeting #19 | |
| Meeting Date | 31 October 2022 @ 6pm | |
| Venue | Attended both by ZOOM* and in person at the Blayney Community Centre | |
| Chair | Mark Dicker (MD) | GM, Blayney Council (stand-in) |
| Meeting Attendees | Elizabeth Russ (ER) Daniel Sutton (DS) Miles Hedge (MH) Tom Williams (TW) Peter Hildenbeutel (PB) Jordan Butler (JB) Bruce Reynolds (BR) Robert (Bob) Russ (RR) Heather Nicholls* (HN) | Community Representative BHPG Representative Community Representative Community Representative Community Representative Community Representative Community Representative (Alternate for CS) Community Representative (Alternate) Deputy GM, Cabonne Shire Council (online) |
| | Stephen O'Donoghue*(SO) Kathryn Logan (KL) Andrew Wannan (AW) | Dept Planning & Env (Zoom) Regis Resources Regis Resources |
| Apologies | David Johnson (DJ) Mayor Robert Taylor (RT) Cyril Smith (CS) Paul Hancock (PH) Danielle Wallace (DW) Rachel Healy (RH) | Chairperson Bathurst Regional Council ORWSA Representative Community Rep (Alternate) Regis Resources Regis Resources |
| Next Meeting | 28 November 2022 @ 6.00pm Blayney Community Centre 91 Adelaide Street, Blayney NSW or Via ZOOM depending on COVID restrictions. | |

MEETING WELCOME AND INTRODUCTIONS – David Johnson

Meeting opened at 6.01pm

The Chair was absent so the Committee agreed that Mark Dicker, GM -Blayney Council would chair the meeting.

Apologies tendered for meeting: David Johnson, Robert Taylor, Danielle Wallace, Paul Hancock, Rachel Healey and Cyril Smith

Introduction and Acknowledgement of Country by Mark Dicker

Declarations of pecuniary and non – pecuniary interests. - None

BUSINESS ARISING FROM MINUTES OF THE LAST MEETING (12 September 2022) – Mark Dicker

Actions:

Procure from IPC current legislation relating to public hearing delivery format (online and/or face to face) and location of public hearings (DJ)

DJ absent, information provided by SO'D at meeting (minuted below)

SO'D to send information links to DJ re IPC determination process and rehabilitation bonds and compliance.

Completed, and forwarded previously by DJ

A copy of May 2022, 2nd Amendment report to be bound and sent to each CCC member (KL)

Completed

CORRESPONDENCE

- DJ circulated DPE email 12/10/22, re review of CCC Guidelines for SSD
- Daniel Sutton – community questions (31 Oct 2022 – answered in this meeting's presentation)

REGIS RESOURCES MCPHILLAMYS GOLD PROJECT UPDATE (PRESENTATION PUBLISHED ON WEBSITE)

Slide 7: Have the studies carried out around the impacts on groundwater factored in rock structures that may provide easy pathways for Groundwater, thus giving rise to a higher than predicted inflow into the pit or surrounding infrastructure that sits below the neighbouring groundwater levels? (DS)

McPhillamys has met the Aquifer Interference Policy's requirement that modelling assumes significant interference.

Additionally, modelling of inflows is conservative and includes sensitivity analysis.

McPhillamys is in hard rock which required modelling to consider nine layers of geology.

Subject to approval, the models will be recalibrated during operations. For example, if flows into the void are higher than expected, they can be addressed (refer to first Amendment Report, Appendix G - Surface Water and Appendix H – Groundwater). (AW)

Slide 7: What level of licensing is required for the project regarding Groundwater? Specifically, how many licenses are needed and how are they being satisfied?

(In addition to answer on slide) - Originally, McPhillamys had a predicted peak of 790ML pa which has reduced to a predicted 590ML pa.

McPhillamys has acquired groundwater licences in the Lachlan Fold Belt that exceed the required 590ML. There are a lot of groundwater licences available in the Lachlan Fold Belt.

SLIDE 7: Can you confirm the exact amount of groundwater licenced to McPhillamys? (DS)

Not in detail, it is approximately 700ML. (AW)

What are the parameters for water going into the pipeline? (DS)

The composition changes. A target of 7000 ppm total dissolved solids will be written into commercial agreements and controlled for pipeline operations. The pipeline will be under-bored under rivers and public infrastructure. Technical terms should be used.

So it can't enter the pipeline without meeting those parameters? (DS)

The three sources of water are of different qualities and will be mixed. Coal mine water is best quality and will be blended with water from the other two sources.

Leaks are the exception not the norm and if they happen they are very much confined. Because the pipeline is set underground the opportunity for rupture is reduced because it is marked, recorded on Dial Before You Dig, leak detection, flow monitoring, telemetry and management plans.

QUESTIONS

Regis' most recent response on water licencing RFIs on water below Carcoar Dam had recommended licensing at 80th percentile would require 1,700ML in general security licenses. Does DPE look at it and recommend an amount? (BR)

Yes, that package is reviewed by DPE Water. We are waiting for their policy and modelling team's advice. It is expected late this week or early next week, after which it will be made publicly available. (SO'D)

Can you confirm that the transmission line property sold? (DS)

On Friday 21 October 2022, the Glendower property sold at public auction. (KL)

Action – KL to provide information released to market: The sale information is publicly available however the buyer has elected not to have their name published.

Information about the sale was released to the market in the most recent Quarterly Report (page 6 and below) which is available at https://cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2924-02588678-6A1118189?access_token=83ff96335c2d45a094df02a206a39ff4

During the September quarter the Company paid significant "one-off" costs being stamp duty for the Tropicana acquisition (\$39M), and purchase of a rural property related to the development of McPhillamys (\$21M). The rural property has since been sold for \$20.5M with funds from the sale expected in the December quarter 2022. These transactions were undertaken to lock in a key high voltage power line easement required for the McPhillamys project. The rural property was on the market and the Company undertook the short period purchase and sale to avoid a more lengthy, higher risk and costly negotiation process for the easement with a third party owner.

Was Regis the successful bidder on all or part of the 192ML surface water licences recently sold by the NSW Government? (DS)

Regis was the successful bidder for all 192ML. (AW)

Are you willing to disclose the price paid? (DS)

No, the purchase is a commercial arrangement. (AW)

Did you meet the Belubula Water Users Association? (DS)

Yes (KL)

Even though we are having windy days, Cadia has issued a TSF dust warning. How will Regis' dust suppression system prevent McPhillamys having a similar problem? (DS)

The TSF design includes a slurry pumping system that will be installed around the perimeter of the TSF. Take off points called "spigots" distribute liquid tailings across the surface in various directions of to form a laminate. The system is akin to a household garden irrigation system where there are T-connections from the main supply to cover a larger area. (AW)

Is there a risk that McPhillamys TSF could dry out on a hot day? (DS)

Managing the distribution of tailings across the TSF is part of everyday operations to manage dust through arranging tailings deposition or wetting. The external water supply can also provide options to manage dust from the TSF. (AW)

Some members of the community have interpreted submission of the final RFI as approval of McPhillamys. What can be done publicly to keep people informed about the approval process? (DS)

The next McPhillamys newspaper advertisement discusses the approval process. (KL) Blayney Shire Council will include it in a future GM Conversation. (MD)

Confusion may have been caused by media coverage of the approval of the Centennial Pipeline which provides the opportunity for an offtake point for McPhillamys Gold Project. (SO'D)

Would DPE put a notice in the local paper to say McPhillamys is not approved? (DS)

DPIE would not run a newspaper advertisement but may possibly put the information on their website. DPE is hoping to get McPhillamys to IPC in November and there will be public notification at referral.

Martins Creek Quarry was referred to IPC early in October. The public meeting for that project will be held in the town and people will also have the option to attend by videoconference. (SO'D)

Does DPE's Assessment Report go on the DPE website when projects are referred? (BR)

Yes, all information in the Assessment Report, and the Recommendation, is made public on the website when projects are referred.

The IPC will notify how to make submissions and speak at the public hearing. More information is available at <https://www.ipcn.nsw.gov.au/projects/2020/03/mcphillamys-gold-project>

A public hearing before Christmas is more likely than not but if the Assessment Report is delayed, it will push over to February 2023. That would lead to a determination in March-April 2023.

The IPC won't work over the two- to three-week holiday shutdown period. (SO'D)

Has the BHPG sought funding to clean up the river? I would love to see better flow in the river which I am part of. It is in such a bad state. Has your group done anything? (PH)

We have looked into options. Consultants have advised us that willows have some benefits and should be left. We are looking at cleaning up the headwaters. (DS)

We are running out of opportunity for anyone downstream to remove willows, it's a quagmire of willows. As an individual I can't get funding. There is an opportunity to make it better for everyone. (PH)

If this goes ahead we will ask for VPA money, even if this is approved there are plenty of other opportunities. (DS)

The VPA is one aspect. It is Council's decision where the money is spent. No decision has been made and many businesses such as Cadia have strong environmental commitments in addition to a VPA. (MD)

If approved, Regis intends to rehabilitate an Aquatic Offset area on the Belubula. (AW)

Cadia are talking about grazing offsets, it involves improving pastures etc (BR)

Our offsets are environmental and some will be on Aziel. If permitted, offset areas will be lightly grazed to manage weeds. On site, there will be little difference between land and soil quality before and after operations.

Where prime ag land has been impacted, NSW Ag promotes rehabilitation to BSAL standard or improving productivity on other land owned by the company. (BR)

McPhillamys was amended not to affect Biophysical Strategic Agricultural Land (BSAL). (AW)

Not aware of a grazing offset policy. Some companies are undertaking programs to improve the performance of some agricultural lands (SO'D)

Can you give us a Section 10 update? (DS)

The Section 10 application is still with the Department. (AW)

Can you give us an update on IPC?

A couple of days after referral, IPC will notify public hearing date. The precedent is that the public hearing will be a minimum 14 days later. (AW)

Martins Creek Quarry is a current guide to the process (noting that this project has a public meeting not hearing). (SO'D)

Is there a no-go time for a public hearing? (MD)

IPC will not hold a public hearing between 16 December 2022 and 26 January 2023.

Are there any outstanding questions on the water RFI? (DS)

The water licensing is complex and we will respond to any matters raised by DPE Water on the response.

In a letter dated 22 June 2021, Mitch Isaacs (DPE Water) recommended to Steve O'Donoghue (DPE) there that turkey's nest dams be used. I haven't seen this amendment documented anywhere? (DS)

Amendment 2 responded by making RWMF and MWMF into turkey's nests. Turkey's nests are defined as having no inflow other than rainfall. Refer second Amendment Report, CWF 4 & 5.

The TSF is not built in one hit. If you fill the TSF and there is a significant rain event, how do you keep TSF from overflowing? (DS?)

Maintaining sufficient freeboard is part of dam safety provisions. The provisions take in to account modelled flood events and ways to direct to other water storages if required. Even in wet years, there is some evaporation.

MEETING CLOSED

Meeting closed at approximately 7.05pm

| | Action Items | Responsible | Due By |
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| 1 | Book Blayney Community Centre for the 28 th November 2022 | Rachel Healy | Complete |
| 2 | Draft minutes to be provided to the Chairperson | Kath Logan | 7 November 2022 |
| 3 | Draft minutes distributed to members by email (including alternates) | David Johnson | 8 November 2022 |
| 4 | Committee members provide comment on minutes to Chairperson | All committee members | 17 November 2022 |
| 5 | Minutes finalised & posted on the McPhillamys Website | David Johnson Rachel Healy | 21 November 2022 |

| | Action Items | Responsible | Due By |
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| 6 | A copy of October 2022, 3 rd Amendment report to be bound and posted to each CCC member | Rachel Healy | 15 November 2022 |
| 7 | Market release re sale of Glendower property to be provided to CCC | Kath Logan | Complete |
| 8 | Photograph of current CCC to be taken next CCC meeting | David Johnson Rachel Healy | 28 November 2022 |