



Thalanga Copper Mines Pty Ltd

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Queenstown
Tasmania 7467

Mr Wing Leung
Environmental Operations
Northern Region
Environmental Protection Agency
PO Box 5391
Townsville Qld 4810

12 December 2015

Dear Sir

Re: Transitional Environment Program (TEP) MAN17020

In accordance with the commitments made in the above TEP please accept this report on site surface water flows, pit water and TEP investigations at the Highway Reward mine. This report covers the period from 12 June 2014 until 11 December 2014. This period was characterised by extremely low rainfall on site with drought conditions applying. Table 1 shows the monthly rainfall, with 32.69 mm falling over six months.

Table 1 Site Rainfall

Month	Rainfall mm
June (all month)	0.8
July	0
August	0
September	0
October	3.93
November	24
December (to 11 Dec)	3.96

Given the lack of rainfall, surface flows were not encountered and no sampling was undertaken.

SW6 FLOW PATH DRAIN

The flow path towards SW6 runs along the western side of the base of the Highway Waste rock dump. Flows along this path were to be measured at SF2 (TEP site 004) and after rainfall, downstream of that at TEP sample sites 003, 002 and 001. These sites are shown in Figure 1 and Figure 2. No flow occurred. No samples were taken.

SW5 FLOW PATH

Surface water flows from the mine site towards SW5 were blocked during earthworks in June/July 2014.

Plate 1 Diversion bund western side of lease



Plate 1 above shows the diversion bund installed to prevent surface water flowing from the mine site to the west of the lease area.

No flow occurred. No samples were taken.

Figure 1 Flow Monitoring Locations Highway Reward

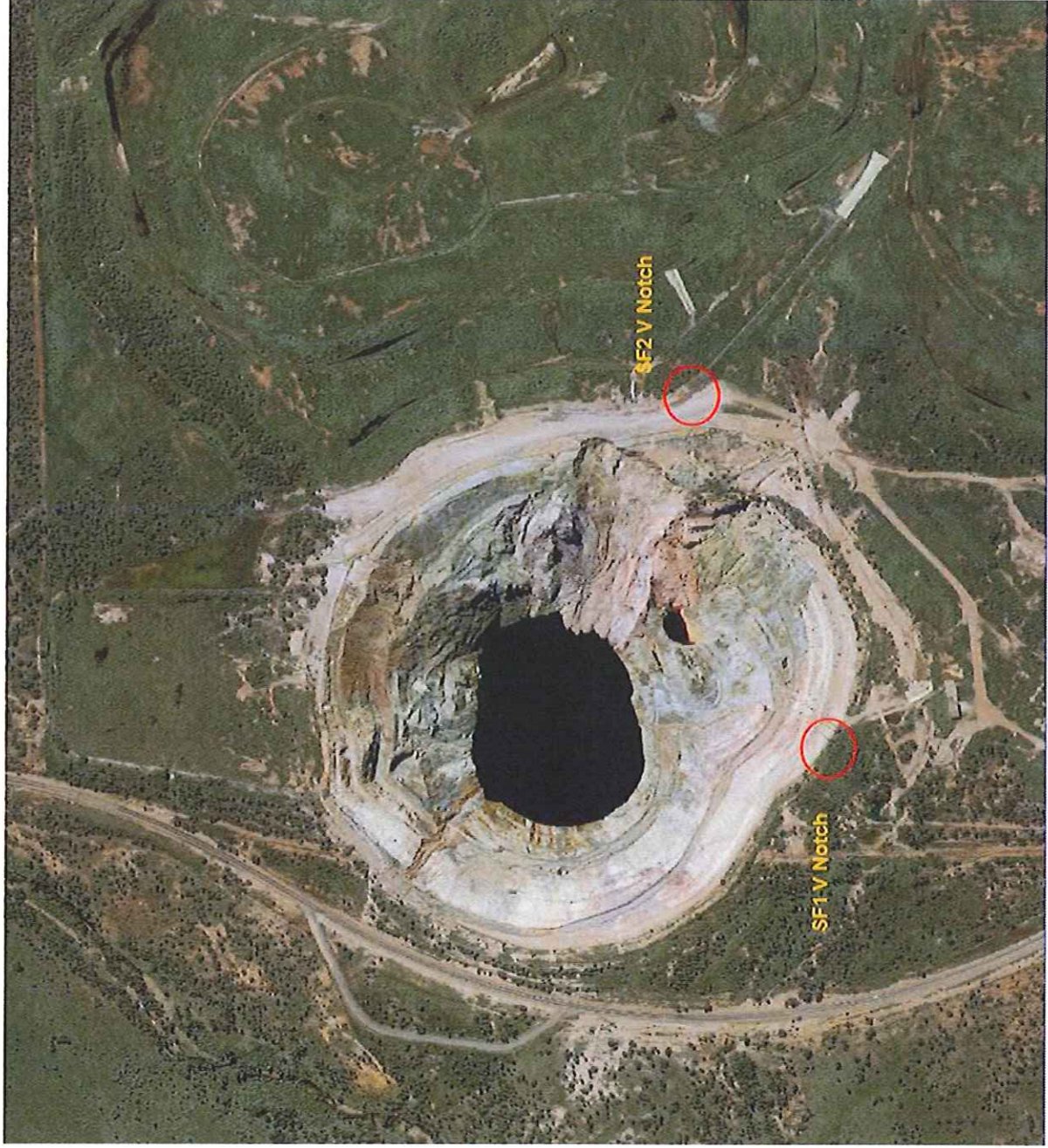
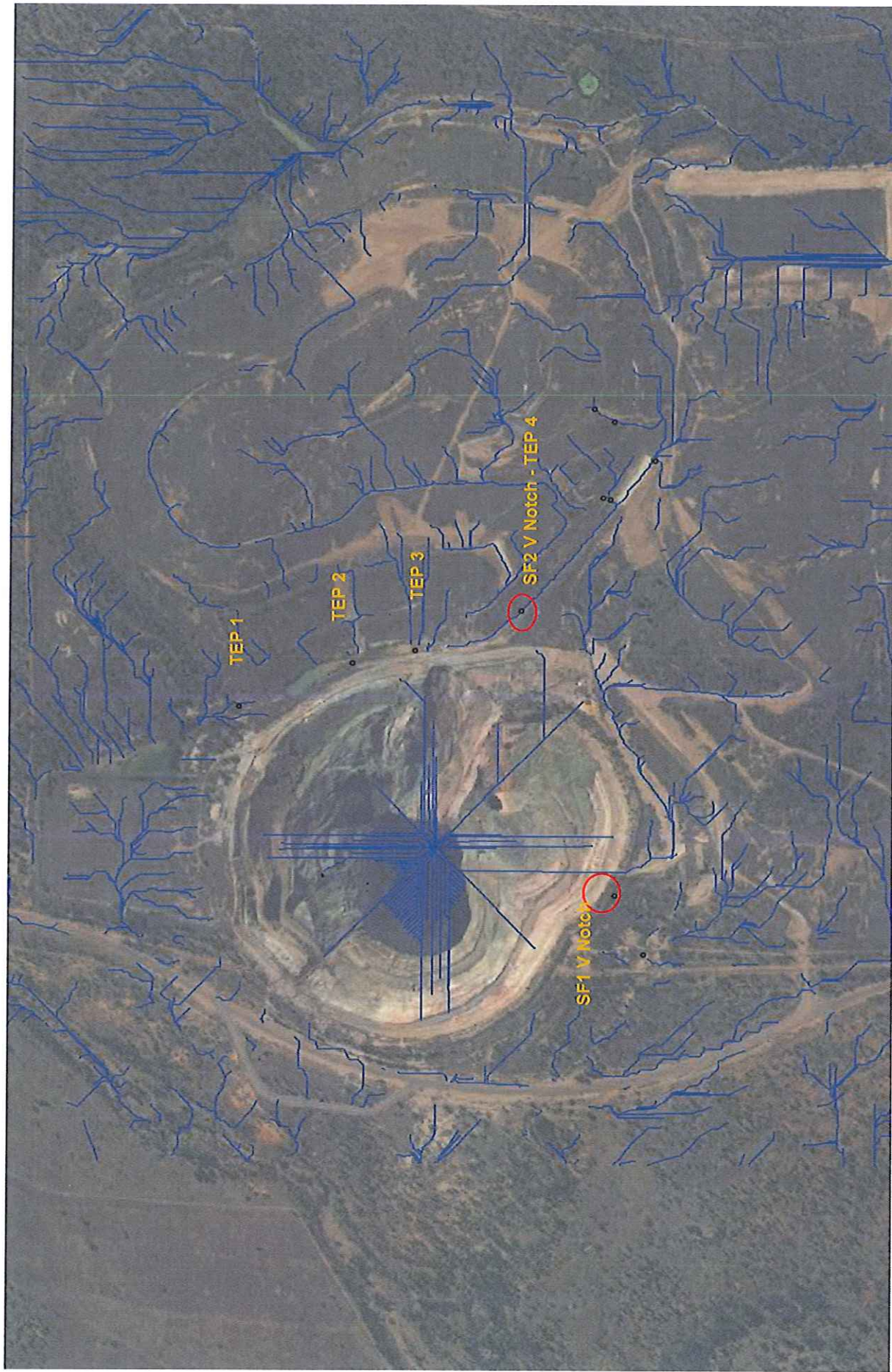


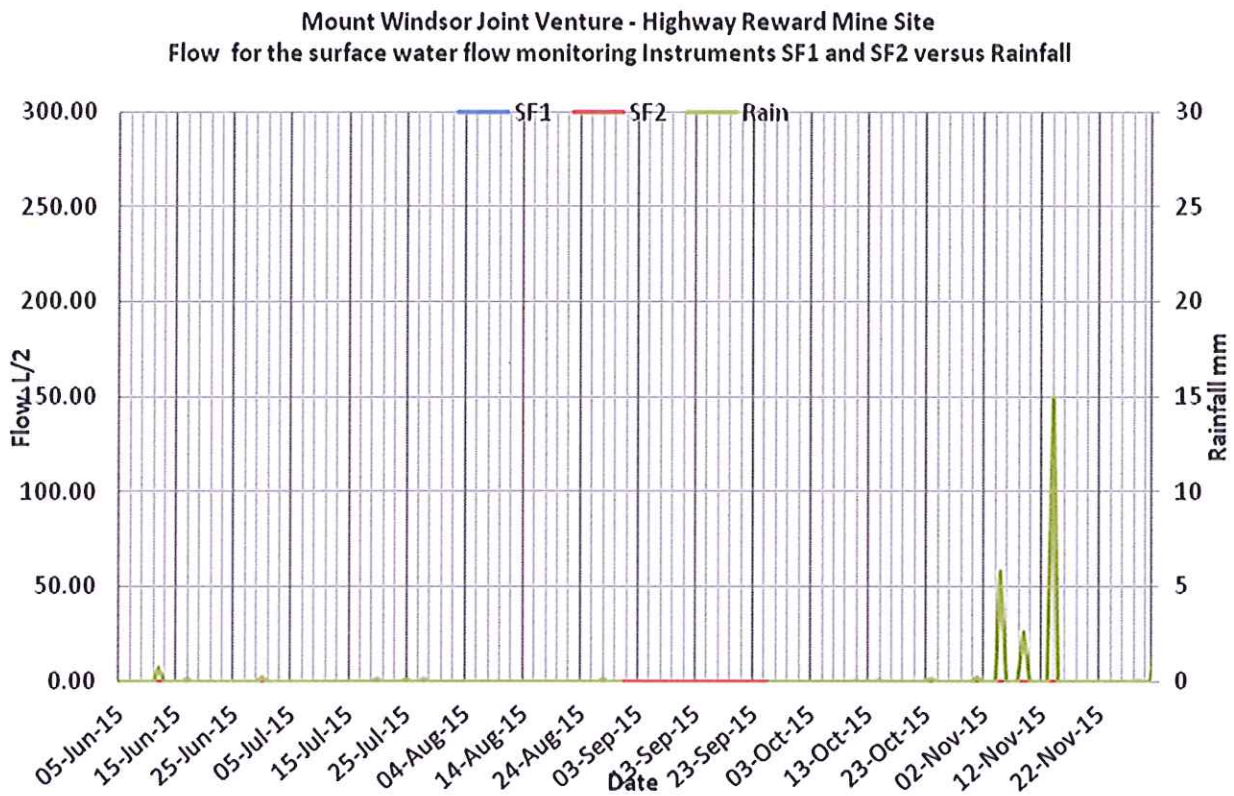
Figure 2 Site Flow Lines and Sample Points



PIT V-NOTCH

The pit v notch SF1 has shown no flow into the pit consistent with the lack of rain on site (Figure 3).

Figure 3 Flows and Rainfall



SURVEY PIT WATER HEIGHT

Plate 2 shows the pit water height in September 2011, Plate 3 shows the water level in February 2014, Plate 4 in August 2014 and Plate 5 in October 2014, Plate 6 in April 2015 and Plate 7 in October 2015. An estimated level decrease of 500 mm has occurred in the past six months.

Plate 2 Pit Water Height September 2011



Plate 3 Pit Water Height February 2014

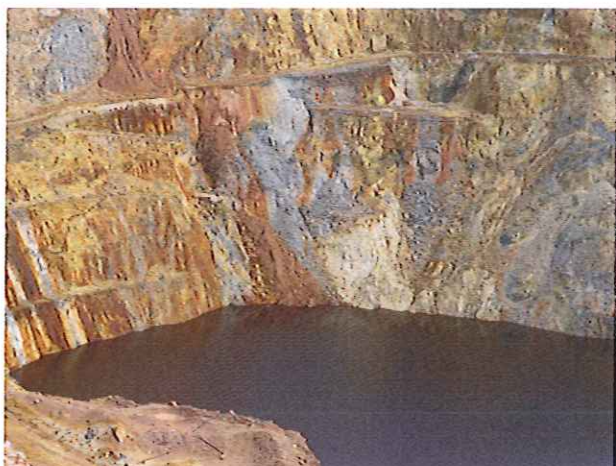


Plate 4 Pit Water Height August 2014



Plate 5 Pit Water Height October 2014

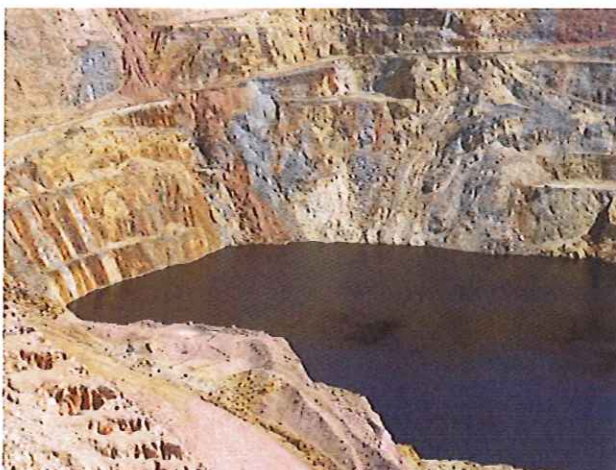
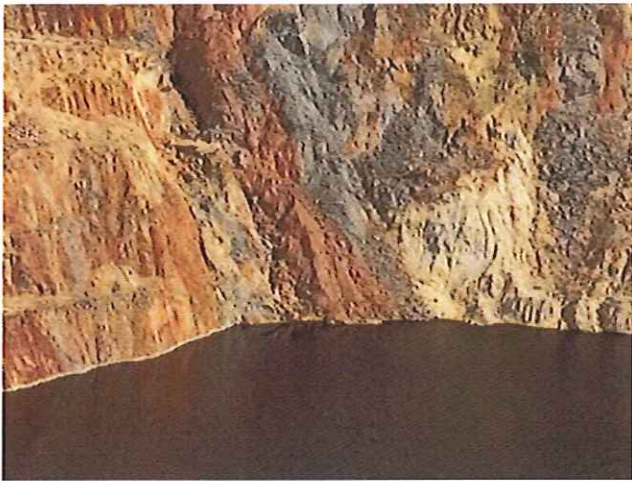


Plate 6 Pit Water Height April 2015



Plate 7 Pit Water Height October 2015



SUMMARY

During the drought conditions encountered over winter 2015, no off site flows were encountered and little data was available to evaluate whether sources of contamination which led to the TEP, have been due to localised sulphide exposures or to waste rock dump seepage. TEP sampling is to re-commence with wet season rains.

Please feel free to call me if you have any questions.

Yours sincerely



Geoff. Cordery
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