

Thalanga Copper Mines Pty Ltd

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Locked Bag 1
Queenstown
Tasmania 7467

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

17 October 2014

Dear Mr Leung

Re: Transitional Environment Program (TEP) MAN17020

In accordance with the commitments made in the above TEP please accept this report on the earthworks program recently completed at the Highway Reward mine.

During the first monitoring period for TEP MAN 17020, occasional fluxes of acidity were found moving down the central revetment mattress to the west on the highway waste rock dump. These are shown in Figure 1. Low pH readings were encountered at TEP5 & TEP6 with lower pH at TEP4. To reduce the likelihood of this occurring, capping works were undertaken to the east and north of the revetment mattress where bare patches were visible and potential sulphide exposures could be seen. These areas are circled in red in Figure 2.

The bare areas noted above were repaired by covering bare patches with 500 mm compacted clay cap (compacted to at least 10^{-7} m/s permeability) plus 100 mm topsoil over the clay capping.

In addition to this work, further drainage works were undertaken to prevent runoff from leaving the lease to the west along the former creek line as marked in blue in Figure 2. Small diversion cuts were placed on stormwater drainage lines and a bund (Orange line in Figure 2) was placed to the immediate west of the fence line to divert all stormwater drainage from inside the lease in this area into the pit.

The works are located in Figure 2 below.

Figure 1 TEP Monitoring 2013

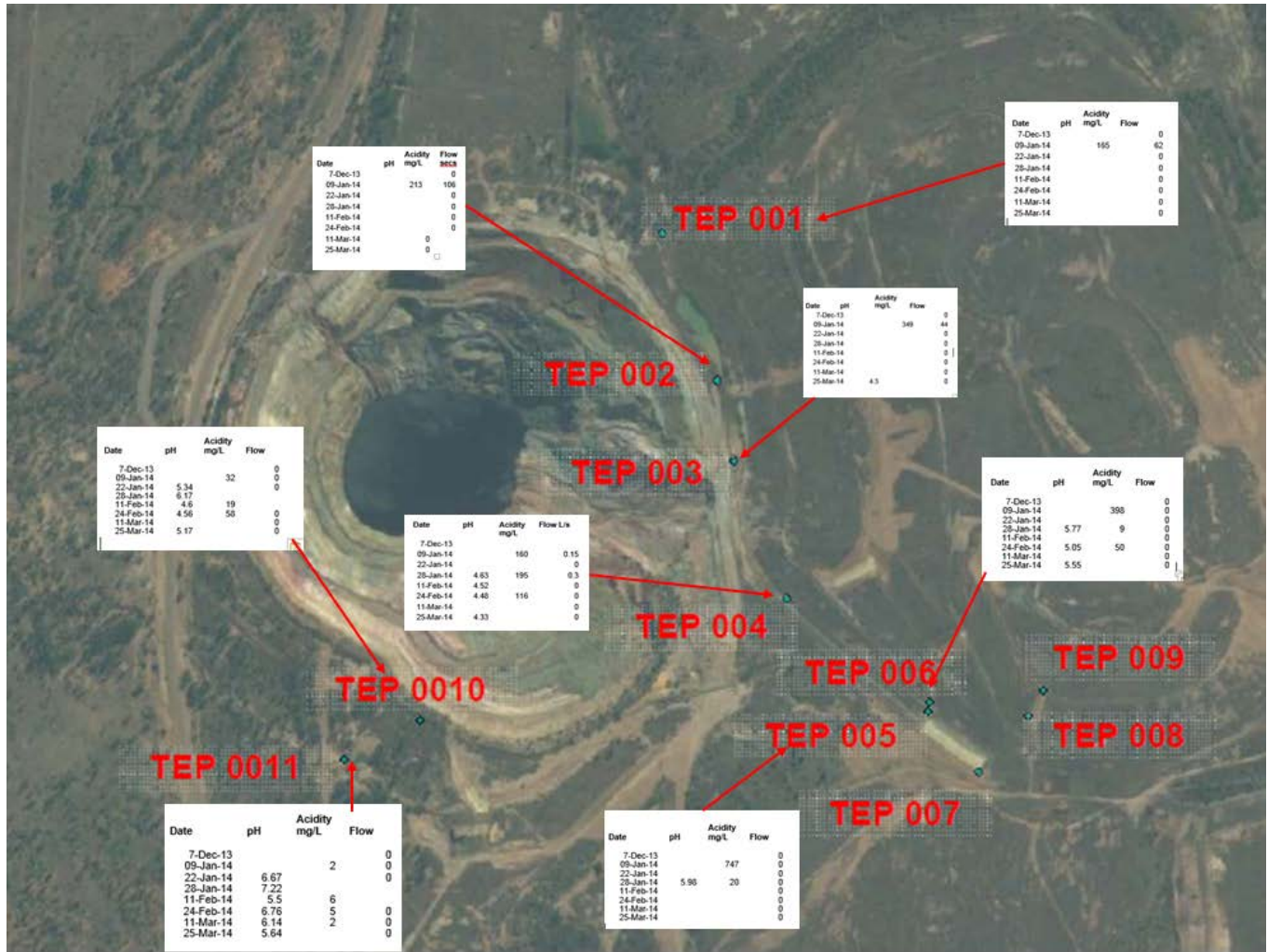


Figure 2 Aerial photo circe 2010.



Photos of the completed earthworks are shown below.

Plate 1 Above revetment mattress



Plate 2 North of revetment mattress



Plate 3 Diversion bund Western flow path



Plate 4 Diversion bund Western flow path



I will inspect the site before the start of the wet season to determine the effectiveness of last year's seeding and revegetation program, Given the dry year to date, further revegetation may be needed or may be best left until there is more soil moisture available.

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

Yours sincerely

A handwritten signature in black ink, consisting of a stylized 'S' followed by a horizontal line.

Stephen Kent
For Thalanga Copper Mines JV
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