

DATE: 30 MAY 2017
OUR REF: 16_115_HIGHWAY_REWARD

JOHN RAINS
DEPARTMENT OF ENVIRONMENT AND HERITAGE PROTECTION
LEVEL 10, VERDE TOWER
445 FLINDERS STREET
TOWNSVILLE QLD 4810

RE: REQUIRED EARTHWORKS AND SCHEDULE FOR COMPLETION

Dear John,

I refer to the amended Transitional Environmental Program (TEP) MAN17020 approved by the Department of Environment and Heritage Protection (EHP) and issued to the Mt Windsor Joint Venture partners of Thalanga Copper Mines Pty Ltd (MWJV) on 19 October 2016.

This letter addresses the fourth task of the TEP, which is the completion of a report on required earthworks, including a schedule for completion of tasks within the TEP timeframe. The content of this letter is influenced by the letter and report provided to EHP to address the third task of the TEP, which is the completion of a technical report on surface water flow directions and estimated rates.

Reporting on both the third and fourth tasks of the TEP is required to be completed by 30 May 2017.

Earthworks completed

During the term of the TEP, the MWJV has commissioned earthworks to contain potentially contaminated stormwater on site. This has successfully prevented discharge from the site during this wet season.

In spite of the persisting drought conditions in northern Queensland, the performance of the diversions was tested in the 2016/17 wet season on two occasions in March 2017. Reviewing rainfall data from the onsite weather station (SF2) for March 2017 (Figure 1) shows the total amount of rainfall recorded at the site was 168.0mm, with the highest rainfall occurring on 19 March (68.75mm). Rainfall is presented in a graph in Figure 1 of this report.

The diversion drains functioned to funnel runoff from the waste rock dump to an evaporation structure at the site of the former TSF, to the north of the pit. Water was contained here to prevent release to the receiving environment, allowed to evaporate, and precautionary pumping transferred 3.6ML of water back into the pit as a wet weather control action. An image of the evaporation structure is included here as Figure 2.

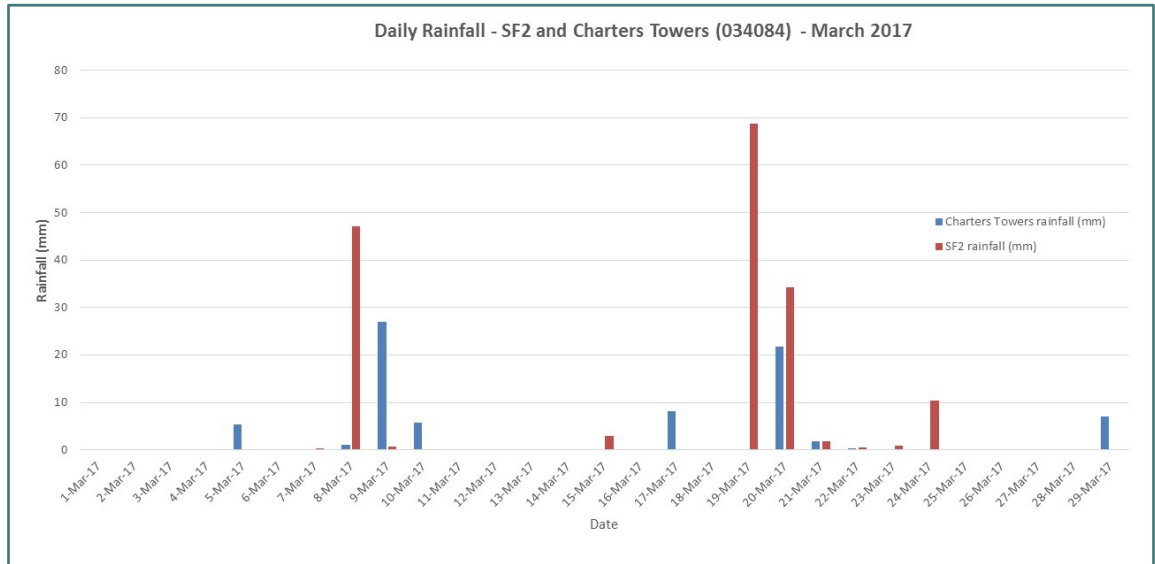


Figure 1: Daily rainfall recorded at SF2 and Charters Towers Airport during March 2017



Figure 2: Pumping activities at the old TSF evaporation pond.

Required earthworks

Diversion scenarios

The Mining One *Water Balance Review Preliminary Report* (2017) more accurately allows determination of the drainage area and runoff volume that can safely be diverted to the open cut for sustainable storage, without compromising groundwater. This will provide a solution to the containment of poor quality drainage identified earlier and subject to this TEP.

The current estimation is for a total catchment area of 89ha to drain to the open cut pit in the long term, which will allow capture of drainage from the rehabilitated dump structures while maintaining the open pit as a groundwater sink.

Program of works

MWJV are on track to deliver a final earthworks plan and earthworks themselves by the TEP deadline of 1 November 2017. The following table lays out a program of works and deadlines to deliver these TEP works.

Table 1: Program of works for earthworks

ITEM	ACTION	DEADLINE
1	Final pit design including long term geotechnical stability assessment and definition of final pit volume	28 July 2017
2	Earthworks design, including bund cross sections and erosion controls	25 August 2017
3	Recalibrated surface water model	8 September 2017
4	Quotes to complete the earthworks in question	15 September 2017
5	Earthworks commissioning	22 September 2017
6	Earthwork activities	25 September 2017 – 27 October 2017
7	Inspection and confirmation of completion of the earthwork activities	1 November 2017

Following delivery of the program of works defined in Table 1, MWJV will deliver the TEP completion report by 31 December 2017.

Sincerely,

Marty Costello
Principal Environmental Scientist