

McPhillamys Gold Project CCC Minutes

Title	McPhillamys Gold Project Community Consultative Committee (CCC) Meeting #9																																											
Meeting Date	3 August 2020 @ 6pm																																											
Venue	Blayney Community Centre- 91 Adelaide St, Blayney (in person) GoToMeeting (by video conference)																																											
Chair	David Johnson	Independent Chairperson*																																										
Meeting Attendees	<table border="0"> <tr> <td>Evan Leitch</td> <td>Community Representative*</td> </tr> <tr> <td>Elizabeth Russ</td> <td>Community Representative*</td> </tr> <tr> <td>Tom Williams</td> <td>Community Representative Alternate *</td> </tr> <tr> <td>Bob Russ</td> <td>Community Representative Alternate*</td> </tr> <tr> <td>Peter Hildenbeutel</td> <td>Community Representative *</td> </tr> <tr> <td>Daniel Sutton</td> <td>BHPG Representative*</td> </tr> <tr> <td>Cyril Smith</td> <td>ORWSA Representative#</td> </tr> <tr> <td colspan="2"><hr/></td> </tr> <tr> <td>Rebecca Ryan</td> <td>Blayney Council*</td> </tr> <tr> <td>Heather Nicholls</td> <td>Cabonne Council^</td> </tr> <tr> <td colspan="2"><hr/></td> </tr> <tr> <td>Rod Smith</td> <td>Regis Resources#</td> </tr> <tr> <td>Tony McPaul</td> <td>Regis Resource*</td> </tr> <tr> <td>Andrew Wannan</td> <td>Regis Resources*</td> </tr> <tr> <td>Chris Roach</td> <td>Regis Resources Alternate*</td> </tr> <tr> <td>Danielle Wallace</td> <td>Regis Resources Observer*</td> </tr> <tr> <td colspan="2"><hr/></td> </tr> <tr> <td>Stephen O'Donoghue</td> <td>Depart of Planning, Industry and Environment#</td> </tr> <tr> <td>Mandana Mazaheri</td> <td>Depart of Planning, Industry and Environment#</td> </tr> <tr> <td colspan="2"><hr/></td> </tr> <tr> <td>Stacey McFawn</td> <td>Minutes*</td> </tr> </table>		Evan Leitch	Community Representative*	Elizabeth Russ	Community Representative*	Tom Williams	Community Representative Alternate *	Bob Russ	Community Representative Alternate*	Peter Hildenbeutel	Community Representative *	Daniel Sutton	BHPG Representative*	Cyril Smith	ORWSA Representative#	<hr/>		Rebecca Ryan	Blayney Council*	Heather Nicholls	Cabonne Council^	<hr/>		Rod Smith	Regis Resources#	Tony McPaul	Regis Resource*	Andrew Wannan	Regis Resources*	Chris Roach	Regis Resources Alternate*	Danielle Wallace	Regis Resources Observer*	<hr/>		Stephen O'Donoghue	Depart of Planning, Industry and Environment#	Mandana Mazaheri	Depart of Planning, Industry and Environment#	<hr/>		Stacey McFawn	Minutes*
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Apologies	Jim Newman Bob Bourke Miles Hedge	Community Representative Mayor, Bathurst Council Community Representative																																										
Next Meeting	2 nd November 2020 @ 6.00pm Blayney Community Centre 91 Adelaide Street, Blayney NSW																																											

* Attended meeting at Blayney Community Centre- 91 Adelaide St, Blayney.

Attended meeting via video on GoToMeeting

^ Attended start of meeting via video on GoToMeeting (then had IT issues)

MEETING WELCOME AND INTRODUCTIONS - David Johnson

Meeting opened at 6:05pm

Apologies for the meeting tendered for Jim Newman, Bob Bourke and Miles Hedge.

Introduction by David Johnson:

- Heather Nicholls attempted to join meeting via GoToMeeting but experienced technical issues;
- David Johnson spoke to the committee regarding Covid-19;
- No declaration of pecuniary and non-pecuniary interests to declare;
- Tony McPaul introduced Danielle Wallace (Regis Environmental Superintendent) to the committee as a Regis Observer.

BUSINESS ARISING FROM MINUTES OF THE LAST MEETING (1 June 2020) – David Johnson

- The agreed edits from the minutes of the last meeting were discussed;
- The minutes of the last meeting on 1 June 2020 were approved by the Community Consultative Committee as being read and correct;
- No previous notifications.

CORRESPONDENCE

- Email correspondence received by David Johnson from Tony Newman that Jim Newman is unwell and will not be attending future Community Consultative Committee meetings. (See below under General Business).

REGIS RESOURCES MCPHILLAMYS GOLD PROJECT UPDATE

- PowerPoint presentation by Tony McPaul with 'Shared Screen' for GoToMeeting attendees (copy on McPhillamys website). The key points from the presentation were:
 - Meetings continuing with neighbours to provide updates on the progress of the Response to Submissions (RTS) and to discuss mitigation measures and negotiated agreements;
 - Meetings with local groups/businesses and the Blayney High School;
 - Sponsorship of the 2020 Winter Fire Festival with appropriate Covid-19 protocols in place;
 - Community Information Sheet #11 distributed in July;
 - Fortnightly updates in the Blayney Chronicle and by email/mail ongoing;
 - Ongoing monitoring, weed control and fencing;
 - Regional exploration ongoing around Brown's Creek;

- Response to submissions process nearing completion;
- Two test groundwater bores completed which could supply water during the six to nine-month timeframe required for pipeline construction;
- There are some changes to the proposed water pipeline route; the pipeline may follow the Mid Western Highway westward from Bathampton to just east of Fitzgeralds Mount, then turn back onto privately owned land;
- Response to Submission site plan amendments were shown to Community Consultation Committee members;
- Stephen O'Donoghue (DPIE) then explained the DPIE assessment process and the more recent IPC hearings process.

QUESTIONS ARISING FROM PRESENTATION

- Stephen O'Donoghue (DPIE) – Queried the purpose of the test bores and groundwater testing.
Answer – Testing to confirm availability of a water supply whilst the water supply pipeline is being constructed.
- Daniel Sutton – Asked Steve O'Donoghue (DPIE) how the RTS and Amendment Report were assessed and whether there was a need for exhibition?
Answer- Steve O'Donoghue explained that it was a two-step process. The Amendment Report is reviewed by the Department and in general, if the time between the EIS and RTS submission is not excessive (eg several years) and there is an overall reduction in impacts, then there is generally not a requirement to exhibit again.
- Evan Leitch – Commented that the location of the access road appeared to vary between the stage layout plans and the 3D images.
Answer- It was explained that the stage layout plans were accurate and that the 3D images might vary slightly as they were conceptual and some of the draft 3D images that Evan had viewed may not have been updated.
- Daniel Sutton – Requested further explanation of the updated plan in relation to the clean water diversions.
Answer- The clean water diversions are designed to manage clean water flow around the site via a series of pumps, ponds and dams during operations and naturally post closure. The clean water diversions will be modified where required to ensure that they operate naturally in perpetuity post-closure. Clarification was also provided that several of the water management facilities that were previously shown in blue, which might cause a perception that they were always full of water, are now shown as hatched, as the water that flows into them, or is pumped into them, is then pumped out again, so they would generally only have water in them for a couple of days after significant rainfall events.

- Daniel Sutton- Requested further explanation for the increase in the area required for topsoil stockpiles on the western side of the pit.

Answer- It was firstly reiterated that the topsoil that is stockpiled will all be used in the future as part of the rehabilitation activities. The reason why the western topsoil stockpiles have increased is due to the adjustments to the mine schedule to further reduce noise impacts. Whilst noise is generated from early surface mining activities, a significant portion of the waste material stockpiling has been diverted to the northern end of the waste rock emplacement (WRE). As mining activities in the pit deepen and those noise impacts lessen, more waste material is then positioned at the southern end of the WRE. This means the area that was available in the northern and central portions of the WRE for topsoil stockpiles is no longer available for the required time frame, hence the stockpile position for more of the topsoil has been relocated to the western side of the pit. All of the topsoil stockpiles are ultimately used to rehabilitate the WRE and other areas where infrastructure would be located.

- Daniel Sutton- By starting at the northern end of the waste rock, how does that reduce noise? The waste rock embankment still remains at the south. Why won't that impact the residence?

Answer- As part of the Amended Project the direction of truck movements at the north east pit exit has been reversed, resulting in lower noise impacts whilst activities are occurring near the pit surface. The pit amenity bund at the south east is also smaller as the exit ramp has been refined to exit partially below the ground surface to protect areas to the south. While the waste rock emplacement to the south will still have noise impacts, they are lessened as the operations will no longer be occurring concurrently with operations at the pit surface. The relocation of the access road has also assisted to reduce the noise emissions for the project. Notwithstanding the reduced noise emissions associated with the Amended Project, Regis is still committed to implementing negotiated agreements with the originally identified residents in Kings Plains.

- Daniel Sutton- Have you built any dams to store water for the drilling?

Answer- Yes. Existing dams were further excavated on the farm properties to facilitate the pump testing activities within allowable harvestable rights limits. One new dam was constructed.

- Daniel Sutton- Any further confirmation regarding power supply?

Answer- Not at this stage. Ongoing.

- Elizabeth Russ- The groundwater bore location map given to us does not explain where the bores are located as they are referenced only by the names of the previous property owners.

Answer- Google Earth displays the coordinates if you access the locations that way.

- Peter Hildenbeutel- Is Regis committed in the future to offer apprenticeships/career paths for high school leavers?

Answer- We are currently building relationships with schools and training providers but until Regis receives an approval nothing can be confirmed with the schools or training providers.

OTHER AGENDA ITEMS

ADDITIONAL EXPLANATIONS RELATING TO QUESTIONS AND ANSWERS RECEIVED

- Evan Leitch- Acknowledged that there was an incorrect figure in his Q4 (of questions submitted prior to the meeting) relating to the breakdown of Regis' overseas shareholders. The figure should have stated 41%. Evan was satisfied with the responses he received to all of his questions.

- Elizabeth Russ- Will the Negotiated Agreement with landholders allow a landholder to still object to the project?

Answer- Yes, the property owner may object to the project, but there would be an expectation / requirement that the landholder does so in an honest, truthful and thereby legitimate manner.

- Elizabeth Russ- A question proposed to her was'will landholders be asked to refund mitigation costs if the project is not approved?'

Answer- No, not if the project is not approved. To further clarify, if the project is approved, then the cost of mitigation works paid for by Regis would not be added to the property value, should the landowner then wish to sell to Regis.

- Rebecca Ryan- Could the DPIE please explain the process and timeline for the assessment, and how this might develop? It was mentioned last meeting that COVID-19 has stopped travel and face to face meetings.

Answer- The DPIE are still planning on conducting face to face meetings with local residents of Kings Plains, the Councils, key landholders and special interest groups. There are plans after the Response to Submissions is submitted to hold meetings during the 2nd week of September.

- Daniel Sutton - If COVID-19 persists, could the meetings be held online?

Answer- Yes, online meetings could be held.

- David Johnson – Thanked Steve O'Donoghue and Mandana Mazaheri for attending the meeting (via video) and for answering the questions of the CCC members

- Evan Leitch - Informed DPIE that he has many questions and thanked DPIE for their prompt responses to his questions.

- Evan Leitch – Questioned whether any revised dates for RTS submission and / or extensions could be put on the Department of Planning, Industry and Environment's website?

Answer- Stephen O'Donoghue indicated that DPIE should be able to put this information on the website.

- Evan Leitch- Questioned whether it will take the full 12 weeks for the assessment report as prescribed by the Minister?

Answer- Stephen O'Donoghue stated that the IPC has been assigned a 12-week time frame, not DPIE, however DPIE normally take around three months. With respect to the 12 weeks assigned to the IPC, it was possible for the IPC to get an extension. For example, the Narrabri project had a 7 day hearing and was very complex, so it may be that the IPC commissioners request more time.

- Evan Leitch - Clarified that he was referring to DPIE in his previous question and then asked how large the DPIE report was likely to be?

Answer- Stephen O'Donoghue indicated that it depended somewhat on the type and complexity of the project, but was normally around 80-120 pages plus appendices.

- Evan Leitch- Questioned whether the report was referred to 'whole of government'.

Answer- Yes

- Evan Leitch- Questioned if this was the case, why did it not go to Department of Health as it was his opinion that the process was having both physical and mental health impacts on the community? Further, that a number of people in Kings Plains had serious health limitations, but the company only has to comply with approval laws, not health laws.

Answer- Stephen O'Donoghue indicated that the Department of Health takes advice from the EPA in relation to dust and noise. Social impact captures the social economic concerns and mental health aspects. However, DPIE can also liaise with Department of Health and can brief them on the Project.

- Daniel Sutton- Are the Amendment report and the Response to Submissions publicly available at the same time?

Answer- Yes, they are submitted as one report and hence made publicly available at the same time.

- Daniel Sutton- What is the method of notification?

Answer- There are two notifications, the first with the application and the second at acceptance.

GENERAL BUSINESS

- **David Johnson** explained to the committee that he had received correspondence from Tony Newman notifying him that Jim (Tony's father) is too unwell to continue his role on the Community Consultative Community. David indicated that he would need to officially verify that this unfortunate news was correct. If Jim Newman was unable to continue, then it would be appropriate for Tom Williams, who is currently on the committee as an Alternate Community Representative to become a Community Representative. David will endeavor to confirm that

Jim Newman has resigned and that if the case, then there would not be a need to replace the Alternate position at this stage.

- David Johnson once again thanked Stephen O'Donoghue and Mandana Mazaheri for taking the time to attend this meeting and for providing the committee with answers to their questions.

Other Business

No other business.

ACTIONS

	Action Items	Who	Due By
1	Book Blayney Community Centre for the 2 November 2020 @6pm	Stacey McFawn	10 th August 2020
2	Draft minutes to be provided to the Chairperson.	Stacey McFawn	10 th August 2020
3	Draft minutes distributed to members by email Including the alternate representatives	David Johnson	17 th August 2020
4	Committee members provide comment on minutes to Chairperson	All committee members	28 th August 2020
5	Minutes finalised & posted on the McPhillamys Website	David Johnson Tony McPaul / Rod Smith	4 th September 2020
6	Questions and answers from the <u>June</u> CCC meeting to be added to the McPhillamys website.	Stacey McFawn	4 th Sept 2020

MEETING CLOSED

Meeting closed at 7.35pm

NEXT MEETING

Monday 2nd November 2020 at 6pm at the Blayney Community Centre, 91 Adelaide Street, Blayney NSW.

ATTACHMENT 1

Questions from concerned community members submitted for answer at McPhillamys Gold Project Community Consultative Committee meeting 03/08/20 (Evan Leitch)

1. In carrying out 'due diligence' prior to purchase of the McPhillamys Gold Project what investigation, if any, did Regis Resources undertake of likely responses of 'near neighbours' to the proposed mine?

Regis purchased the exploration leases from Newmont and Alkane and undertook what would be considered to be a typical due diligence process. This included consideration of the locality of the project, and the potential to construct and operate such a project with adequate safeguards in relation to health, safety, the environment and the community.

2. With respect to the McPhillamys Gold Project, is Regis Resources requiring signatories to negotiated mitigation agreements 'not object to the project proceeding' as foreshadowed on page 9, third bullet point from the top of the 'Voluntary Land Acquisition and Mitigation Policy 2018, issued by the NSW Government?

Each individual negotiated agreement will be customised to account for the different circumstances that exist for that particular property owner/s, however, Regis is not intending to include a 'not object to the project proceeding' clause in any of the negotiated agreements.

To clarify this, the property owner/s could therefore object in writing or orally to the project during the assessment process. Having said that, there would be an expectation that all parties act in a legitimate manner during the assessment process and a clause to that effect may be included.

3. In the recently released NSW Minerals Council Report 'Mining for the Recovery' it is reported that the McPhillamys Gold Project will involve capital investment in NSW of \$500 million and will create an average of 160 jobs (presumably mining jobs). These figures appear to differ markedly from those released by Regis. If this is indeed the case what are the correct figures?

The numbers stated in the EIS are the correct numbers for both capital investment and employee numbers.

In the EIS Appendix DD page 11 table 2.1 the "life of Project Capital expenditure, including sustaining capital and mining fleet" is listed as \$500m

The EIS indicates an average operations workforce of around 260 FTE employees.

4. In publicly available documents Regis has indicated that 48% of its issued shares are held by European and United States institutions, 31% by Australian institutions and 28% by 'other'. Does the last include both overseas and Australian shareholders and, if so' what percentage of these are overseas holders?

Regis were unable to find any publicly available document that matched the percentages stated in the question, as the percentages quoted in the question add up to 107%, not 100%.

Despite this, as at 15 June 2020, approximately 38% of the identifiable Regis shareholders were listed as Australian. The 48% referred to in the question should read 41%.

Approximately 11% of shareholders are not identifiable due to their small holdings and so the actual number of Australian shareholders as of the date stipulated may range between 38% and 45%.

5. If the current price of gold is maintained will it lead to an upward revision of the tonnage of economically mineable ore from the McPhillamys deposit?

The 'tonnage of economically mineable ore' can fluctuate in a deposit as a result of variations in the gold price, however this is less likely to occur at McPhillamys, as Regis (like most other companies) apply somewhat conservative long term gold price assumptions to assess what is economic and what is not, so as to ensure that if there is a downturn in the gold price at any time, then the project economics remain robust.