



Peak Gold Mines COMMUNITY CONSULTATIVE COMMITTEE

**(INCORPORATING NEW COBAR COMPLEX PROJECT CCC)**

**MINUTES**

The meeting was held on 05 September 2022 at Peak Gold Mines, Hillston Road, Cobar.

Meeting commenced at 4pm.

**Present at the Meeting:**

Garry West (Independent Chair)

Julie Payne (Cobar Shire Council Representative)

Craig Thomas (General Manager, Peak Gold Mines)

Diana Barnes (Peak Gold Mines, Environment, Social Responsibility and Approvals Superintendent)

**1. Apologies**

Robyn Floyd (Community Representative)

Kay Stingemore (Community Representative)

Chris Bruce (Community Representative)

Laura Barnes (Peak Gold Mines, Environment and Social Responsibility Officer)

Greg Brown (Peak Gold Mines, Environment and Social Responsibility Advisor)

**2. Pecuniary and other interests**

Nil

**3. Minutes of Last Meeting** – Minutes of CCC meeting on 27 June 2022 were confirmed and were uploaded to the company website.

**4. Correspondence**

NIL

**5. Company Presentation**

A presentation was provided detailing the environmental performance of the Peak Mine operations. (A copy will accompany the final minutes and be placed on the company website)

Acknowledgement of Country recognising the Ngiyampaa Nation as the Traditional Custodians of the land on which we meet and pay respects to Elders both past and present.

#### April – June 2022 Group Highlights

#### Update from the General Manager, Peak Gold Mines

##### Performance

Gold production for FY22 below FY21. Output has been impacted by lower-than-expected workforce availability and with site specific interruption. One-off year-end impacts to costs due to purchase of mobile fleet for move to owner operator at Peak, and settlement of Hera treatment charges.

##### Advancing Projects

Development consent received for New Cobar Complex, including Great Cobar. Activities occurring across Aurelia's other projects include the Federation exploration decline surface works and box cut activities nearing completion. Redpath on site for development of the Federation exploration decline. Federation approval remains on track for late FY23.

##### Adapting the business

Capital discipline critical in assessment of options for growth as well as operating and cost discipline ensuring margin on every tonne. Outcomes of the Federation Feasibility Study Dand maiden Ore Reserve, Mineral resource and Ore Reserve Update, Guidance and Outlook are expected to be released during Quarter 1 FY23.

##### Peak Mine

Unplanned mining interruptions impacted production. Ore processed was 14% lower than March quarter due to higher-than-expected COVID related absenteeism and ore trucked to surface during unplanned shaft hoisting outage; blasting operations suspended to investigate stope misfire and planned process plant maintenance and refurbishment work.

Scheduled mining of lower grade Chronos stopes and delayed delivery of Kairos ore reduced average gold grade by 17% and impacted lead and zinc production.

Average copper grade was 72% higher, zinc and lead milled grades also increased by 24% and 5% respectively relative to March quarter.

Owner mining transition is underway to provide direct control over underground performance. Other priorities include improved mine scheduling and short interval

control practices, further implementation of asset management plans supported by recruitment to key maintenance roles. Energy costs have been exposed by electricity supply contract.

### Work, Health and Safety – April - June 22

Group: Q4 injury rate performance driven predominately by hand-related incidents with contract partners prompting intervention with a focus on contractor performance and improving awareness of individual actions with tools and techniques. Independent Environmental Audits (IEA) conducted at Dargues resulted in self-reporting of minor non-compliances and an uptick in the Reportable Environmental Incident Frequency Rate (REIFR). Note IEA for Hera will be completed in FY23. The Peak IEA requirement will be triggered once the New Cobar Complex is commenced.

Peak Lead indicator activity by departments for the period was at full practical compliance.

Critical Control Verification program compliance was on track.

Random and scheduled Alcohol and Drug testing continued with over 387 tests undertaken. There were 12 non-negative results obtained.

Blood Lead level awareness presentations have been developed and are ongoing. Training on-site includes Working at Heights and Entry of Confined Space, Gas testing and Lead indicators. Interaction with RTO service including the Cobar TAFE hosting public courses to have employees attend to upskill their skill sets.

COVID cases – 39 in April; 101 in May and 25 in June. COVID-19 risk control continued with modifications. Rapid Antigen testing for first day back of panel commenced. Those who were close contacts had to test for 7 days whilst entering site and adhering to the NSW Government guidelines.

‘Contact Harold’ contact monitoring system onsite has continued as a Bluetooth based system.

April saw 10 first aid injuries; May – 2 medical treatments and 6 first aid injuries; and June – 1 medical treatment and 4 first aid injuries.

Total Recordable Injury Frequency Rate (TRIFR) remained steady with the 12-month rolling average at 8.02, the year to date at 8.02 and the month average at 12.73 & individuals are being monitoring for Blood Led levels.

### Social Licence to Operate – April - June 22

Community donations-

Cobar Arts Council \$1,000 for event safety fencing; \$12,360 towards Batyr for 3 school programs and a school chapter pack; Cobar High School \$11,401; Cobar Mobile Children’s Services \$2958; Cobar Netball Association \$4,000; Cobar Public School \$5,000; Cobar Cadets \$2071; Copper City Men’s Shed \$1,300; St Johns Primary School \$7,500; Cobar Girl Guides \$3,000; Cobar public School P& C \$2,000 and Nymagee Gymkhana \$2,742.

### Environmental Incidents, Complaints & Initiatives – April – June 22

There were no environmental incidents requiring external notification during the period.

Six complaints were received during the period regarding blast vibration. All complaints received correlated to PGM blasts and monitoring data confirmed compliance with licence conditions.

### Environmental Initiatives April – June 22

Peak employees handed out merchandise and spoke with community members on job opportunities at PGM at the Cobar Show and an environmental brief about hydrocarbon management was broadcast across the site.

Environmental monitoring reports are available on the Aurelia website indicating compliance with licence conditions. Raw water usage has declined considerably.

### Great Cobar

Copper will become more dominant in Aurelia's commodity mix.

NSW Government issued development consent for the New Cobar Complex which is a State Significant Development (SSD) amalgamating the existing approved underground mining of the New Cobar, Chesney and Jubilee deposits, and development of new underground workings at the Great Cobar and Gladstone deposits.

The Great Cobar Pre-Feasibility Study (PFS) released in January supported the development of a new satellite mine based on initial mining at Great Cobar with a maiden 840,000 tonne Ore Reserve to offset mining depletion at Peak. The PFS also showed mining great Cobar could deliver 2.3 million tonnes to the Peak Mine's processing plant over a nominal five-year production period to produce high-quality copper gold concentrate and gold silver dore.

## **6. Matters which Community Representatives wish to raise with the mine operator**

Kay Stingemore had raised by email an issue relating dirty water near the 'Youngie' that had been reported to her. Diana advised the event had occurred in 2018 and is on a contaminated water area. Diana will review the signage to ensure it is adequate.

## **General Business**

Operational Updates outside of April- June 2022

General Manager, Craig Thomas updated CCC members on people changes occurring at site.

Following the Company's review of how best to execute the Great Cobar while improving operational performance at site, Peak is introducing operational and development plans to ensure we can weather the current market challenges and set ourselves up for a strong future.

### **What are the changes?**

Commencement of the Great Cobar project will be rescheduled with the development of the exploration decline timing to be confirmed.

The ramp up to mine and mill 800ktpa will also be rescheduled as a result. Our mine plan will be redesigned to select higher grade ore to match our cost structure at lower tonnages. We will also adapt our operating plans to control our costs at lower volumes.

### **What does this mean for the Pybar workforce?**

With the delay of Great Cobar, we have advised Pybar their scope of work is reduced until Great Cobar development commences. This will involve demobilising a significant number of people and equipment from site until we commence development of the exploration decline.

Peak will continue the transition to owner-mining at Peak and Aurelia continue to recruit for its own workforce to conduct mining activities. Pybar employees are invited to apply.

### **What does this mean for Aurelia employees?**

While the impacts of the pause to Great Cobar are biggest for Pybar and their subcontracting partners, there will also be impacts to other parts of the Peak operation.

The Peak process plant is resourced for 800ktpa and 7 day per week operation. With our new plan delivering less tonnes to mill, we are proposing to change our processing operations to 5 days per week (plus one shift every second Saturday). Aurelia will commence a consultation process with processing employees on a proposal to alter the roster.

Beyond this, the reduction in mining activity will mean less diamond drilling activity and less core being handled.

This means a small number of Aurelia roles in the processing and geology teams are now surplus – and the affected people have been notified. Our key focus in having these discussions was showing respect for our people and ensuring adequate support is given to aid their transition.

Thankfully, there are good prospects to gain mining work elsewhere with the current market for experienced mining industry people very good locally and more widely.

### **Next Meeting**

Monday 5 December 2022 commencing at 4pm.

