



Dargues Reef

Community Consultative Committee

Minutes of Thirty-seven Meeting

The DRCCC held its 37th meeting on 19 October 2020 at the Braidwood Servicemen's Club.

Meeting – commencing at 1:30pm

Attendance:

- Members – Brian Weir Chairperson, Peter Cormick, Belinda Royds, Philip Owen (part), David Lever, Matt Darwon, Kathleen Waddell, Stewart Needham, Pete Harrison (QPRC), Alastair Robertson (ESC), Paul Rouse (Dargues Gold Mine), Chase Dingle (Dargues Gold Mine), Shannon Green (Dargues Gold Mine)
- Observers – Geoff Reig, Randall Lemin, Trent Arkleymith

1. Welcome and Apologies

Welcome: The Chairman extended a warm welcome to all attendees and briefly introduced himself and outlined his background and experience. He stated that he intended to closely follow the CCC Guidelines.

The Chairman acknowledged the Traditional Owners, the Walbanga Yuin people and paid his respects to Elders past and present.

Apologies: Bill Waterhouse

2. Declaration of pecuniary or conflicts of interest

The Chairman stated that he received a meeting fee and related expenses and, obviously, the three representatives of DGM each had a pecuniary interest.

No other attendees declared an interest.

3. Business arising from previous minutes

The Chairman referred to items in the previous Minutes referring to the appointment of a new Independent Chairperson and to the holding of a site inspection. This had been held on Monday last. He added that he expected any other issues to be raised during consideration of the proponent's report. The Committee agreed.

4. Correspondence

The Chairman referred to correspondence from the Dept. of Planning, Industry and Environment advising of his appointment as the Independent Chairperson. There was no other correspondence.

5. Proponent's Report and overview of activities

Mr Dingle and Mr Green then presented and spoke to the following reports which had been distributed to the Members earlier in the day (**see Attachment 1**).

Progress of the project three month review - Mr Green spoke to this item.

In reply to a question from Mr Cormick regarding royalties paid, Mr Green stated that he could offer no further comment as to how this equated to total earnings as there were many factors which were used to calculate this payment. He went further to reassure all committee members that this calculation is in accordance with the relevant government guidance.

Progress of the project look ahead - Mr Green spoke to this item.

In reply to a question from Mr Lever, Mr Dingle assured him that Araluen residents/programs was included in the community grants program and this would be publicised in the next newsletter.

Mr Darwon, in commenting on the crushing operations, stated that he was concerned regarding the wind direction when crushing operations were underway and expressed concern regarding a potential move to a 24-hour operation. Mr Green replied that, whilst there was approval for 20 days per year for 24-hour crushing operations, considerable work was required as to the feasibility of this. He assured Mr Darwon that the community would be consulted, and he agreed with him regarding the influence of the wind direction. Members agreed that it was positive for this to be raised in advance and consulted on early.

Mr Dingle supported Mr Green and said that a risk assessment was required as well as engaging a noise specialist to carry out a full investigation. The company's senior leadership group would then need to sign off on it if it was to proceed. Mr Dingle advised the committee that the DoPIE did not need to be consulted.

Issues arising from Site Visit - Mr Green spoke to this item.

Mr Green stated that he believed that the site visit went well, despite the crushing circuit breaking down half-way through the inspection.

Some members expressed disappointment that they couldn't hear the crushing circuit at full operation. Mr Darwon asked for a further inspection of this as soon as possible. Mr Rouse replied that it was regrettable that there was a malfunction which required the crushing plant to be closed down in the middle of the inspection but there was no other option.

Mr Needham supported him and referred to the issues of ore spillage at a conveyor belt and the hydraulic fill spill at the batch plant. He stated that it was good to see the site "as it was". Mr Green replied that there was an ongoing problem regarding the ore spillage and a satisfactory solution was being sought from the installer. The spillage of hydraulic fill was a normal production occurrence and was not an issue of concern as it was within a bunded area of the operational water management area.

Mr Robertson asked if an inspection by Eurobodalla Shire Councillors could be arranged and Mr Green suggested that he liaise with Mr Dingle.

Mr Green agreed to convene a further inspection of the crushing circuit.

Mr Needham asked that the water management operations also be inspected and this was agreed.

Mr Owen arrived.

Monitoring and Environmental Performance - Mr Dingle spoke to this item.

Noise: In reply to a question from Mr Darwon, Mr Dingle advised that the noise monitoring is always carried out over 24 hours as is the requirement. He added that he had not yet fully evaluated the report and that the report would be made available on the Company's website.

Dust: Mr Dingle stated that the readings during the summer period had been influenced by the bush fires.

Ecology: Mr Dingle said all monitoring had been done except the summer fauna surveys, due to the safety risk for the monitoring consultant.

Heritage: There were no new heritage items discovered during the reporting period.

Ground Water: Mr Dingle stated that results during the reporting period indicate that levels remain steady, with the exception of the following monitoring sites:

- DRWB10 is hydraulically connected to the old workings within the underground mine which have been dewatered to reduce the risk of inundation and inrush.
- DRWB09 is a production bore and is subject to occasional pumping which impacts on water levels.
- DRWB11 is located near the site access road intersection with Majors Creek Road. The reason for the declining water level is not known, however, given its location, it is not thought to be as a result of mining activities.
- DRWB02, 03 and 04 have shown a slight decline which is thought to be consistent with the depletion of the regolith and granodiorite aquifers following the extended drought.

Those bores associated with the alluvial aquifers remained steady.

Community Complaints - Mr Dingle spoke to this report and stated that approximately 80% of the complaints during the reporting period came from 4 residencies. He stated that the staff welcomed the community feedback and were proactive in seeking solutions to the issues raised in an endeavour to meet the residents' expectations and wishes. He outlined the various measures undertaken including noise mitigation techniques, rescheduling on windy days, turning off pumps, keeping crusher shed closed etc.

In reply to a question from Mr Darwon, Mr Dingle stated that he would research the condition regarding the maximum permitted usage of the rock breaker.

Issues arising from site visit - Mr Dingle advised Mr Darwon that the Harvestable Right Dam (HRD) HRD-H would be completed on Thursday and that the HRD-A had been completed in July.

6. Other Agenda Items

Groundwater Impact Model – Mr Dingle spoke regarding the revised Groundwater Impact Model undertaken by AGE consultants within the reporting period, this was showing a slight reduction in litres per second, but it is still not representative of the significant reduction in groundwater inflows into the underground working currently being experienced. M/s Royds stated that the model does not work. Mr Dingle agreed that the model is not performing as per the actual impacts and advised that the suitably qualified experts have suggested an update of the model software and further validation with real-time data.

There was considerable discussion regarding the AGE groundwater modelling report. M/s Royds stated that the report is not reflective of reality. Mr Needham questioned water harvesting options.

Mr Rouse stated that more work needs to be done, there are climate issues and there has been twice the rainfall in the last year. Mr Green stated that all infrastructure is geared for 7 L/sec. He added that the tailings process is a wet process, however the staff are actively looking at not only how water can be conserved but also whether new techniques can be introduced.

Mr Lever stated that the Dept. undertook at the June meeting to provide the DRCCC, by mid-July, further responses on the Compensatory Flow Program, including to matters raised in his two letters to the Dept, but not yet addressed.

Site Water Balance - Mr Dingle advised the committee members that the site water balance will be revised to reflect the latest predicted groundwater inflows and site continues to validate a number of assumptions used when the Site Water Balance was first developed.

Noise - Mr Dingle advised that, according to monitoring conducted by the suitably qualified expert engaged by the Company and the appropriate regulatory authorities (the EPA & DoPIE), all noise monitoring results comply with the noise limits and he therefor has confidence that the model is performing well.

He stated that he proposes that the the realtime noise monitor, as identified in the approved Noise Management Plan, be relocated to better filter the impacts of extraneous noise sources (like traffic). Mr Darwon supported this and added that the current monitoring location is currently influenced by traffic noise.

Heavy Vehicle Movements - Mr Dingle advised that the DoPIE is currently reviewing the Company's response to a Show Cause letter regarding the number of heavy vehicle movements on Majors Creek Road. He said that he advised this at the site inspection and the situation was unchanged.

Mr Dingle stated that DoPIE had sought and been given more information regarding the Heavy Vehicle Investigation on a number of occasions since the last meeting. He advised the committee that based on his experience, there would not be a publicly released investigation report but rather a finding made and appropriately communicated to the Proponent. He also advised the committee that the Company had fully complied with the DoPIE investigation and that it was open to resolving the issue in a way that provides clarity for all stakeholders going forward, like amending the Traffic Management Plan.

AGREED: That the Chairman contact the DoPIE and advise the Department that some CCC members are urgently seeking the release of the Heavy Vehicle Movement and the Compensatory Flow Investigation reports. The Proponent representatives did not see this as appropriate as the investigation is still ongoing nor is there any precedence by the Department.

Voluntary Planning Agreement (VPA) - Mr Dingle spoke to this item.

Mr Dingle advised the committee that the existing VPA was being updated to reflect the contribution in the conditions of consent. He noted that these contributions were calculated and agreed with QPRC based on the latest guidance from the state government.

There was general discussion on the formula which is industry/local government based and on the nearby road conditions. Cr Harrison noted that this formula did not necessarily take into account the age and original construction of a road asset.

Site Accommodation - Noted.

M/s Royds thanked Mr Dingle for the report.

Community Grants - Mr Green stated that this item was under budget for the last reporting period and he was frustrated at the lack of applications and sought the assistance of the CCC Members. Regarding the school environmental education grants, he stated that he wanted to give preference, at this early stage, to the two local schools for the school environmental education grants.

7. General Business

Mr Lever thanked the Company again for its support during the bushfire period. It has been noted by community members the contribution it made during those troubling times.

Mr Robertson queried the reporting of the 2019/20 Annual Review as well as the publicising of the Consent which is not on the website. He also stated that there needs to be very diligent management of major weather events to ensure downstream water users are protected. Mr Dingle agreed and advised the group the Company website has lost some functionality and it was working to resolve the matter.

Mr Needham supported Mr Robertson regarding the rainfall comment. He also asked that water chemistry reporting be commenced. Mr Dingle confirmed water quality monitoring is conducted in accordance with the approved Water Management Plan and the results are available via the Company's website.

In reply to a question from Mr Darwon, Mr Rouse and Mr Green both gave strong assurances that, in the event of an emergency situation such as had occurred during the bush fire event, all relevant resources would be made available to assist in the emergency, if required.

8. Site Inspection and Next CCC Meeting

It was agreed that the Site Inspection of the Crushing Circuit and the Water Infrastructure would take place on Monday November 30 and that the next CCC Meeting would take place on Monday December 14.

The Chairman, in closing the meeting, thanked the members for their attendance and courtesy in assisting him in the conduct of the meeting.

Meeting Closed 3.50pm.

These minutes are endorsed by

Brian Weir

Independent Chairperson

Dargues Reef Community Consultative Committee

Attachment 1 - Presentation



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Dargues Gold Mine
 DCCC No. 37 – 19 October 2020

Agenda

- Item 5 =>
 - Progress of the Project – Three-month review and three month look ahead
 - Issues arising from site visits
 - Monitoring & Environmental Performance
 - Community complaints & response to these complaints
 - Update on DCCC raised matters:
 - Heavy Vehicle Movements
 - Water Management, Groundwater Impact Model & Site Water Balance
 - Noise
 - Voluntary Planning Agreement
 - Staff Accommodation
 - Community Grants Program; Scholarships & School-based Apprenticeship

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Progress of the Project

- Practical Completion of the Processing Plant
- Over 461 containers of concentrate produced YTD
- 12 x trains departed from Goulburn
- 2 x shipments from Port Kembla
- Operations expanded to 123 FTE
- Constructed Harvestable Rights Dam A (HRD-A)
- Annual Return, Annual Review & Annual Compliance Report all submitted to the appropriate regulatory authority
- TRIFR 7.3 – Mining has gone >280 days injury free
- Royalties Payment - \$86.5k YTD
- Payment of VPA road maintenance contribution
- Resignation of Senior Environmental Advisor – recruitment in progress

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Look ahead - next 3 months

- Construct HRD-H
- Construct Stewart & Mertons bore
- Purchase offsite Biodiversity Offset Area
- Construction of Stage 2 of the Tailings Storage Facility
- Trial 24-hour operation of Processing Plant crushing circuit
- Further local employment
- Next Community Information Session – proposed for Feb
- 3rd round of Community Grants – Oct
- Finalise Dargues Gold Mine School Environmental Program for 2021
- Announce Dargues Gold Mine scholarship recipient
- Community Engagement Survey – coming soon.....



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Issues arising from site visit

- Site visit conducted 12 October 2020
- Inspection of the Processing Plant, including:
 - Crushing circuit;
 - Grinding circuit;
 - Flotation circuit;
 - Batch Plant; and
 - Concentrate shed.
- No issues raised related to site visit



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Monitoring & Environmental Performance

Values	BM-1	BM-2	BM-3
Min of PVS (mm/s)	0.06	0.10	0.12
Max of PVS (mm/s)	1.73	1.23	0.51
Average of PVS (mm/s)	0.26	0.22	0.28

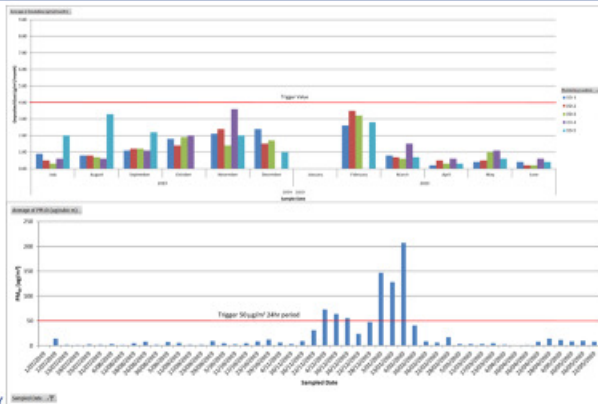


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Monitoring & Environmental Performance



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Monitoring & Environmental Performance

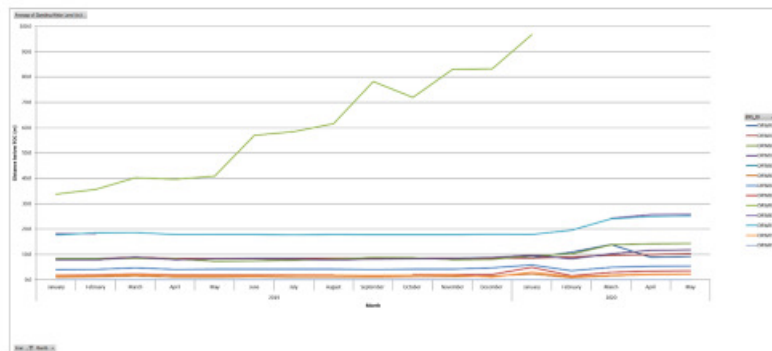


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Monitoring & Environmental Performance

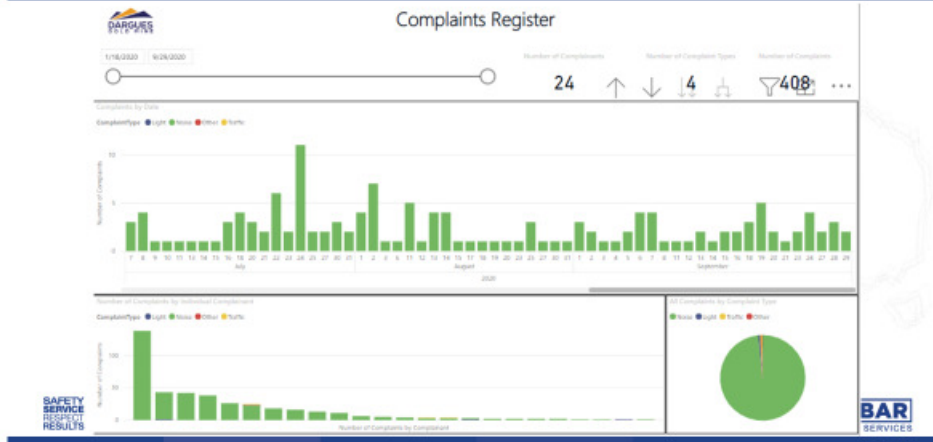


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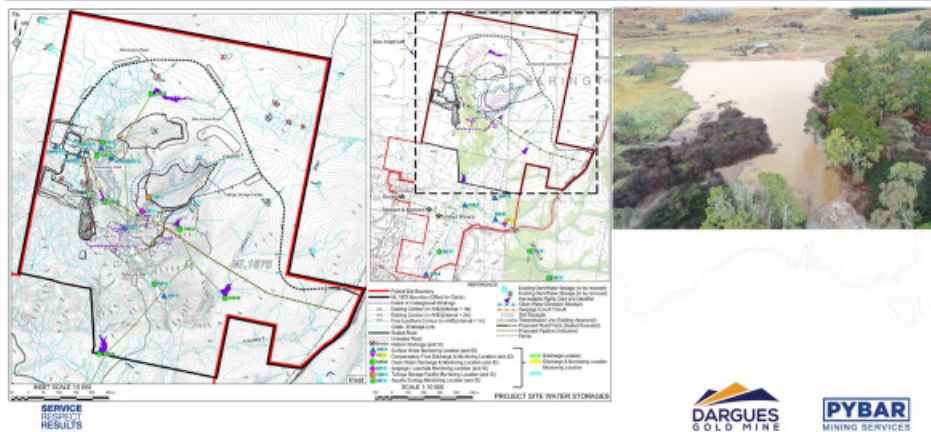
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Community Complaints



Water Management



Groundwater Impact Model

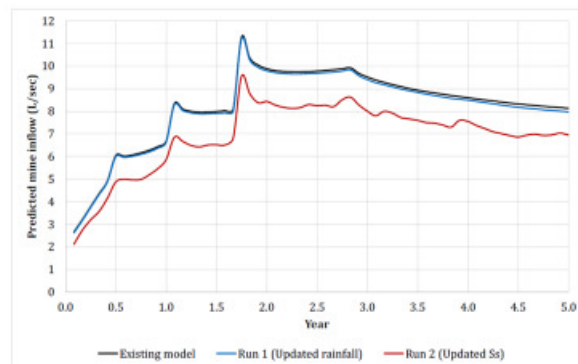
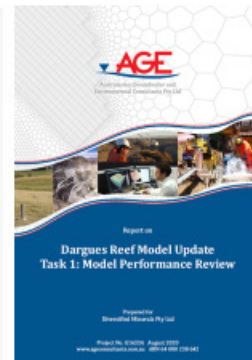


Figure 6.1 Predicted mine inflows for existing and updated model runs



Groundwater Impact Model

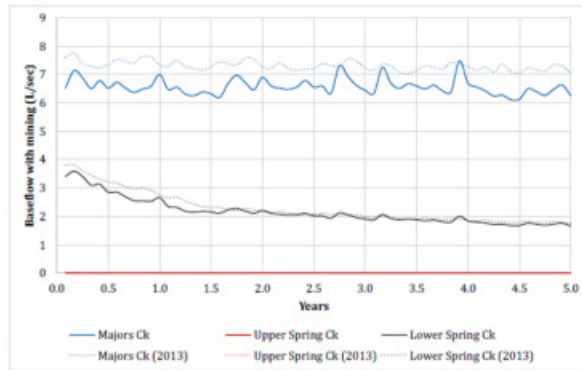


Figure 6.2 Predicted baseflows for existing and updated model runs

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Groundwater Impact Model

Recommendations (AGE, 2020):

1. Rebuild Model using unstructured Voronoi grid in MODFLOW-USG
2. Refine around significant features such as drainages and mining activities and climate data.
3. Updated timing of model phases (such as pre-mining, mining, and recovery) will also match the most recent mine schedule.

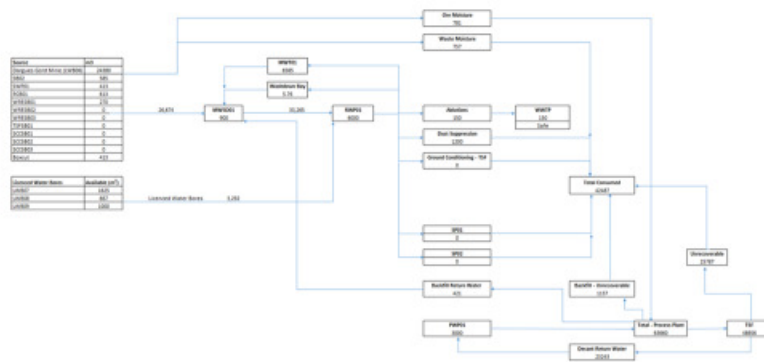
"This model rebuild will realign the spatial and temporal progression of Dargues Reef mine to provide greater accuracy in the predictions of groundwater and surface water impacts, and mine inflows (AGE, 2020)."

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Site Water Balance

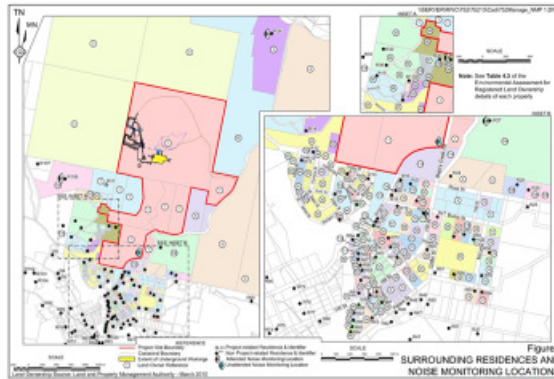


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Noise



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Heavy Vehicle Movements

- Department of Planning, Industry & Environment issued a Show Cause letter to DGM on the 14 September 2020.
- DGM provided a response to the Show Cause on 25 September 2020.
- DGM is awaiting an update from DoPIE.

Table 4 Approved Traffic Levels

Transportation Rate	Daily Traffic Movements (Average)		
	Light Vehicles	Heavy Vehicles	Total Vehicles
Site Establishment			
Majors Creek Road – North of Site Entrance	24	6	30
Majors Creek Road – South of Site Entrance	6	0	6
Total	30	6	36
Project Operation			
Majors Creek Road – North of Site Entrance	20	20 ^{1,2}	40
Majors Creek Road – South of Site Entrance	6	0	6
Total	26	20	46

Note 1: Including 4 bus movements.
 Note 2: An additional 2 vehicle movements would be required for a 6 month period during Year 3 of the Project.
 Source: Table 1.2 – Environmental Assessment – Modification 2

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Voluntary Planning Agreement

Status: Under Review

Reasoning: General legal review & update to obligations:

- Annual payment towards ongoing pavement upkeep along a haulage route
- Community benefit payment towards upgrade of Braidwood Recreation Ground
- Payment for disposal of putrescible waste

What Next?:

- Deed of amendment & revised Voluntary Planning Agreement (VPA) being prepared by legal representatives
- Revised VPA will go on public exhibition before the end of the year

Note: DGM paid the increased road maintenance contribution this year

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Staff Accommodation

Current FTE = 123

Forecast in next 3 months = 138

Short term additional contractors = 18 (TSF) & 5 (Underground Drilling)



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Grant & Community Programs

1. Community Grants Program

- 3 successful applicants in last round
 - Braidwood Girl Guides
 - Braidwood Heritage Festival
 - Gundillion Hall
- Next round will be advertised in Oct/Nov

2. Education Program

- Aim to award in February 2021

3. School Environmental Program

- Next round will close in February 2021



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Contacts

The best source of up-to-date information is our website:

www.divminerals.com.au

Or

<https://www.facebook.com/DivMinerals/>

For more detailed assistance please call the Dargues Gold Mine Information Line on 1800 732 002 or alternatively email DGM.Community@divminerals.com.au

For Employment, visit the PYBAR careers page: <https://careers.pybar.com.au>

Community Newsletter - <http://www.divminerals.com.au/newsletter/>



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Meeting close

