



## Community News

### JUNE Newsletter 2010

## IN-PIT TAILINGS APPROVED

After more than two years of preparation and detailed studies, including extensive hydrogeological studies, the Work Plan Variation to use in-pit tailings storage has been approved by the Government.

The Company wishes to thank the community for their continued input to the process and appreciate the time taken to attend numerous meetings and presentations on the use of in-pit tailings. This process of storage is used widely across Australia, but Fosterville is the first gold mine to use this method in Victoria.



The use of in-pit tailings storage minimizes the need to build tailings dams and once the pits are filled they can be rehabilitated back to the original land form. The material used to fill the pits is crushed rock and water. It does not contain cyanide and the arsenic is

the same or less than in the ground naturally. The water is then reused in the processing plant.

Currently a number of monitoring bores are being drilled near the pits (Fosterville and Hunts pits) to ensure compliance with all the conditions within the approval.

The two pits will be able to store tailings for the next 3½ years.

The approval underwent a rigorous assessment by the Department of Primary Industries and EPA; and included consideration by Dept. Sustainability and the Environment, Dept. of Planning and Community Development, Goulburn Murray Water, North Central Catchment Management Authority, along with community consultation.

We look forward to the day when we can invite the community to the capping and closure of these pits.



### GENERAL MANAGER'S UPDATE:

Ian Holland

We are delighted with the news that government regulators have given final approval to start work on our In-pit tailings storage. The outcome for the community will be that two pits (Fosterville and Hunts pits) will be filled and rehabilitated to landforms similar to their original shape and covered with indigenous vegetation.

I am pleased to report excellent production for the first quarter of 2010. We produced 26,421 ounces of gold and milled 191,663 tonnes of ore. Our staff continued work on the Harrier Underground development and the decline to this new ore body is now 900m in length. Work commenced on the air vent shaft for this section of the mine this month.

The community have been very supportive and cooperative in regard to our recent low impact exploration programs. More than 150 landowners were contacted in regard to land access for the program of induced polarization and gravity surveys and the positive response meant that this work could be conducted to provide information on the geology of the region. We thank you for your assistance. Our exploration staff is now working through all the data that was collected.

**Fosterville Gold Mine  
ENVIRONMENTAL REVIEW COMMITTEE  
Next Meeting: 4<sup>th</sup> August 2010  
10.30am at the Fosterville Gold Mine  
Community Members:  
Tim Harrington, Alan Read, Barrie Winzar**

## Community Grants:



Recently seven community groups received funding from the Fosterville Gold Mine Community Grants Program. Representatives of the seven groups were presented with their cheques at a ceremony held at the mine on the 28th May.

There were well over 30 applications received and the successful groups will support a number of interesting projects in the area, including BBQ facilities to create community interaction, life jackets for a men's Prostate Cancer Dragon Boat team, a fresh food/healthy eating program based at a community house, a hand held scanner to record local history, music stands for a local concert band and safe play equipment for a preschool.

The successful groups were: BBQs in the Bush- Axedale (St Pauls Church), Prostate Cancer Support Group- Dragon Boat Team, Eaglehawk Community House, Huntly and Districts Historical Society, Bendigo Neighbourhood House, Bendigo and District Concert Band and the Heathcote Play Group.

Applications for the next round of funding close on the 30th September 2010. Applications can be obtained from the Company or via the website – see details below.

## Road Realignment:

Recently members of the community met with DPI, and Company personnel to check the planned alignment of the new road. Following confirmation of the road alignment, detailed design work commenced. Given favourable weather conditions it is expected that the new road will be completed by the end of the year.

## Exploration Update:

Ground based Geophysical Programs (Induced Polarization -IP and Gravity surveys) now completed on our Exploration licences and diamond drilling continues on the Fosterville Mine Lease.

Five surface based drill rigs operated on the Phoenix Extension Harrier UG North programs. The results are being used to update current resources and reserves. Diamond drilling is continuing in the Harrier UG North area to complete this program. A drill shed is being used in the southern area of the program to minimise noise emissions.

Surface based diamond drilling is also occurring on several targets closer to the present underground mine development to help define the gold distribution and mine scheduling.

Raw data from the Gravity and IP surveys has been received and now needs to be digitally processed before viewing it alongside our existing geological, geochemical and drilling information. This work will provide location of faults, sites of possible sulphide mineralisation and help guide future exploration activity.

## Environment Update:

The Environment team continued to focus on site waste management throughout the months of May and June. A drum crusher was purchased and has been undergoing testing. This will allow us to crush all drums and containers resulting in less material going to land fill. We are also currently designing a new waste management area at the Underground Workshop to further improve waste management; this will include a new noise attenuation wall to provide a barrier between the underground Workshop and local residents.

Work to further reduce noise emissions continued during June. An intensive night period Monitoring Program was carried out over two-weeks. This included 35 separate monitoring events across five sites with more than 65% of these events occurring between midnight and 5am. Engineered noise control works were also implemented during this period including noise insulation in the Biox Agitator boxes.

Preparation for the 2010 rehabilitation works is underway with seed dispersal and planting by



Goldfields Revegetation to occur during July. A rock drainage system for McCormick's waste rock storage area has been completed.