

McPhillamys Gold Project – Community Meeting

Blayney Community Centre, 23 May 2019

Meeting Minutes – Part B Question & Answer Session

Scott Ferguson, Mayor Blayney Shire Council:

Question regarding economic benefits – clarification sought on direct benefits for the Blayney Shire and township as opposed to the broader region and State.

- There are approximately 7000 people in the Blayney Shire, the unemployment rate is around five per cent and Regis needs a workforce of about 300.
- Not possible to source the entire workforce from within the Blayney Shire, but the right sort of training programs will enable as many local unemployed people as possible to get work, and in doing so maximising the benefit to the Blayney Shire.
- Regis will work with Council to try and attract people from outside of the area to come and relocate into the Blayney Shire.
- Orange and Bathurst businesses have prospered from Cadia mine over the past 15-20 years – some now service the mining industry across the state and nationally. Regis is keen to ensure that businesses can do the same, from Blayney.
- Another challenge is preparing for when the mine closes – after operations conclude – and avoiding an economic downturn in the area.
- Many products and services will be required for the mine and as far as possible Regis would like to source those locally.
- Regis operations in WA are not comparable as they are in more remote locations
- At Jim's previous company, a local business was supported to set up in order to service mine requirements for drill bit resharpener – could have been done more cost effectively via Perth but decision was made to support local business.
- Regis will definitely look for opportunities to assist development of local businesses e.g. engineering businesses that are set up in Orange and Blayney could provide RSJs and other items required in the early stages of McPhillamys operation.
- Over the next 12 months Regis will work with local businesses to identify product and service needs in the event of an approval – to maximise business opportunities once operations commence.

David Price:

Question regarding design and management of site runoff dam that runs for a kilometre up about from 100 to 200 metres off the river (below site office and works)

- Design involves a water management system involving a number of engineered dams around the site – dealing with different types of water
- Water that comes in from Lithgow will go into a storage dam, and dirty runoff water will be captured in dams as it will not be allowed to leave the site.
- Primary water management dam is one of those dams sitting just below the plant site; water will be pumped from there back into the plant.
- It will be engineered so that any seepage will be controlled and collected, same as the vast majority of other dams.
- Dam construction and management will be dealt with in detail in the EIS which will also include more technical information in relation to the questions.

Val Hempel:

Expressed concern regarding cyanide contamination groundwater, affecting drinking and washing quality. Can Regis give 100 per cent guarantee that there will not be any contamination of cyanide in groundwater?

- Cyanide engenders a lot of concern because as a raw chemical it is a liquid that you need to be very careful with.
- Cyanide will be used in small doses as part of the processing system; mixed in with material taken from the pit and then crushed into a very fine slurry.
- Gold is attracted to the cyanide and when the liquid is recovered and the PH changed, to recover the gold.
- Following this, cyanide breaks down quickly in sunlight. Once the gold has been extracted and the remnant cyanide is going out in the tailings, chemicals are added to it in a cyanide detoxification plant reducing it to 50 parts per million or less before it enters the tailings dam.
- Once in the tailings dam it breaks down further and the rate of seepage is such that, according to the scientific research and modelling, by the time that liquid reaches the bottom of the tailings dam there would be no cyanide reporting through there.
- Modelling and studies are undertaken by independent scientists – and their work is evaluated and further peer-reviewed during the government assessment process.
- Government also requires ongoing monitoring to ensure operations are consistent with modelled outcomes – if not, operations would be shut down. Therefore, there is no benefit to Regis in having incorrect modelling if after investing \$200-\$300 million constructing the plant, the mine has to close.
- If the project proceeds, groundwater will be monitored on and off the site to ensure no leakages occur in the Belubula or downstream. Monitoring results will be independently reported and reviewed. That is how Regis' current operations run in WA, with high degree of accountability – very different to the way mining approvals and operations were 30 years ago.
- Critical for Regis and the community to be absolutely sure that mine operations meet modelled outcomes.

Phillip New (Orange Aboriginal Land Council):

Question regarding clarification of job numbers – different slides in the presentation had different numbers ranging from 788 to 300 to 12.

- Job figures can be confusing as different assumptions and formulas used in projections will generate different numbers – important to examine explanations of the different figures.
- Mining operations are currently expected to require 300-350 (employed by Regis or employed by a contractor) actually working at the McPhillamys site.
- Note that these are current estimates provided by specialist consultants, based on guidelines set down by NSW government – they will be refined as the project details are finalised.
- There is also a 'flow on effect' in economics where that number of people employed directly will lead to other jobs being created indirectly – not at the mine but associated with it e.g. in shops, restaurants etc; and if more families move to the area there may be more children in schools, leading to more teachers/ teachers' aides. This is called the multiplier effect.
- The figure of 788 refers to direct and indirect employment, taking into account the multiplier effect of employing 300 people on the project.
- All figures and assumptions will be provided in detail in the EIS.

Miles Hedge:

Question re concerns regarding noise due to house being closest house to the mine pit and possible breaches of noise limits – what protections are there for residents in regard to limits on noise, dust, light etc given they are only a kilometre away?

- If project impacts exceed certain criteria there is a requirement to have management agreements in place with local landholders and every effort is being made to minimise the impact on people at Kings Plains.

- Regis will be required to have real-time monitoring of these impacts in order to be able to respond in real time to any breaches or potential breaches – including changing weather conditions which can impact noise and dust levels
- Other measures will include changes to pit and waste dump design and dropping off equipment under certain climatic conditions to make sure the noise levels stay down.

William Josh (East Guyong):

Question regarding the hectare size of the of the catchment that runs into the back of the tailings dam and potential impacts during very wet weather. With the tailings dam obviously filling up over the 10-year life of the mine, what would happen in a big rain event and would the dam be good enough to hold it?

- Firstly, water that lands uphill of the tailings dam would be redirected around it and then released back into the Belubula
- Aim is to minimise the amount of water that lands on disturbed area so that it can be returned to the Belubula where it would naturally flow
- All water, in light or heavy rainfalls or flows would be collected (in trenches and dams) and redirected to the river
- Tailings dam and water management system requires major, expensive construction in order to withstand a range of conditions over the operating life of the mine

Rebecca Price (local landholder):

Concerns regarding with the four per cent (of water) that's not going to flow into Carcoar Dam would equate to (according to statistics taken from the New South Wales DPI General Purpose Water Accounting Report for 2015 for the Lachlan and the Belubula catchments) to be on average over 16,000 megalitres per annum or over 20 litres per second. How can your water expert say it's only four per cent and how can you justify and have your experts telling us that it's irrelevant and insignificant to landholders downstream, to the community, to the people who want to use Carcoar Dam in times of water scarcity?

- Four percent impact is not irrelevant – and according to the same calculation if 21 litres a second is not going in, 525 litres a second continues to go in.
- Modelling shows there is an impact to flow that's going into the Belubula which needs to be looked at in the same way as the impact of any other water user who has permits.
- Regis would require permits for any water impacted, just like the other people who are already taking water from the Belubula – it is a resource to be shared.
- Permits firstly require agreement from regulators that the modelling is correct – then Regis would seek permits like any other water user.

Norm Pattison (Vittoria Road):

Concerns regarding impact on local landholders and businesses as well as property values for landholders in Kings Plains and surrounding district. The impact on all of these people would not be outweighed if the benefit is only a value-add of 80 jobs.

- Regis accepts there will be an impact and is working to minimise that impact.
- There will also be a benefit to the people that work at the mine; and the flow on effect of that employment ideally leading to better services for the whole community.

Gemma Green (Landholder between Blayney Cadia):

Concerns regarding the springs and tributaries located under the tailings dam – what measures are in place to ensure downstream water security and safety?

- There are springs in the headwaters of the Belubula
- One of the real positives of the project is processing water will be sourced external so no local water required to run the operation – but Regis will be required to deal with the impact of any water on the site

- If the project has an impact on local water, licenses would be required just like any other water user.

Peter Hildenbeutel (Guyong Road):

Interested in training and work opportunities that the project would provide for young people in the area; many Blayney residents have businesses locally and would like local kids to be able to remain in the area. Fully supports the project subject to appropriate and responsible operation and management of all concerns.

Frances Retallick (adjoining landholder to Junction Reefs and Cadia):

Concerns re Junction Reefs dam currently leaking into the Belubula and periods when the water coming into local properties is unfit for human consumption; Cadia groundwater allegedly is 20 per cent tailings water; and leakage into Belubula due to failed tailings dam. Question re apparent purchase by Regis of downstream licences (Cowra) – that will allow Regis to take out water at Kings Plains. Does the four percent impact take into account these downstream licences? And given the four per cent is based upon average water flows what would that percentage be when based upon a year like this year?

- There is some confusion re downstream water licenses – Regis does not hold surface water licences downstream of the Carcoar dam.
- Regis has secured groundwater licences on Zone 2 of the Lachlan as a backup plan for water in the event that the Lithgow option was not feasible – not the preferred option but a backup.
- In relation to the four per cent, the four per cent, my understanding is that we're talking about a four per cent flow. So, whether it's an average year, a high rainfall year or a low rainfall year, it represents four per cent of whatever is flowing. In high rainfall years the actual amount would be more than in low rainfall years, but it would always be four percent of whatever the flow was.
- Numbers quoted earlier were for 2016 or 2017 – which was a very wet year.

Tom Harris:

Concerns that Regis is planning for a regional ore processing centre for gold-bearing ore from Discovery Hill at Mandurama. Questioned why this was not mentioned in the presentation – in order to avoid scrutiny.

- McPhillamys is a standalone project with a gold deposit large enough to sustain 10 years of operations – it is economically feasible and does not require Discovery Ridge or anywhere else, to be viable.
- Regis currently holds exploration licenses for other sites in the Central West, including Discovery Ridge but we are still trying to determine the nature of the ore deposits there – if in the future it does prove viable Regis would be required to lodge a completely separate application for that
- Discovery Ridge is certainly a possibility and if it does prove viable it would need to be assessed via a completely separate process in order to get planning approval.

Evan Leitch (Walkom Road):

Question regarding construction process/timeframe for building the amenity bund – will construction take place 24 hours a day, over two-and-a-half years or just during daylight hours (average of 12 per day) running over five years (which is almost 40 per cent of the time that Regis intends occupying the site).

- If construction proceeded 24 hours a day seven days a week then it would take around two-and-a-half years; if construction is only in daylight hours, then it will take almost twice that time.
- The decision would ultimately be made by the regulators, but Regis would prefer an approach which was agreed to by the majority – if not all – of the people who might be affected.

Evan Leitch:

Question regarding future of Dungeon Road – will it be closed, or will it be rerouted and have the people impacted by this been consulted?

- The decision hasn't been made yet and it is something that requires further investigation in conjunction with the Council.

Evan Leitch:

Concerns regarding makeup of water coming from Lithgow and the possibility that it may contain brine (concentrated salt solution). Regis representatives have suggested in recent discussions that consideration was also being given to sinking groundwater bores on parts of the land owned by Regis. Is that the case or not?

- Regis will be putting bores down for water monitoring, not for harvesting.
- Water will be required for construction and early works, and certainly dust suppression during construction.
- As stated previously, no local water is required but if water falls in areas from where it can't be released, it would be used through the processing plant.
- This is not harvesting water; it is re-using any water that falls on disturbed areas which can't be released.

Julie Said (Vittoria Road):

Concerns regarding the impact of the tailings dam catchment area stopping flows into other local dams; controlling dust which in dust storms etc will go onto local roofs and drinking water tanks; and seismic activity due to the major fault lines that run through this area; impact of stress on local families due to worrying about these concerns.

How can any of the control measures actually deal with these issues and would you move your family here to live in Kings Plains?

- 90 per cent of the water that we will use is going to come from Lithgow and the other 10 per cent will be sourced onsite – because water that lands on a disturbed area can't be discharged, so it will be used.
- Water that does not land on disturbed areas will be captured and redirected around the site
- Regarding individual dams Regis would like to review that in more detail and understand exactly what those specific concerns are – the aim is not to be dismissive but to work through concerns properly, with the experts.
- The uncertainty is difficult for everyone, especially the community and there is a long journey ahead – approx. 18 months – due to the government process and the time required for assessment and a decision.
- The reason the process is so long is because it's so thorough, which is an advantage.
- A great deal of work is being done to ensure Regis is very clear on what the impacts are and that they are not being understated because it's in nobody's interest to understate them.
- The 85-kilometre pipeline from Lithgow will ensure a continuous supply of water to the site – regardless of drought or dry conditions locally – for use in dust suppression on the roads and on the tailings dam (which is kept damp to control dust).
- The other advantage of that pipeline is that it will remain after the mine closes for whatever use the community and the State might decide is appropriate.
- Unable to provide a detailed response to the issue of local fault lines.

Unidentified Male:

Question regarding composition of water from the (Lithgow) coalmine – what's in it?

- The water that's coming out of the coalmine will be good, clear, usable, stock quality water.
- It will be mixed with some of the process water that comes out of the power station where there are elevated salts, in a power system, they need very clean water to run the steamers and the turbines.
- This is channelled through a desalination plant to produce high quality water and then the elevated salines there are mixed with the clear water that's coming out of the mine and sent to McPhillamys.
- Now, from a processing point of view and from the water that we require, we're happy to take it with elevated saline levels because the process is basically designed for it but we are also ensuring that no harm would be caused in the unlikely event that the pipeline fails.

- There will be quality standards that are applied to it and the supplier will be required to ensure the water provided meets those standards.

Daniel Sutton (Kings Plains):

Concerned that there was a slide in the presentation regarding negative impacts of the project but nothing on what was being done to address those issues – why were they left out?

- A number of the negative issues e.g. noise, dust and water have been discussed and will also be discussed in the EIS.

Daniel Sutton:

Question re Lithgow pipeline – is this the preferred option for water supply and has Regis sold the Lachlan water licenses? What are Regis future intentions for the licenses?

- Regis still owns the Lachlan water licenses and sees no need to sell them – no need to make a decision at this time.

Daniel Sutton:

Question re latest Regis ASX quarterly report which estimated project capital cost to the higher end of the initial estimate of \$215 million plus or minus 25 per cent. Has Regis underestimated the cost of the project – particularly in relation to mitigation measures – given this is the first time the company has operated so close to a residential community?

- This is a 'first' for Regis as a company, but Regis personnel have had previous experience in mines closely located to residential communities – including experience on much larger mines close to national forests and farming land; and sites with complex constraints requiring careful environmental and community management.
- As reported in the quarterly report – capital cost will be at the top end of the initial estimate of \$215 million plus or minus 25 per cent.
- The EIS studies and process have enabled further refinement of the project budget and this will continue as the project proceeds.

Daniel Sutton:

Question re presentation slide on economic benefits which referred to the project providing a \$2.7 billion economic boost over ten years. But are there any plans for longer term sustainability after the mine closes – how will the local economy keep going?

- It would be unrealistic to expect that all the economic conditions during operations would remain after mine closure because the jobs won't be there – but it is important to work towards sustaining the businesses that develop and service the mine.
- Regis would like to help them develop to the point that they can continue after operations close, providing services elsewhere. E.g. a small fabricator here in town might service the mine and then afterwards go on to support farming requirements in the immediate area.
- Mining operations are cyclical, and our aim will be to help businesses establish businesses which are going to be sustainable after Regis is gone.

Daniel Sutton:

Question regarding actual number of jobs for Blayney LGA residents – was told by Regis independent social impact assessor that 65 were going to go to existing Blayney LGA residents and with a best estimate of 13 more coming to new Blayney LGA residents, so a total of only 78 of all of jobs for the Blayney LGA; concern that this is not understood by the broader community of Blayney.

- Figures provided by the SIA consultant are correct and Regis will be working with Council to attract more people to the area so that the jobs can be filled locally; ultimately aiming for the number to be higher than 78.

Tim Adam (local businessman):

Concerned about losing employees from his farm contracting business (4) and other businesses in the area; the mine will take staff from other businesses and also take priority over local people with services e.g. mechanics, repairs etc. How will Regis help local businesses?

- Concerns are understood and appreciated by Regis – which is why the company would like to work with local businesses to avoid these kinds of negative impacts. Engagement with local providers is necessary to ensure that Regis needs can be met without compromising delivery of services to other locals.
- Regis will work with local providers well before construction and operations commence so that they, and Regis can plan accordingly to minimise disruption to local economy.

Elizabeth Russ (Walkom Road):

Concerns relating to their 100-year-old house, close distance from mine, views and water. Reminded audience to utilise CCC members (including her) to put questions and concerns to Regis. Also expressed thanks for potential benefits which have been promised as part of the project, to Blayney Shire. Key concern is bore water and the shared bore on their property and questioned accuracy of modelling - how can Regis ensure locals will still be able to water stock; and will residents have to buy water for personal needs in times of drought, due to limitations of first flush systems which are being put forward as a measure to mitigate against dust in water tanks? Kings Plains residents are not on town water – and rely on bores, tanks etc.

- Regis is confident there will be no impact on bore water outside of the McPhillamys site.
- If there was any impact or drawdown there would be an obligation to 'make good'.
- Bores will be closely monitored so this would be identified if it did happen – and Regis would be responsible for resolving the issue.
- There are a number of options to address these types of concerns and Regis will work with landholders to explore all options and come up with the best solutions.

Nikki Parker (landholder on the Belubula):

Concerned about springs in tailings dam area – questioned whether loss of spring water to the Belubula had been included in the four percent loss of flow to the Belubula? Would the impact last beyond the life of the mine due to capping of dam?

- There are springs in that area and the design of the dam provides for them to be sealed
- The four percent figure does take into account any contribution from those springs – it includes all flows to the Belubula
- The technicalities surrounding many of the water issues are best dealt with by the experts and there is an invitation to come to the Open Days and work through the issues with those people

Tony Newman:

What habitat area and where is Regis setting up for the displacement of native and non-native animals due to this project? How many acres would be needed for offset habitat?

- Unable to provide the answer at this stage but a potential offset area has been identified – Regis will make this information available as soon as possible, once confirmed.
- This will be determined by the government and at this stage, Regis does not have that information
- Regulators have a formula to calculate the amount and it is unclear to us exactly what the requirement will be
- Regis would be comfortable with a ratio of 2:1 or 3:1 but we expect the regulator will require more than that.

Tony Newman:

What are Regis's plans for the effect they'll have on the koala population at Kings Plains? Will they be affected by daily blasting?

- One koala was found during the site survey – it hasn't been seen since then, but Regis would love to set up a program to enhance the koala population in the local area.
- There should be no impact from blasting and other mining operations.

Rebecca Price:

Concerns re naturally occurring asbestos over the site – EPA mapping has identified that there is potentially high naturally occurring asbestos over the site. In terms of transparency, if it's not an issue why wasn't this addressed in the preliminary environmental assessment so that residents and people could be put to rest as far as dust and added issues not just from the mine site?

- EPA mapping is a desktop evaluation which shows where naturally occurring asbestos might occur. Regis has actually carried out extensive drill testing for naturally occurring asbestos, or fibrous material and radio nuclei, and none were found.
- This has also been raised as a concern along the pipeline and in particular in the state forest and geotechnical drilling will be done in those targeted areas as well to ensure that is not on the construction route. And if it is it will be managed appropriately.

Chris Cullum:

Does Regis use any overseas workers in current mining or gold processing operations?

- No. There might be some people who have immigrated to Australia, but the short answer is no.

Chris Cullum:

What will the mining impact be on local land valuations – will they decrease?

- From experience it can be a mixed bag – during operations there can be a perception that there's a reduction in value.
- In other locations the mining company has actually added value to neighbouring properties by putting in bores and providing them with water.
- In other towns near mines, the value of property actually improved because mining operations attracted new residents and businesses and demand increased.

Meredith (local resident):

Experience in mining suggests negative impact on house values – people couldn't give away their houses when mines closed in Moranbah and Blackwater. Mines are burn and bust and your land values will decrease when the mine closes. Question re how Regis will manage the standoff zone during blasting (generally 1000 metres) and the impact on nearby residences?

- The proposed standoff here will be 500 metres, not 1000 metres. Lower impact blasting will be used, with less explosive material because this is a sensitive area.

Meredith (local resident):

Question re depth of pit – due to concerns about going below the spring level, bearing in mind what happened out at Browns Creek when they blew into the side of the water table and filled the mine up with water and dropped everyone's bores and had a huge impact outside of their area – what guarantees are there that this will not happen here?

- McPhillamys is very different to the geology at Browns Creek and my understanding is that it was a limestone belt – and that water level recovered over time after the initial inrush.

Val Hempel:

With all the possible negative impacts (water, air, dust, possible cyanide contamination, possible tailings dam failure, negative effects on farmers) and benefits being only 75 local jobs in this area, isn't this mine in the wrong place, as the only real benefits I can see is for the shareholders who don't live in the area?

- The benefits to the broader community are extensive.
- Numbers and research relating to economic benefits are real – and Regis will be held to account for them, so there is no interest or value in investing money here if the company cannot fulfil those obligations.
- There will be 300 plus people working at the mine – plus the impact of the multiplier effect – so the broader benefits will be far more substantial than the question suggests.

Kaysey Sutton:

Regis ASX report says that if McPhillamys is an approved project, that Discovery Ridge will be using that. Are you lying to your shareholders or are you lying to us?

- It is not correct to say we are lying to the community or our shareholders because we're telling both parties the same thing- the truth.
- It has been clearly stated that if Discovery Ridge is viable it would be pursued– but at this stage we are not clear about whether or not it has a reserve. If it proves up economically and geologically and we think there's a way that we can do it in a manner that meets the regulator's obligations, then we'd be certainly looking at applying for it.
- When people ask about McPhillamys - is it (Discovery Ridge) in or is it out – we say we don't know. And that McPhillamys doesn't need Discovery Ridge to be viable.

Michael Hoadley (landholder adjoining Regis to the western side):

Concerns re reduced property values of all the neighbours around Kings Plains - who would want to buy land or a house next to a mine? How will Regis's mitigate those issues, especially for neighbours?

- Regis understands and appreciates how difficult it is at this time of uncertainty – we see that it is emotionally draining for the community.
- The uncertainty is difficult for everyone concerned but at the end of the day the ore body is there and will be developed at some point – and Regis it is best placed to do that.
- On the other hand, other people have said they will buy property here because of the prospect of the mine, which is consistent with experience in other places where (once the approval is given) people that work at the mine want to come and live close to the mine and they generally pay higher than market value because they earn good money.
- The challenge is getting through that uncertain period.

Tom Hoadley:

Property values around Kings Plains are already really high so someone with a mining income isn't going to want to pay massive amounts of money for big farms - or not big farms, but small hobby farms around the area.

- There's isn't a yes-or-no answer to that. That may be correct.

Max Stainkamph (Blayney Chronicle):

Re the four per cent river flow what work has been done to examine the impact on downstream water licenses and if that puts thresholds at Carcoar Dam a bit lower will that restrict the ability of other license holders to access their water?

- That study is still being prepared and the level of research done will be documented when it is final.
- Four per cent will have an impact on the amount of water in there but it isn't clear yet whether it will have an impact on the downstream users; we don't know but we don't think it will, we don't have the answer at this stage.

Chris McGirr (Bathurst):

Concerns re differing figures being provided for employment and job assumptions – are figures annual or over 10 years? 250 jobs quoted previously for Blayney, Bathurst, Orange – is that 750 jobs or is that 250 jobs divided by three? Given the confusion why aren't the experts at the meeting?

- The 788 jobs would be over that 10-year period.
- Estimates have changed as planning progresses – but the number that we require (during operations) is still around about 300.
- The economic experts were here last week for two days from 12 until seven, for a well-publicised event, so there was an opportunity then to have those discussions – and Regis is committed to having further events at which the experts will be available again.
- The date for that event has not been determined because we would like it to coincide with the public exhibition of the EIS – and we understand that people need time to review the document before asking their questions.
- The experts will be here for a couple of days, allowing people to come in with their questions; questions can also be put to the CCC or the IPC as part of the planning process.
- The aim of tonight's event was to outline the planning process and some of the major changes to the project.

Unidentified Male:

Is that during work hours or after work?

- Last week we had them running from 12 until seven - that way we get an opportunity for people across the board.

Unidentified Male:

Can you put a sign out the front next time so if we're driving past, we can see it?

- Regis will advertise in local papers and in the project newsletter. Anyone not receiving the newsletter or accessing the local paper can provide their contact details tonight and we will ensure the information reaches you.
- Under no circumstances should anybody walk out of this room thinking that we're trying to keep those experts away from people. The reason that we bring them here is so that as many people as possible can talk to them and get an understanding of what they're doing.

Bob Russ (Kings Plains):

What will happen if the price of gold drops by 60 per cent?

- If the gold price drops by 60 per cent Regis will probably end up doing what every goldmine in the world will do - and that is close.
- Part of running a gold mining business involves looking at the long-term forecasts for the commodity. Investment decisions are made based on long-term forecasts, not just current prices.
- Regis also undertakes hedging (the company enters into contracts to sell gold at a set price regardless of what the actual gold price is doing) and currently approx. ten percent of our reserves are hedged at about \$1600 an ounce, which is about \$200 less than what it is in spot market today.
- We don't see a drop of 60 percent as being a scenario that would eventuate, but we do have hedging in place, and if we felt that it was possible, we would look at putting more hedging in place for protection.

Unidentified Female:

Question re future of pipeline/water, once the mine has closed?

- The future of the pipeline has not yet been determined.
- Regis will build and own the pipeline, but it will remain after the mine has closed – the end use hasn't been decided.

Unidentified Female:

Are you aware that the water from Springvale Mine broke the Wallerawang Power Station? And given that Sydney is going into water restrictions within the next 10 weeks and they've already got the desalination plant switched on (paid for by taxpayers), do you think it's fair to be pushing Sydney water users into deeper water restrictions by stealing water from the Sydney catchment?

- The water that would be piped from Lithgow is water that must be taken out of the catchment. If you read back on the history of that, there is an issue with that water being released into the catchment.
- By using that water, the project is assisting them by removing that water from the catchment.

Elizabeth Russ:

Once the ore is processed what will be the means of transport to get it away from the McPhillamys site and how much transport will be involved.

- The only product made on the site will be gold bars and those gold bars will be transported out in security vans.
- Unlike Cadia which transports copper concentrate in trains, there would not be a large number of gold bars – approx. two per day.

Unidentified Male:

Question re future of the pit after the mine closes.

- The pit will remain – and eventually it will fill up with water.

Closing remarks – Jim Beyer:

- Regis understands this is a complex project and that there are impacts and concerns for the local community.
- Appreciate that people have taken the time to come in and ask difficult, but fair, questions – this helps to provide a balanced understanding of the project.
- Invitation for everyone to attend the forthcoming Open Days, ask questions, engage with Regis and the CCC.
- The success of the project depends on community involvement – including in the formal process with the regulator.
- Thank you to David Johnson for being the Independent Chair of the meeting.

Meeting closed 9.15pm