Federation Mining

Community Meetings - December 2021 Snowy River Mine Update



Introductions



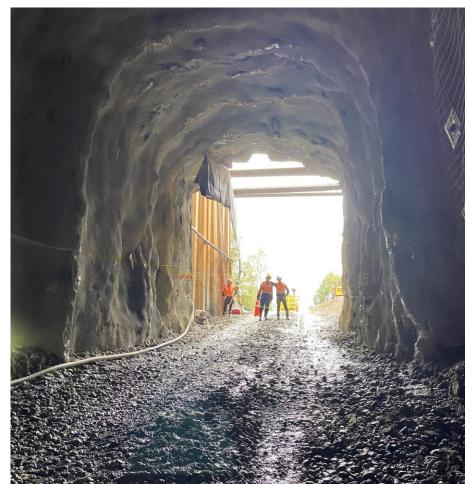
Name	Company	Role	
Mark Le Messurier	Federation Mining	Managing Director	
Simon Delander	Federation Mining	Vice President	
Lincoln Smith	Federation Mining	Snowy River General Manager	
Cas Hutt	Federation Mining	HSEC Advisor	
Don Maclean	Federation Mining	Project Geologist	
Alex Mayhead	Federation Mining	Geologist	
Claire Hunter	Mitchell Daysh	Resource Consent Advisor	

Project Scope



- Deliver a modern underground narrow vein gold operation that produces around 65-70koz/ annum for minimum 10-year mine life
- Generate significant local employment over the next 10+ years
- Minimal impact to land with small surface infrastructure footprint for processing plant
- Water management program prioritises the use of recycled water and storm water capture for operational usage
- Support the regional economy and seek partnerships with New Zealand based businesses

- The mining permit and operation is owned by OceanaGold, the current Resource Consent is in the name of OceanaGold.
- Federation Mining entered into a deed of agreement with OceanaGold for the development of the Snowy River Mine including:
 - the establishment of site infrastructure,
 - construction and development of twin tunnels and drill platforms
 - completion of resource drilling and a feasibility study





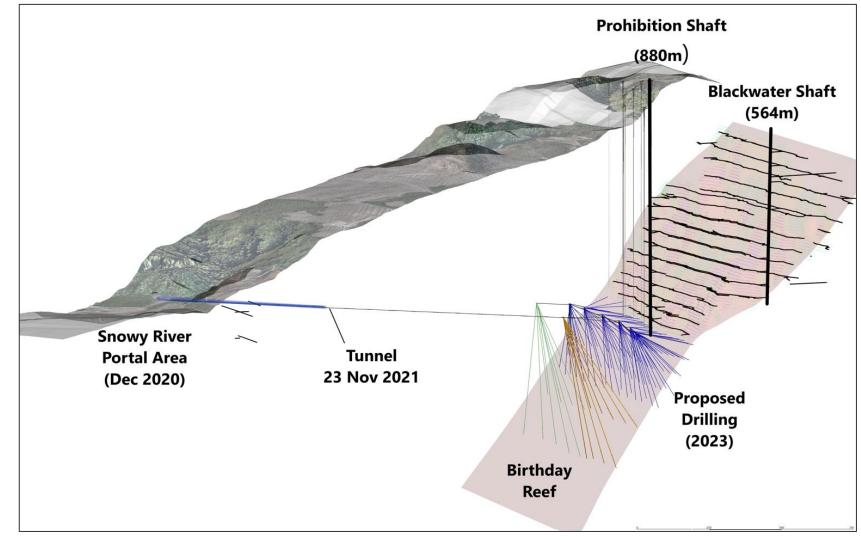
- During 2020 we completed surface construction on the Snowy River Site, building roads, a bridge, a workshop, offices and changerooms, mains power and distribution systems, sewage and water supply, fuel tank, water treatment ponds and excavations for a twin portal area.
- The local workforce was recruited and trained, 80% reside on the West Coast.
- Works commenced on the Main Decline in December of 2020 and the North Decline commenced in February 2021.
- To date, over 2500m of decline development have been completed across the twin declines.
- Application for new or varied Resource consent planned for Mid 2022.
- Subject to Resource Consent commence Processing in 2024.











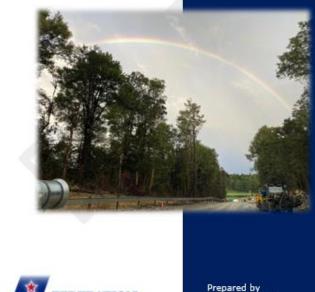
Overview of twin decline and proposed drill drives to explore the Birthday Reef under the historical Waiuta mining precinct

Sustainability

- Protection of our Social License to operate is critical to our success.
- Our objective is to deliver value to our stakeholders over the long term through safe, environmentally responsible and socially respectful operations.
- Our project is expected to have a low emissions intensity given our mining method, mobile fleet configuration and use of hydro power.
- Our emission profile is tracked, and an offset strategy is being developed.
- Federation released our first Sustainability Report this week.



Federation Mining Sustainability Report – FY20/21





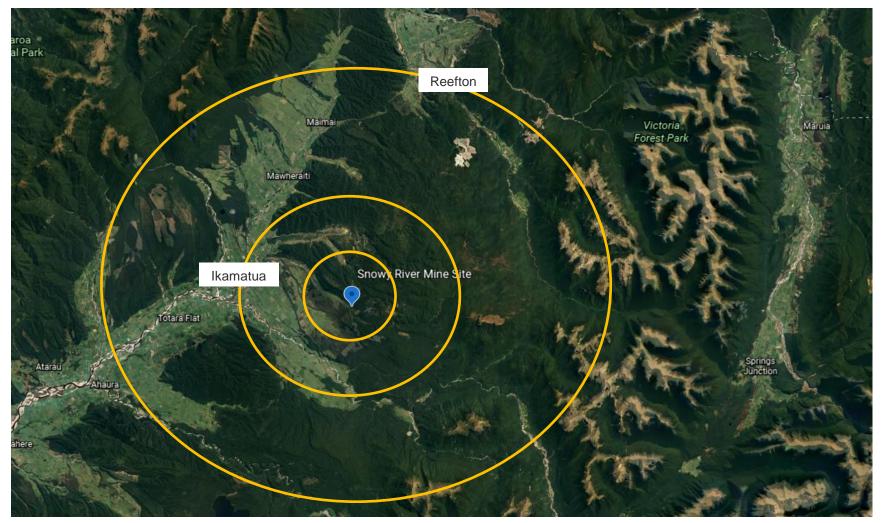
Prepared by Federation Mining November 2021

Stakeholder Map



Identified 1200 stakeholders within 20 kilometres of the project

- Rural landholders along Snowy River and Mossy Road
- Forestry plots operated by Ngai Tahu groups
- Residents in Ikamatua township
- Waiuta Historical area (DoC)
- Residents in Reefton township
- Rural landholders on State Highway
- Department of Conservation
- Fish & Game NZ
- NZ Transport Agency
- Heritage New Zealand
- District Council
- Regional Council



Community

Federation has supported several community organisations during the year to assist their projects and operations including:

- Inangahua A&P Show
- Reefton Search & Rescue
- Reefton Golf Club
- Reefton Rugby (Bottom left photo)
- Reefton Fire Brigade
- Friends of Waiuta (Top photo)
- Reefton Powerhouse Restoration
- Reefton Netball
- Sustainability Conference Organising Committee
- Heritage Pub Light, Reefton (Bottom right photo)
- Trees That Count Te Rahi O Tane
- Reefton Jockey Club







9

Existing Resource Consent



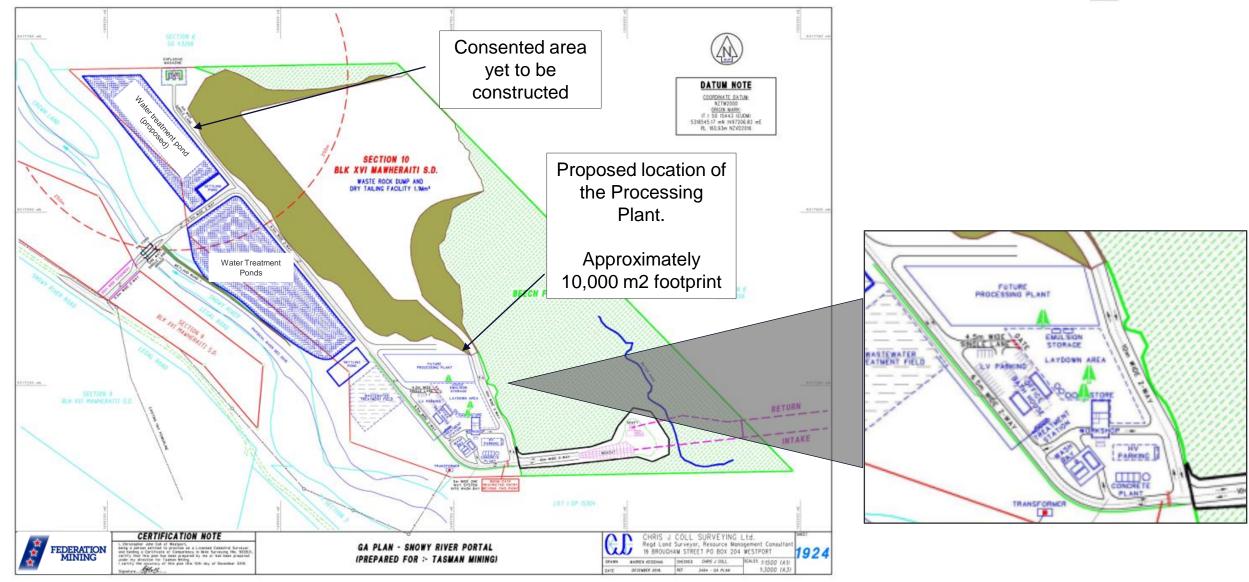
- 2014 West Coast and Buller District Council's granted resource consents to develop and operate the gold mine.
- Activities authorised onsite include:
 - Construction of a twin tunnel decline including surface mine infrastructure, water management structures, roads, bridge, waste rock stack, power and telecommunications, buildings, dangerous goods store, and some refurbishment of Snowy Road;
 - Exploration drilling and trial mining and dewatering of the historic workings;
 - Mining of the ore body including sorting and screening of the ore with offsite processing;
 - Mine closure and decommissioning. The constructed water management treatment ponds is to remain.

New or Varied Resource Consents



- Processing facility is outside the scope of the existing consents.
- Waste rock stack consented, but potentially not the nature of the material resulting from changes arising from the processing onsite.
- New land use consent from Buller District Council.
- Water management depending on final design and water quality parameters new or varied consents may be required.
- Reduction in heavy vehicle traffic on local roads and State Highway.

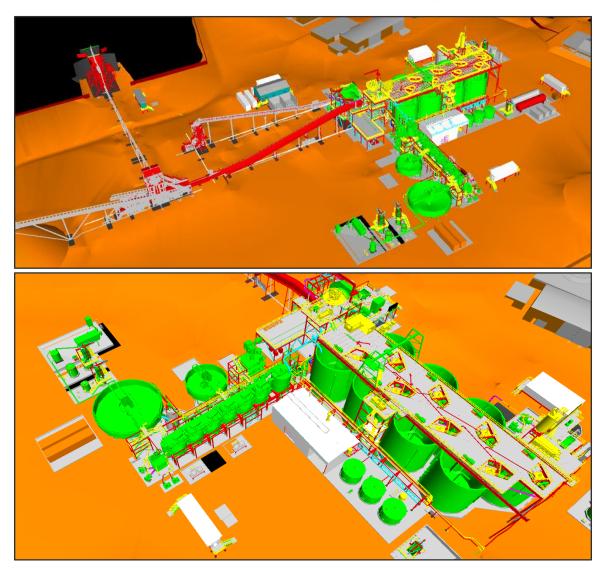




Processing Overview



- Throughput 300,000 tonnes per year with 95% recovery
- Contained and modular plant will occupy 10,000 m2 of land already disturbed
- Plant construction time estimated at 9 months with commissioning in late 2024
- Gravity circuit, floatation, cyanidation of float concentrate with full destruct system
- Waste to be placed on surface lined waste rock stack and underground in form of paste fill
- All water runoff from surface waste rock stack to be captured and treated in mechanical treatment plant and ponds



Key Environmental Investigations Status



Environmental Investigations	Consultant	Status
Waste Rock Stack	PDP	\checkmark
Noise and potential vibration effects	Tonkin & Taylor	\checkmark
Landscape and visual effects	Frank Boffa	\checkmark
Terrestrial ecology effects	PDP	\checkmark
Ground disturbance and containment treatment – including geochemistry	Mine Waste Management	\checkmark
Longer term water management strategy	PDP	\checkmark
Aquatic ecology effects	Ryder Consulting	\checkmark
Assessment of air discharges	PDP	\checkmark
Transport and traffic assessment	Stantec	\checkmark
Archaeology and historic heritage	Origin Consultants	\checkmark

Environment Aspects - Water



- A series of technical reports have been commissioned on water management for the processing phase of the mine considering onsite and offsite impacts.
- Water is currently treated in a series of settling ponds and passes through an oil water separator.
- During production and processing phase Federation has elected a best practise approach by:
 - Installing a water treatment plant to meet specifications of ANZECC guidelines
 - Installing a liner on the Waste Rock Stack
- Treated and captured water will be recycled for operational use.
- Processing chemicals will be stored and used in line with best practice.
- Federation undertakes water monitoring onsite and offsite in the Snowy River.

Key – ANZECC = Australian and New Zealand Environment and Conservation Council

Environment Aspects



Dust

- A technical report has reviewed potential dust impacts from processing.
- Federation has elected to adopt a best practise approach to dust management to minimise risk and manage any potential nuisance dust.

Traffic

- A technical report has reviewed potential traffic impacts from site processing.
- Overall traffic volumes will be less than previously anticipated and accounted for in existing Resource Consent.
- Federation has undertaken upgrades on the Snowy River Road and will work with Buller Council on further enhancements in the future.

Environment Aspects



Noise

 A technical report has reviewed potential noise impacts from site processing, the report found minimal increase on existing noise levels.

Land, Soil & Vegetation

- A technical review has reviewed potential land impacts from site processing.
- The contained and modular plant will occupy 10,000 m2 of land already disturbed.
- Closure plan and bond in place.

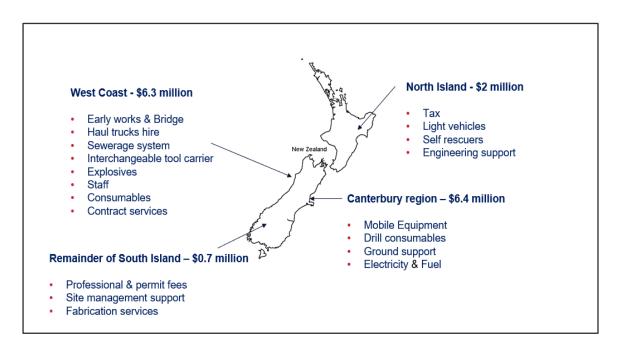
Heritage & Landscape

- A number of technical reports has reviewed any new potential impacts from site processing.
- There are no material changes from the existing consented environment.

18

Economic Investment

- Federation is a strong contributor to the New
 Zealand Regional economy with over NZ\$15 million
 dollars spent across over 200 local NZ businesses
 and service providers during financial year 20/21.
- Federation have spent over NZ\$6.3 million dollars in the West Coast region during the same period.
- Processing plant engineering, design and construction over NZ\$50 million.
- Over 100 direct employees during production phase (2024).
- Mine life expected to be over 10 years.



Economic Investment - Financial Year 20/21



Stay Up To Date



Contact Federation Mining

Community Contact Line +64 3 732 7028.

Website <u>www.federationmining.com.au</u>

Email info@federationmining.com.au

Monthly Business Update

We can email directly to you or reviewed on our website, please advise our staff or send us an email

For More Information

Federation Mining (Sydney)

Simon Delander +61 8330 6785

LinkedIn www.linkedin.com/company/federationmining

Media Contact

Michael Vaughan, Fivemark Partners +61 422 602 720