



**CHALLENGER
MINES PTY LTD**

ADELONG GOLD MINE

COMMUNITY CONSULTATIVE COMMITTEE MEETING No.5

22nd August, 2017

Greeting – Ladies and Gentlemen of the Community Consultative Committee and other interested guests. Thank you for attending this evening.

- My name is Grant Michl, Mining Engineer and NSW Registered Mining Manager. 38 years industry experience – Mining Operations Manager
- I also introduce Dennis Clark –General Manager experienced mining contractor and ex-MD of ASX listed A1 Consolidated

Adelong Gold Project

- Challenger Mines Pty Ltd (“CMPL”), a wholly owned subsidiary of Macquarie Gold Ltd (“MGL” - a public, unlisted Australian company)
- CMPL is developing the historic Adelong Gold Mine
- MGL is owned by a small number of shareholders, including 40% by Australian unlisted public company IBML Resources Limited (“IBML”). Shareholders consider the development of the mine and processing plant will be economically and environmentally viable whilst providing local employment opportunities
- The Company has constructed and commissioned a rock crushing plant. The crushing plant is operational Monday-Friday between the hours of 7am – 5pm.
- The Company has constructed and is in the final stages of commissioning the gravity section of a gold mill. Small quantities of gold are currently being produced from low gold grade, mullock dumps (rock left behind by past mining adjacent to old shafts). The gold mill operates 24 hours/day and 7 days a week.
- Currently securing access so that we can mine the underground, higher grade ore and commercially produce gold
- All necessary approvals are in place to carry out these activities.

SUMMARY

Staffing

- there are currently 24 full-time employees and contractors working onsite and this is full staffing for the current operations. There has been an emphasis by the Company to employ personnel and contractors from the local area.

Mine Life

- The minimum expected mine life is 7 years but the gold resources within MGL's tenements indicate that once started the mine may continue in operation well beyond this.

Hours of operation and traffic

- Mining and ore crushing operations are licensed to be carried out from Monday to Friday (7am to 5pm) and Saturdays (7am to 2pm).
- The gold mill, within which ore processing occurs, will operate 7 days per week, 24 hours per day. To minimize noise, the processing plant is housed within a building.
- External truck movements will only access the Snowy Mountains Highway via Ryan's Road and within the same time periods as the mining and crushing operations
- School road safety and mine transport movements will be co-ordinated. Until sand and aggregate sales commence, heavy vehicle movements will be minimal, mainly involving site delivery of equipment or supplies.

Ready to Charge the first blast. I ask you to note the modern tunnel portal has cement “shotcrete” with steel mesh as a support not timbered sets. What you cannot see is the 6m long steel cables and 2.4m long steel bolts that are also installed to hold the portal together.



Why Strip the Adit?

The existing decline is currently 3 metres x 3 metres and too small for conventional mining equipment – so stripping to 4m x 4m will allow 25 tonne trucks to remove the ore more efficiently



Step one measure and mark up, then drill the tunnel “face”



Drill the holes with a “jumbo” – a mechanised drill



The Jumbo – a lumbering beast !



Load the holes with explosives



Fire in the hole –
first blast in
Decline stripping



The result – work for a loader operator – but
water it down first – no dust !!



The underground loader – low height, long wheel base – high break out power



Installing support to the walls – mesh & rock bolts – hard work but safety is #1 priority.



We are an inclusive company –
males and females share the
workplace

6 ladies work onsite



Ready to do it all again – mining is a repetitive process



Looking back towards
the sunshine



General Manager and Underground Driller a multi-skilled workforce



Once we mine it we need to crush it and mill it
Primary Jaw Crusher and Secondary Cone Crusher



Ball Mill



Gold mill has been constructed and gravity section of the mill is being commissioned



First Gold

Smelting and pouring gold



A tidy workplace is a safe workplace 😊



What else do we do?
Clean up other people's rubbish.



Challenger Mines has
planted 200 native trees
along border fences &
internal roadways in July
and August 2017



Rehabilitation of old workings and
historic shafts

Challenger has back-filled in 2 sunken
historical shafts and is currently filling
another



Rehabilitate vintage exploration holes left by previous companies. Filled with cement aggregate, preventing ground water issues.



In closing....

- Challenger Mines is an equal opportunity company – six (6) of our staff are female, an environmental officer, 1 in admin, 2 crusher/loader operators, 1 mechanical tradesperson and 1 general site work
- Environmentally conscious – we are cleaning up the mess left by others at our cost , we are committed to improving the natural environment with general rehabilitation and tree planting
- We employ locals and almost all staff live in the area
- We preferentially engage the services of local businesses.
- Challenger Mines is committed to being good citizen

Thank you for attending
and feel free to ask
questions

Footnote – the old timers
did it tough !

