



25 May 2017

Mr Arthur Bain
The Chairman
Save Our Macleay River
By Email: saveourmacleayriver@gmail.com

Dear Mr Bain

Re: Upcoming Exploration Work – Gibson’s Derelict Mine

I am writing to follow up on our recent meeting at the Hall’s Peak derelict mine, and to thank you and your organisation for your ongoing interest in the site.

As you know, Force Commodities Pty Ltd (“Force”) currently holds exploration licence (EL4474) over the Gibson’s derelict mine area. The exploration licence relates to minerals only, and does not include any rights or activities in relation to coal or coal seam gas.

Force understands that Save our Macleay River (SOMR) is an important environmental stakeholder and would like to ensure it provides adequate information to SOMR ahead of any proposed operations, and responds to any queries in a timely fashion.

Summary of proposed activities

Force is proposing to conduct a small drill program consisting of a series of drill holes drilled from four drill pads, solely located within the existing historical disturbance. Approval from the Department of Planning and Environment was obtained for this exploration program on 16 May 2017. The exploration program is scheduled to commence in late June 2017 and will run for a period of approximately 4 weeks. The activity is located entirely within the existing disturbed (previously mined) area of EL4474 and will involve no vegetation clearing.

The purpose of the exploration activity is to understand the nature of the mineralisation, and the surrounding rock formations. The proposed drilling activity will provide data in relation to the quality and quantity of any mineralisation, as well as important environmental information about the rock surrounding the minerals. This information will allow Force to understand both the economic and environmental factors associated with the mineral deposit. The drilling activity does not guarantee any future mining activity.

While the exploration activity relates to defining a mineral resource, the gathering of environmental data as part of the drilling process will ensure that environmental considerations are at the forefront of any future planning. In particular, gathering information about the rock types surrounding the mineralised zones will assist Force to identify options for rehabilitating the site in future, and could lead to an important contribution to the conservation of the region by repairing the damage done by previous historical mining activities.

Environmental management

Force will comply with the NSW Government’s Exploration Codes of Practice at all times. These Codes provide specific guidance on aspects including water management, air quality, the use of roads and tracks, storage of



fuel and chemicals, fire prevention and management of cultural and heritage values. The Codes can be viewed at <http://www.resourcesandenergy.nsw.gov.au/miners-and-explorers/codes-and-guidelines/codes-of-practice>

Surface Disturbance

Force will ensure that no disturbance to areas outside of the derelict mine area will occur. This means there will be absolutely no vegetation clearing, disturbance of topsoil or subsoil as part of these drilling activities. Force understands the sensitive nature of the surrounding environment and is committed to ensuring there are no environmental impacts associated with this drilling program.

Water Management

Given the steep nature of the topography at site, the storage of water in tanks represents the most responsible water strategy, and as such all water will be stored in portable above ground tanks and recirculated during the drilling activities to minimise water use. This water will be transported to a water treatment facility upon completion of drilling. No water will be discharged from the site. All drilling will occur behind bund walls to ensure that in the event of an incident any water is contained and can be recovered and pumped to the above ground storage tanks. Finally, the drilling contractors will use drip trays to ensure that any drips of oil from the rig are captured and do not affect the environment. A spill kit will be kept on hand to ensure the timely clean up of any spills of fuel or oil, should they occur.

Drill Hole Rehabilitation

Upon completion of the program the drill holes (which are cased with PVC as the drill cores are collected) will be sealed at least 50cm below the ground surface with a PVC cap, and covered over. This will ensure that there is no risk to either animals or people as a result of the drilling activities. The drill holes will not be visible following completion of the activities on site.

Future operations

The exploration drilling program does not guarantee that the area will be developed into a mine. However, should the mineralisation warrant further studies and consideration, Force would like to ensure that it has an ongoing relationship with SOMR so that it can address concerns, opportunities, and feedback in a timely manner. This will be particularly relevant for any future discussions on rehabilitating the existing disturbance at the site, a process which has the potential to significantly improve the environmental legacy of the derelict mine site, and to ensure that a positive contribution is made to the catchment management of the Macleay River into the future.

Thank you for taking the time to read this information. If you or your members would like any additional information, or have any questions or concerns about the proposed exploration activities (before, during or after the exploration activities have concluded), please do not hesitate to contact our team, on 08 9328 9368 or by emailing cllp@forcecommodities.com.au . I would also like to invite you to publish this letter on your website.

Force is genuinely committed to providing transparent, timely information about the exploration activities, and to responding to community concerns, questions and feedback to ensure that all stakeholders are kept informed in a responsible, respectful manner.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Alistair Stephens', with a horizontal line underneath it.

Alistair Stephens
Executive Director
Force Commodities Ltd