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Report No: R296.2010 – update 2017

Exploration Mine Management Plan

ASSETOWL LIMITED

Highlander Project

Northern Territory

Updated 2017 Mine Management Plan for Authorisation 0621-01
For submission to the Northern Territory Department of Primary Industry and Resources

By
Patrick Maher
B.Sc., MAIG, MAusIMM

For:

AssetOwl Ltd,
Level 14, 191 St. Georges Terrace
Perth
WA 6000

I Patrick Maher, Exploration Manager declare that to the best of my knowledge the information contained in this mining management plan is true and correct and commit to undertake the works detailed in this plan in accordance with all the relevant Local, Northern Territory and Commonwealth Government legislation.

Approved: _____
Date: 28th April 2017.

1 Contents

Figures

Tables

Attachments

1.1 AMENDMENTS / UPDATES

The comments detailed as follows are from the assessment MR2016/0208 received on the 6th June 2016 from the Dept of Primary Industry and Resources:

"Regalpoint Resources Ltd is reminded that if you elect to carry out substantial disturbance activities for the forthcoming period, an MMP Amendment must be submitted to the Department for assessment prior to the substantial disturbance being carried out. The MMP Amendment must outline the actions that have been recommended and implemented resulting from the engagement of a suitably qualified person to interpret the flora and fauna data as committed to in Section 4.3 Flora and Fauna (p. 19) of the 2016 MMP.

If Regalpoint Resources Ltd does not elect to carry out any substantial disturbance for the forthcoming MMP period, an amendment to the MMP will not be required."

Regalpoint Resources did not elect to carry out any substantial disturbance in the last MMP period.

2 Operator Details

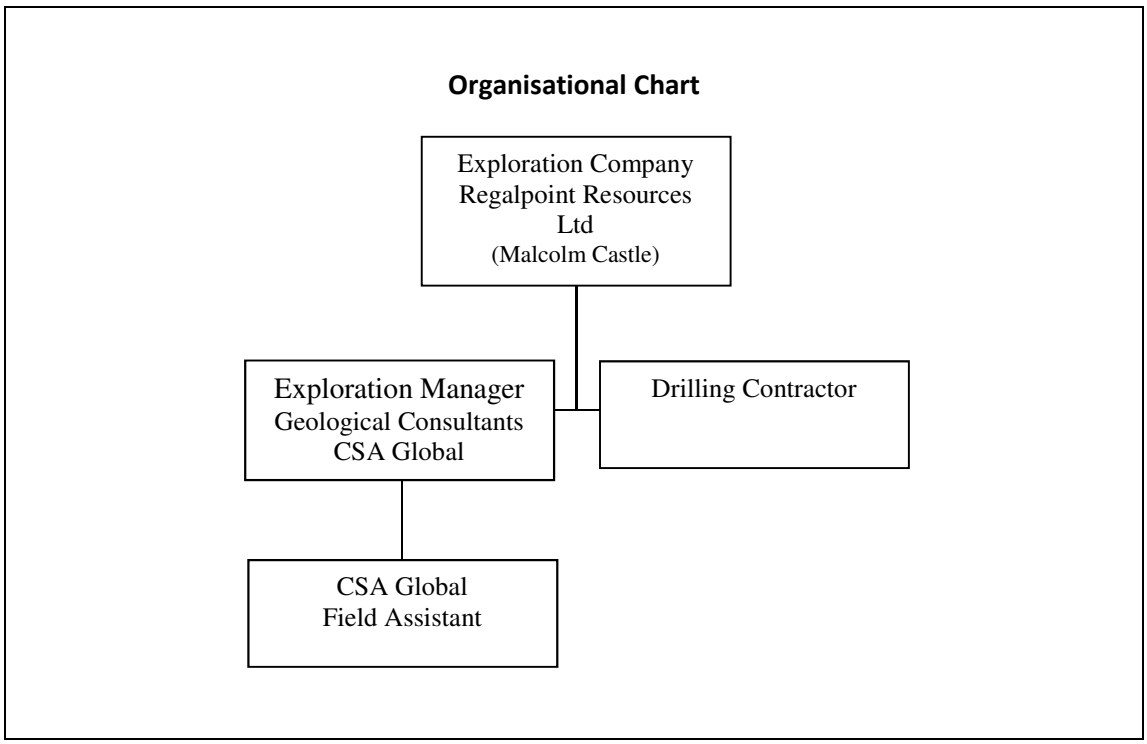
2.1

Operator Name:	Regalpoint Resources Ltd
Key Contact Person/s:	Malcolm Castle
Postal Address:	Level 14, 191 St. Georges Terrace, Perth, WA 6000
Street Address:	Level 14, 191 St. Georges Terrace, Perth, WA 6000
Phone:	(08) 9424 9320
Fax:	(08) 9321 5932
Email:	enquiry@regalpointresources.com

2.2 Organisational Structure / Chart

The following chart outlines the reporting structure for the exploration work described in this Exploration Mine Management Plan. All items requiring attention during the program will be dealt with at each operational level and any items requiring improvement can be brought to the attention of the Operator, Regalpoint Resources.

Regalpoint Resources Ltd has engaged CSA Global Pty Ltd. to carry out the exploration work. CSA Global also has a very well structured operational procedure and a copy of the operational manual is available on request (A copy has been submitted to the NT Department of Primary Industry and Resources with this report).



2.3 Workforce

The work force will be employed by Regalpoint Resources and provided by CSA Global or its Associates and the drilling subcontractors. CSA Global as geological consultants will supervise the Exploration Program under the approvals of Regalpoint Resources. CSA Global's contact details are as follows:

CSA Global Pty Ltd.

Address: Office 17, Star Village, The Mall, 32 Smith Street, Darwin, NT 0800

GPO Box 4192, Darwin, NT 0801

Phone 08 8941 2097

Email csant@csaglobal.com

Key Personnel/Contact

Patrick Maher (Manager)

048 8563 922

The work proposed is of short duration. In all up to seven people will be employed on the site, as follows:

- One dozer/loader/excavator operator is required to repair old tracks and prepare drill sites.
- One drilling crew made up of a driller and up to three offsiders for a total of four people; and
- One team consisting of a geologist and a field technician to log and sample the drill cuttings.

During the drilling the number of people on site might rise by two or three if an inspection trip by CSA Global and Regalpoint Resources Ltd management is made.

3 Project Details

3.1 Project Name and Location

Project Name:	Highlander Gold
Location:	The license lies adjacent to the Stuart Highway approximately 80km south of Darwin in the Northern Territory.
Site Access:	There are several tracks within the licence including the sealed road to the Lake Bennett Resort. Away from the tracks access in the area is difficult with several steeply sided, rocky ridges and deeply incised creeks. The north eastern corner of the licence impinges on the Adelaide River flood plain which is flat and boggy.
Mining Interest/s:	The licence lies just (approx. 5km) to the east of the Rum Jungle Complex. Significant mines (now closed) that have been developed in the area are Rum Jungle (Uranium), Woodcutters (Zn, Pb, Ag, Sb), Browns (Cu, Co, Au) and Giants Reef (Au). Significant resources of magnesite and phosphate are also known to be present but have not yet been commercially developed.
Title holder/s:	Exploration licence 26094 (Highlander) was applied for by Regalpoint Exploration Ltd on the 30th April 2007. The licence comprising 27 graticule blocks was granted for a period of six years on the 6th, May 2008. A deferral of the compulsory reduction was granted on the 8th, March 2010. Renewal Grant was issued on the 24th October 2014 comprising an area of 11 graticule blocks for a period of two years to 5/5/2016.

3.2 Map of Site Location

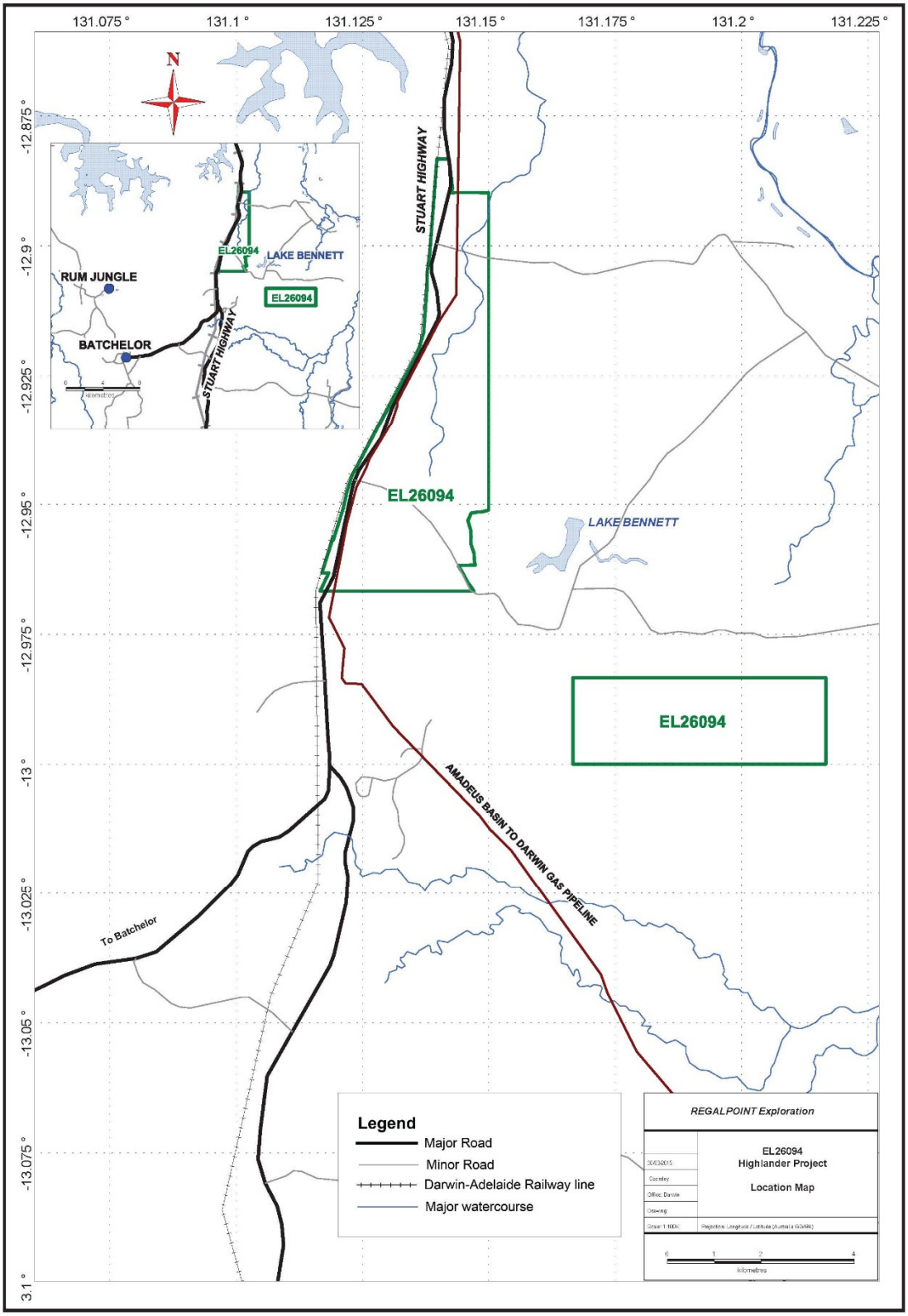


Figure 1. Location Plan EL26094

3.3 History of Development and Current Status

3.3.1 EL 26094

The area surrounding the Rum Jungle Complex has been explored by several companies and government agencies since the 1950's. Most of the work has focused on Uranium and despite numerous explorers over the years the amount of real field work is limited. The work mentioned below is only that which has relevance to EL 26094.

In 1974 Magnum Exploration was granted EL 739. Their primary target was base metal mineralisation of a style similar to that at Woodcutters. Their exploration consisted of reviewing the existing BMR soil geochemistry. In 1976 Magnum signed a JV with Amax Exploration Australia Inc who completed an exploration program comprising geological mapping, reconnaissance geochemistry and a combined airborne radiometric and magnetic survey. Amax identified several radiometric anomalies in the area and completed rock chip and soil sampling over the anomalies. The results apparently, were insufficient to maintain interest in the project and the licence was relinquished.

In 1979, Mines Administration Pty Ltd (later CSR Ltd) explored the Wildman Siltstone as a possible host for uranium and base metal mineralisation. Mines Administration competed geological mapping, rock chip sampling and a sirotem survey. Their initial work discovered a zone of quartz veins striking approximately north-south, 100m wide and persisting for over 4 km. The southern end of the zone was named the Flaming Fury and the northern end Highlander.

To test the zone Mines Administration excavated several trenches and drilled 280, 10m deep RAB holes, mostly at the Flaming Fury prospect. The holes were radiometrically logged and an end of hole sample was collected. Mines Administration's target commodity was uranium and despite two adjacent holes returning assays of 1.4g/t Au they terminated the project.

Exploration licence 5678 originally consisted of two blocks and was granted to Nicron Resources for a period of six years on 3rd September 1998. The licence was renewed for two year periods in 1995 and 1997. Examination of the reports prepared by Normandy Woodcutters staff is confusing and it appears that most of the work done on the Flaming Fury to Highlander gold trend was done off-title, (on Normandy owned mineral leases). The only work reported by Normandy staff relates to the work done on EL5678 which lay immediately to the south of the current licence. From Normandy's reports it is obvious that most of their work focused on the Flaming Fury and Highlander Prospects.

Figure 2 shows the portion of the Flaming Fury to Highlander gold trend that lies within EL 26094. The information has been captured from barely legible plans and is presented as a guide only. Caution is required when using Figure 2 as time, humidity and numerous photocopies will have led to distortions in the plan. Not-with-standing the location issues the work done by Normandy at the Highlander Prospect, wholly within EL 26094, is very encouraging.

In their nine years of tenure Normandy completed stream sediment and soils sampling programs which defined the gold trend as shown in red on Figure 2. Unfortunately the contour intervals are illegible however the outer contour is thought to be 0.02ppm Au in a -40# soil

sample. No location data is supplied with the assays and as such we cannot re-plot the information.

5 costeans were dug, four of which are in EL 26094 and shown in blue on Figure 2. Again, assay data for the costeans is presented in the reports but the location data is missing. In one report the mineralised intersection in the 6000m north costean, approximately the centre of Figure 2, was reported as 40m at .12g/t Au.

The final report for exploration licence 5678 (CR99/0324) reports that 4 holes were drilled in their license area. The plan attached to report CR96/0746 shows the locations of 24 holes. None of which are in EL5678 but all of which are in the area now within EL 26094. The positions of the holes are shown on Figure 2 and where possible the hole identification is presented. The final hole depths are not mentioned in the report but based on the drilling expenditure of $12039 reported in CR 1194/0754 for 24 holes they cannot have been very deep.

The shallow drilling into the Highlander Prospect (EL 26094) has been completed in three groups (Figure 2) with holes 1 to 6 in the south, 7 to 15 in the centre and 16 to 24 in the north. Each of the groups has intersected significant and potentially ore-grade gold mineralisation. The intersections listed below have been recovered from plans in CR 1996/0746 and CR 1997/0608.

<u>South Group</u>

HLRC001	3m @ 4.92 g/t Au
HLRC004	1m @ 1.22 g/t Au

<u>Middle Group</u>

HLRC007	1m @ 2.79 g/t Au 9m @1.88 g/t Au
HLRC008	9m @ 1.85 g/t Au
HLRC009	3m @ 1.54 g/t Au 9m @ 0.73g/t Au
HLRC010	3m @ 1.41 g/t Au
HLRC011	4m @ 1.44 g/t Au
HLRC012	8m @ 1.13 g/t Au
HLRC013	6m @ 1.31 g/t Au

<u>Northern Group</u>

HLRC016	4m @ 1.76 g/t Au 5m@ 1.69 g/t Au
HLRC017	2m @ 1.63 g/t Au
HLRC020	3m @ 1.39 g/t Au 5m @ .96 g/t Au
HLRC021	3m @ 1.37 g/t Au 6m @ .63 g/t Au
HLRC022	2m @ 1.08 g/t Au 3m @ 2.9 g/t Au
HLRC023	4m @ 0.44 g/t Au

Regalpoint Resources commenced exploration at Highlander during 2011. Work completed to date includes the excavation of 6 (total length 768m) costeans, the drilling of 18 RC holes (1,528m), the recovery of historical data and a program of rock chip sampling.

Encouraging results from this work led to the planning of further activities for the 2012 field season. Details of all the exploration work completed to date were submitted with the approved MMP for 2012 and are on file with the NT Dept. of Primary Industry and Resources. No exploration work was carried out on the project during the period 2012 to 2016.

Update on Regalpoint Resources 2016 Exploration Activities

The program of drilling activities outlined in the previous MMP was not implemented and no work took place in the project area during 2016. It is proposed below to conduct the same program of drilling activities in 2017.

3.4 Proposed Activities

As no drilling work was carried out in 2016, the purpose of this MMP is to seek continued approval for the follow-up RC and Diamond drill testing of the Highlander Prospect. This will involve the drilling of up to 22 RC holes, up to 4 of which may have shallow diamond tails. Two of these diamond tails may be drilled to extend holes drilled during 2011 rather than being new holes.

The details for the proposed drilling are given in Table 1 below and on Figures 2 and 3. Note that the drill-hole details are approximate only; final positions will be determined in the field, both for geological as well as environmental/heritage reasons. In particular holes 12 to 20 may change by up to 50m in Easting (while maintaining at least a 50m buffer from the NT gas pipeline) as more information becomes available while drilling progresses. Holes 21 and 22 do not have their position defined; these are for the contingency that encouraging results are obtained from the other holes which warrant immediate follow up; as such their position cannot be predicted other than that they will fall within the general area of drilling proposed.

The purpose of the drilling is to define higher grade shoots within the broad zone of mineralisation intersected to date and to determine if the zone of mineralisation continues towards the North under cover.

The drilling will require the clearing of pads of maximum size 10m x 15m. 13 of these pads will require only light clearing of scrub, while 7 pads will require more substantial earthworks to provide a safe level working area.

Diamond drilling will require the excavation of sumps measuring approximately 4m by 2m by 1.5m deep. The in-ground sumps will be constructed on the down-slope side of the drill rig and will be lined with plastic sheeting. Excavated materials will be placed on the down slope side of the sumps in a manner that would direct any flows of surface water into the sumps.

The sump liners will be removed from site at the end of each drilling program and those liners not suitable for reuse will be disposed of in a licenced waste management facility.

Proposed Hole ID	East	North	Depth	Dip	Azimuth	Remarks
1	730420	8566910	45	-60	270	
2	730440	8566910	45	-60	270	
3	730420	8566990	45	-60	270	
4	730440	8566990	45	-60	270	
5	730440	8566800	70	-60	270	
6	730515	8566718	120	-60	270	Possibly with diamond tail
7	730525	8566630	90	-60	270	Possibly with diamond tail
8	730530	8566500	180	-80	270	Possibly with diamond tail
9	730495	8566410	90	-60	270	Possibly with diamond tail
10	730380	8566125	110	-60	270	
11	730400	8566050	110	-60	270	
12	730460	8566990	85	-60	270	
13	730460	8566910	85	-60	270	
14	730460	8567070	85	-60	270	
15	730440	8567070	45	-60	270	
16	730460	8567150	45	-60	270	
17	730480	8567230	45	-60	270	
18	730475	8566325	120	-60	270	
19	730500	8566830	120	-60	270	
20	730460	8567230	45	-60	270	
21			100	-60	270	within above area of drilling, position results dependent
22			100	-60	270	within above area of drilling, position results dependent

Table 1. Proposed Hole Details (Coordinates in MGA GDA94 Zone52).

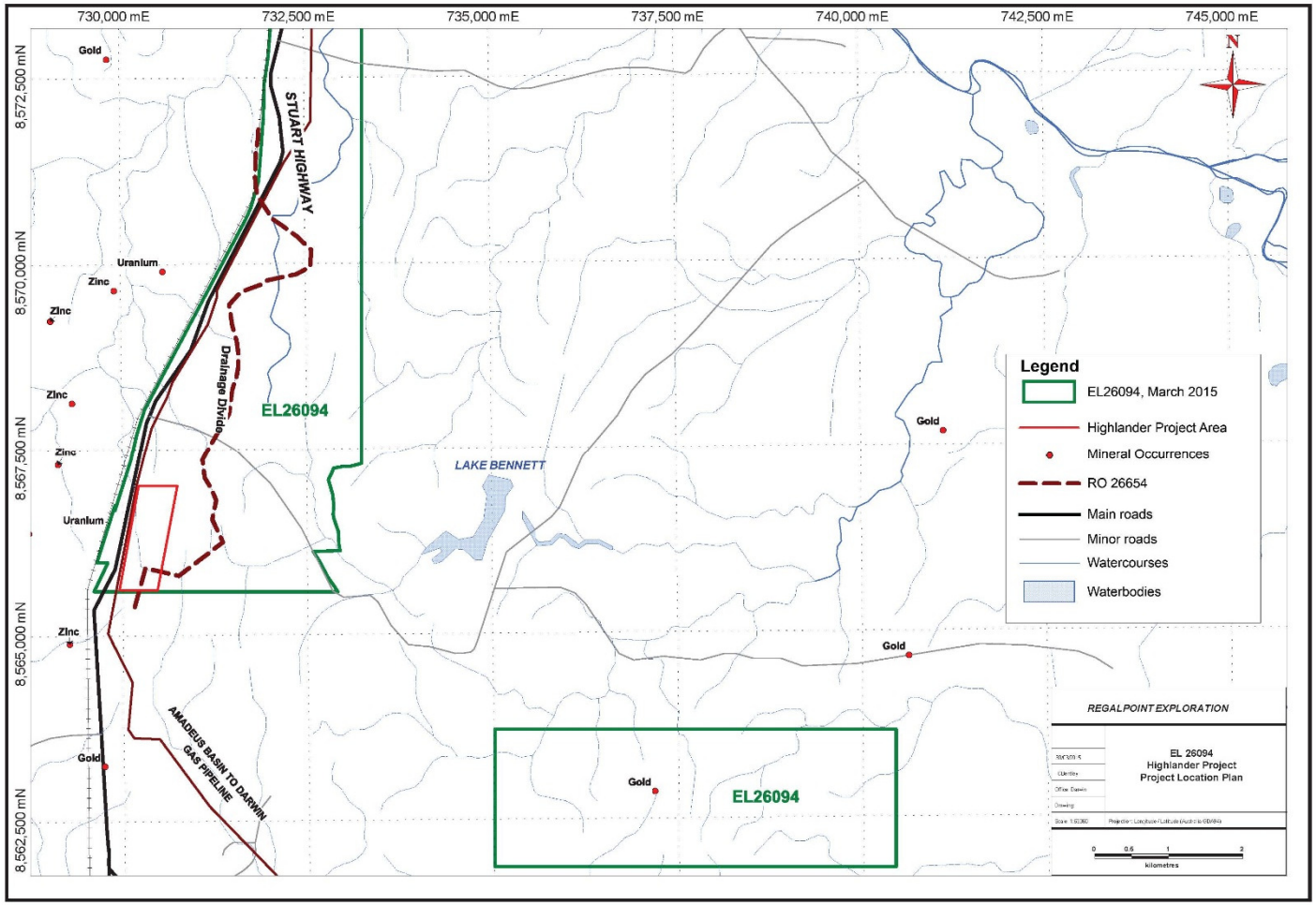


Figure 2. Location of proposed activities.

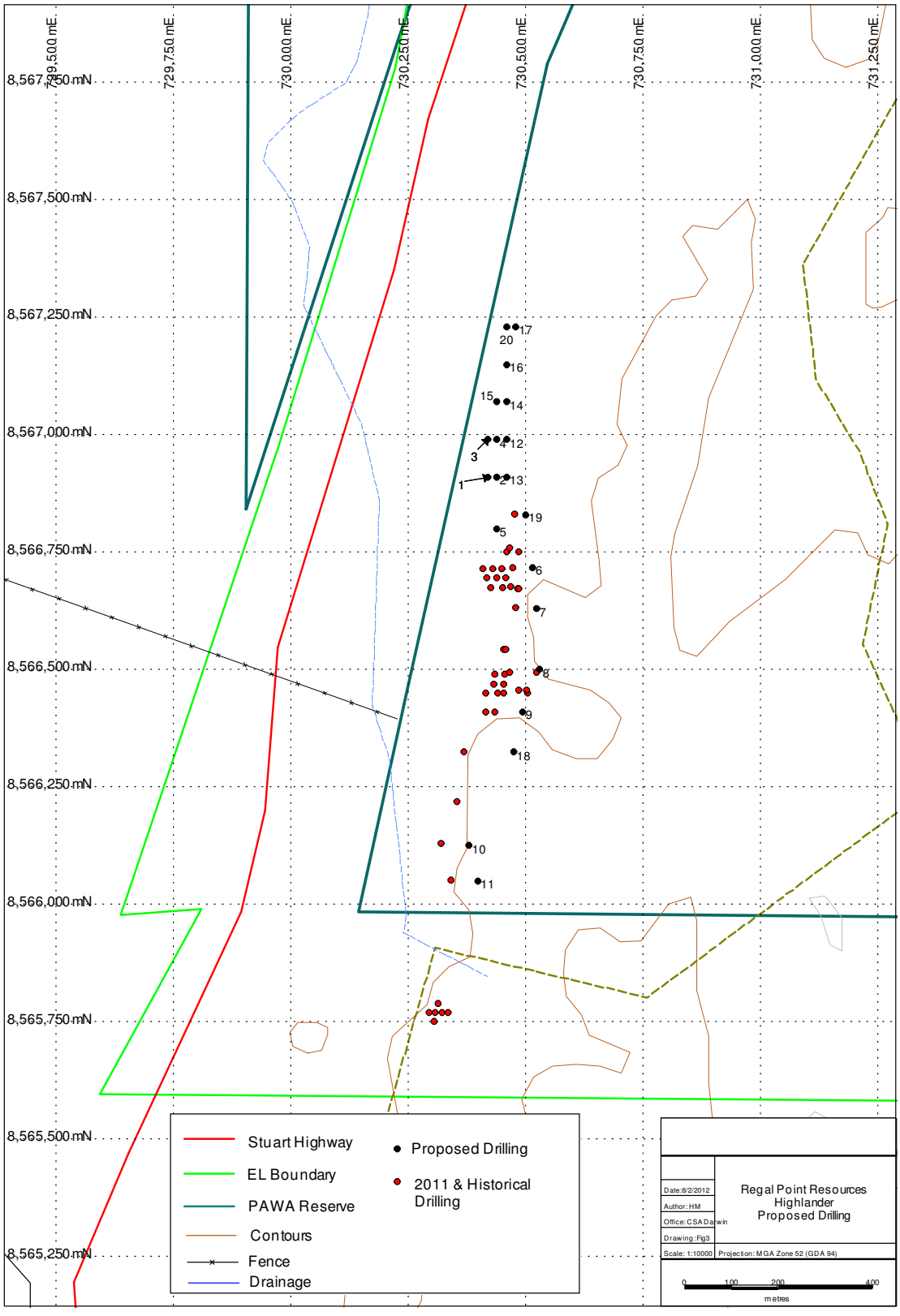


Figure 3. Highlander Proposed Drill program, Hole Locations

Summary Table

Mining Interests (i.e. titles)	**EL 26094**
What time of the year will exploration occur?	Dry Season 2017
How long is exploration expected to occur?	The drilling is expected to completed over 1-2 months
Type of drilling (i.e. RAB, RC, Diamond, aircore)	RC Drilling will be used, up to 4 holes may have short diamond tails.
Target commodity	Gold
Is drilling likely to encounter radioactive material?	Historically the area proposed for drilling has not indicated the presence of high levels of radioactive material. Samples tested to date show that only very minor trace levels of uranium are present. **Please see further information below*
Number of proposed drill holes	22
Maximum depth of holes	180m
Number of drill pads (Length: x Width: m)	22 15x 10m
Is drilling likely to encounter groundwater? (Y, N, unsure)	Yes, but not significant aquifers ***Please see further information below and Section 4.2.1*
Number of sumps (Length: x Width: x Depth: m)	4 (4 x 2 x 1.5m)
Length of line / track clearing (Kilometres: x Width: m)	0.4km x 3m
Number of costeans (Length: x Width: x Depth: m)	Nil
Total bulk sample (tonnes) (Length: x Width: x Depth: m)	Nil
Will topsoil be removed for rehabilitation purposes?	Yes, from drill pads when applicable
Previous disturbance yet to be rehabilitated on title (ha) if known	0ha (2011 drill pads have been rehabilitated)
Camp (Length: x Width: m)	Nil
Total area disturbed (hectares)	0.33 ha
Other:	

***Radioactive Material:** Historic drilling and assaying reports (N.T. DME Library, Open File Record Report CR82-259) confirm that U and Th occur at very low levels in the project area. In 2011, the initial Regalpoint Resources costean work provided assay results with a maximum Uranium value of 6.5ppm (0.00065%) and the maximum Thorium value of 11ppm (0.0011%).

These values compare to the natural levels found in nature and they are not a health or environmental hazard. Due to the very low levels encountered, subsequent assaying of samples for U or Th was deemed unnecessary.

****Aquifers:**

If an aquifer is encountered during the drilling program, Regalpoint Resources will provide evidence that drill holes have been plugged appropriately. The Department will be notified and an updated security calculation submitted. Regalpoint Resources will follow the Departments' guidelines on the '*Construction and Rehabilitation of Exploration Drill Sites*'. Please refer to Section 4.2.1 for further details.

4 Current Project Site Conditions

4.1 Geology

Exploration licence 26094 lies in the northern portion of the Pine Creek Orogen adjacent to the Rum Jungle Complex. The Achaean aged Rum Jungle Complex consists of coarsely crystalline leucocratic granite, some granite-gneiss, schist and BIF. The Rum Jungle Complex is the oldest suite to outcrop in the vicinity of the license area but due to a restricted distribution is probably not the basement in the tenement. The similarly aged Dirt Water Metamorphics are most likely to form the basement.

Within EL 26094 the Pine Creek Orogen is represented by the Palaeoproterozoic Mount Partridge Group. The Wildman Siltstone and the Acacia Gap Quartzite belonging to the Mount Partridge Group have been mapped in the licence. The Wildman Siltstone (laminated shale, siltstone, sandy siltstone and dolomite) is considered to be the lateral equivalent of the Whites Formation (Calcareous and carbonaceous pyritic argillite, dololutite, dolarenite) which hosts the Woodcutters and Browns base metal deposits.

Unconformably overlying the Mount Partridge Group is the Palaeoproterozoic South Alligator Group. The South Alligator Group is comprised of the Koolpin Formation, Gerowie Tuff and the Mount Bonnie Formation. Collectively the Group consists of shale, greywacke, tuff, dolomite and BIF. All three members of the Group have been mapped in the licence area. The South Alligator Group is the most significant host for gold and uranium mineralisation in the Pine Creek Orogen.

Structurally, the areas surrounding the Rum Jungle Complex are complex. The most recent (1990's) reinterpretation of the Woodcutters mine area has demonstrated that listric faulting and bedding plain slippage have played a significant role in the development and positioning of economic mineralisation. The structural modelling suggests that many of the interpreted faulted anticline hinges are in fact drag folds associated with listric faults.

Structures have also played a significant role in the development of gold deposits in the Pine Creek region. Re-examination of several gold deposits in the Pine Creek Region has emphasised the importance of structures and indicated that gold mineralisation develops into economic deposits as a result of the mechanical property differences between greywacky and siltstones in the South Alligator Group.

4.2 Hydrology

The Highlander Prospect where all of the ground disturbing works will occur is in the southwest corner of EL 26094. Drainages in the area flow to the south and into Coomalie Creek which in turn flows in the Adelaide River. Ground water is expected in the drilling of the deeper holes but it is highly unlikely that any of the water will reach Coomalie Creek.

Should an aquifer be encountered during the drilling program the drill hole will be plugged and managed as follows:

4.2.1 Capping and plugging of drill holes intersecting a single unconfined aquifer

Collared holes (Figure 4)

PVC collars may be readily cut below ground level to a minimum depth of 0.4 metres using a powered brush cutter modified with a diamond masonry blade or an internal pipe cutter. The cut section of collar may be removed from the hole using chain tongs or an oil filter remover if necessary.

A non-degradable plug, bridge (metal plate) or casing cap should be installed above the cut off casing at a minimum of 0.4 metres below ground level. The plug may be fitted with a length of wire rope and a tag as an indicator, if required.

Alternately, drill holes may be either backfilled with drill cuttings, clean fill or cement, allowing for settlement.

The soil backfill should be compacted and mounded over the hole to allow for subsidence and to limit the pooling of surface water.

Uncollared holes (Figure 5)

Drill holes should be plugged at least 1 metre below ground level with a non-degradable plug or bridge. The plug is to be at least 50 millimetres larger than the diameter of the drill hole, but depending on the nature of the ground, must be of sufficient size as to remain firmly in position.

To enable the placement of the plug the drill hole may need to be reamed-out to 1 metre depth with hand tools or counter-bored by the drill rig with a larger drill bit.

Alternately, holes may be either backfilled with drill cuttings, clean fill or cement, allowing for settlement.

The soil backfill should be compacted and mounded over the hole to allow for subsidence and limit the pooling of surface water.

The intention is that water shall not ingress the hole, causing erosion. Particular care is required to ensure the long term effectiveness of the plugging procedure.

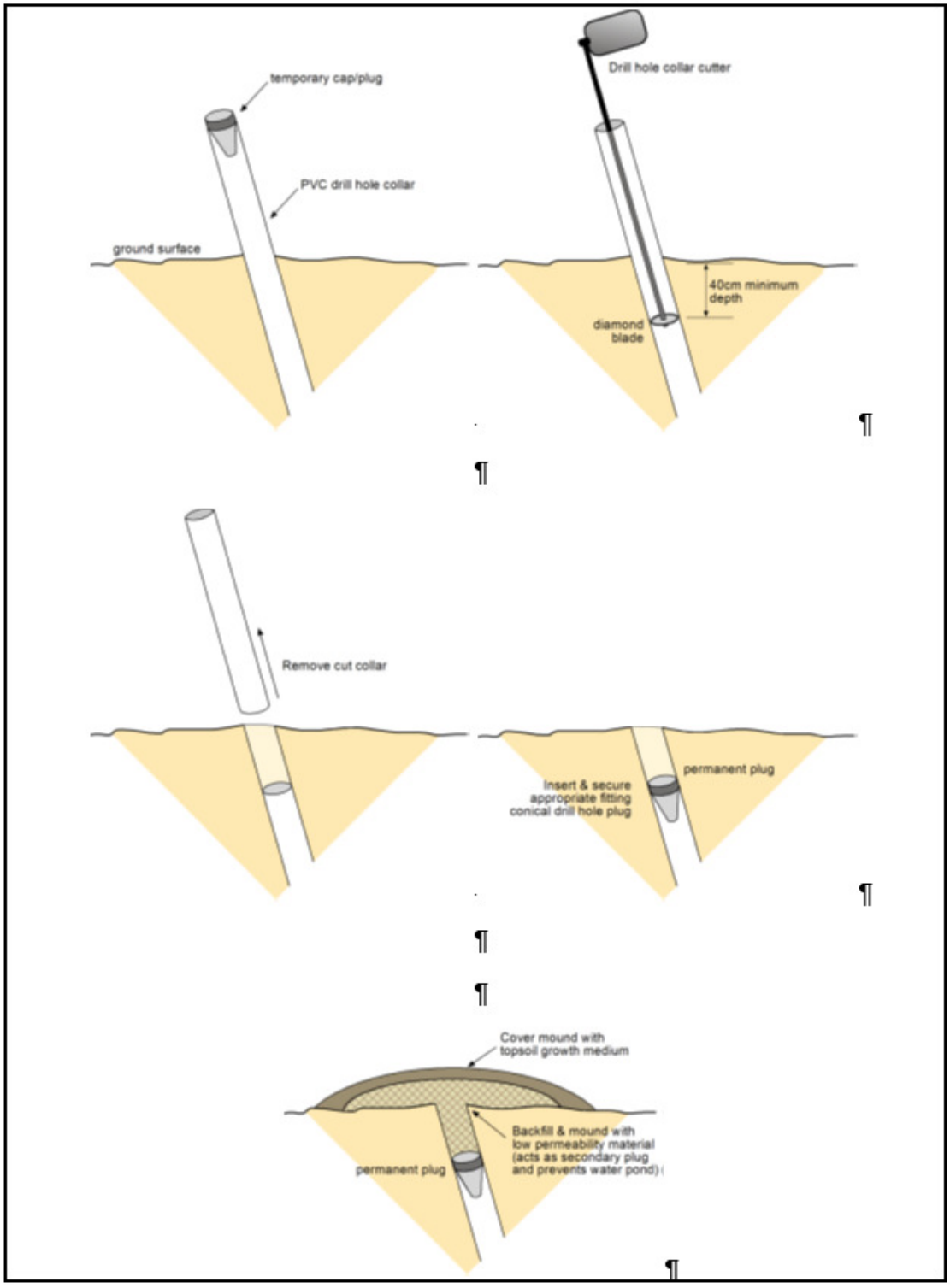


Figure 4. Capping and plugging of collared drill holes

(Taken from the NT DME ADVISORY NOTE AA7-029, 2011)

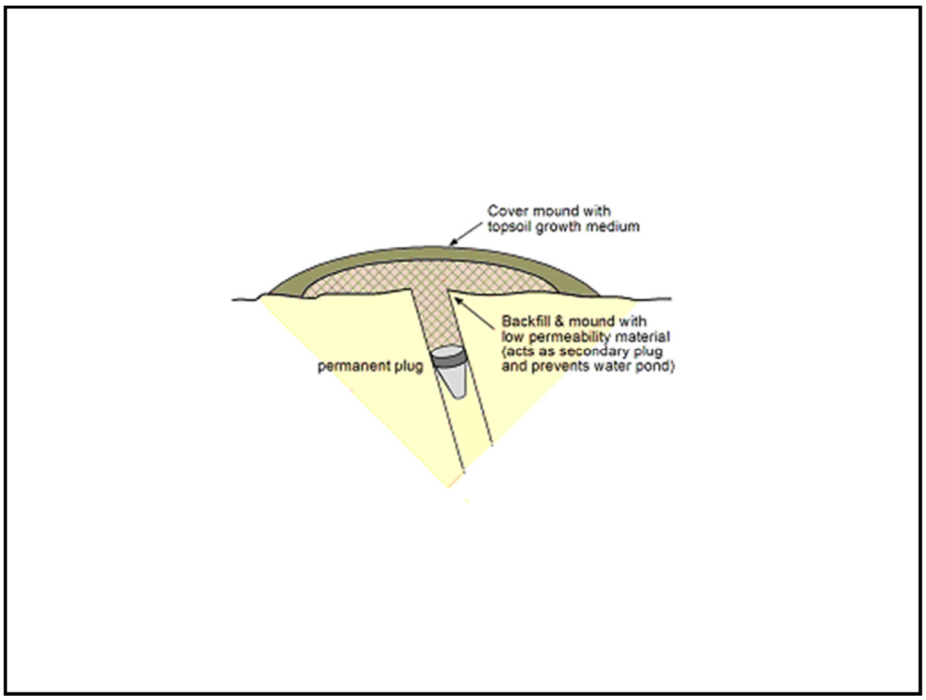


Figure 5. Capping and plugging of uncollared drill holes

(Taken from the NT DME ADVISORY NOTE AA7-029, 2011)

4.2.2 Capping and plugging of drill holes intersecting a single confined aquifer

- The main objective in sealing drill holes in single confined aquifers is to contain water in the aquifer.
- Drill holes should be plugged across the aquifer confining bed interface for a thickness of about 4 metres (2 metres above the interface and 2 metres below); and then backfilled or plugged as outlined previously (Figure 6).

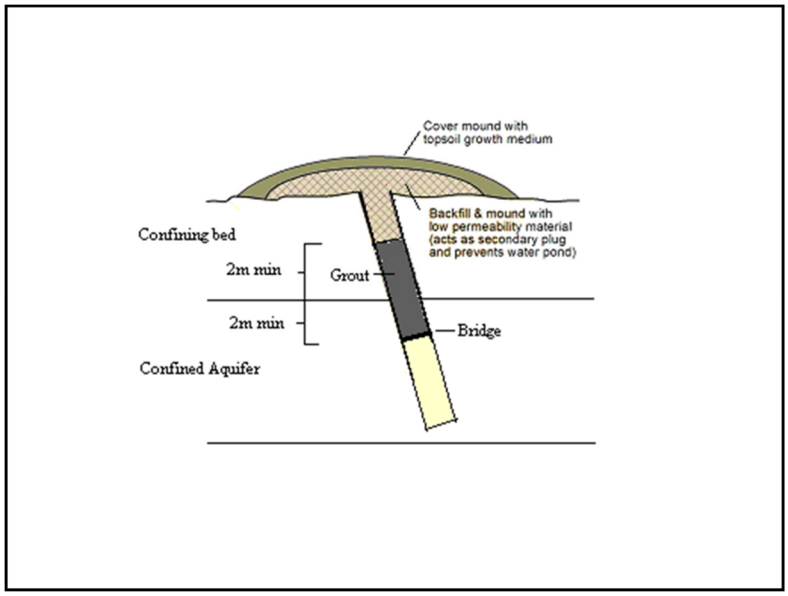


Figure 6. Capping and plugging of drill holes intersecting a single confined aquifer

(Taken from the NT DME ADVISORY NOTE AA7-029, 2011)

4.2.3 Capping and plugging of drill holes intersecting multiple aquifers

- Major aquifers should be sealed to prevent inter-aquifer flow.
- Grout plugs should be positioned at the interfaces between aquifers and the overlying confining beds. The grout should be at least 4 metres thick, with 2 metres above and 2 metres below the interface (Figure 7).
- Holes should then be backfilled or plugged as outlined previously, with compaction and mounding of backfilled material.
- Shallow drill holes can be backfilled from the base of the hole to the surface with grout.

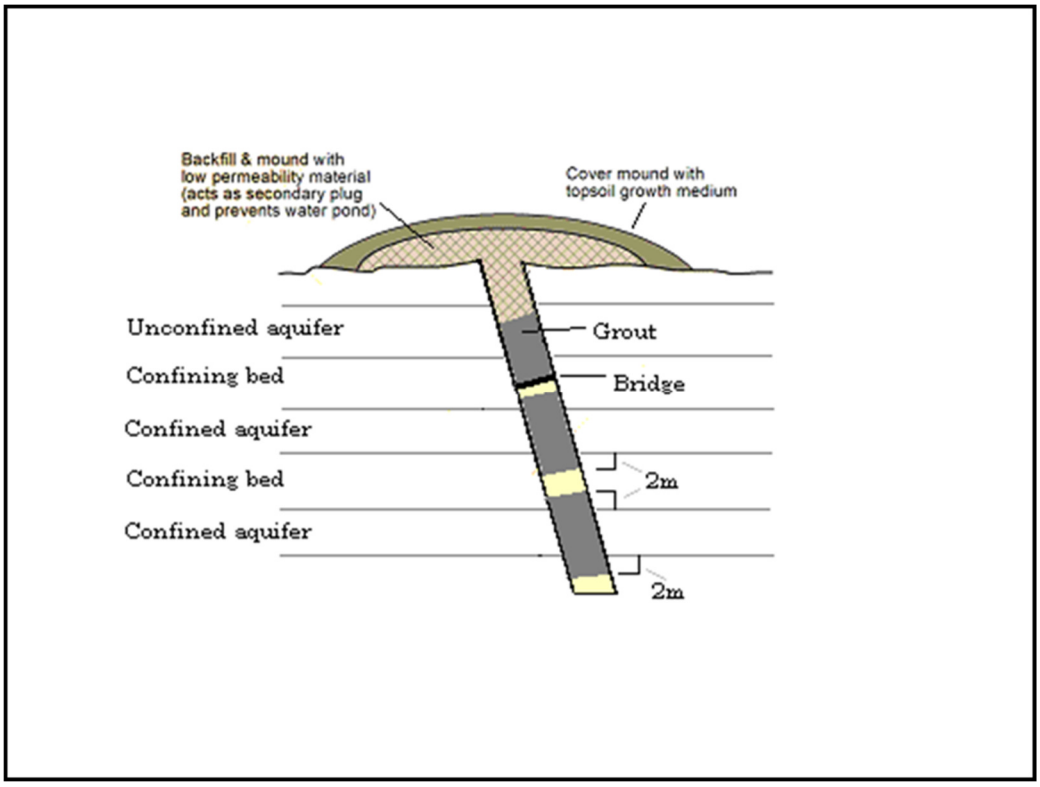


Figure 7. Capping and plugging of drill holes intersecting multiple aquifers

(Taken from the NT DME ADVISORY NOTE AA7-029, 2011)

4.3 Flora and Fauna

The project area lies within the Pine Creek bioregion and consists of Woodland and Open Woodland as defined on the Northern Territory Natural Resource Management website. Soils in the area are dominantly hydrosols with small areas of tenosols.

Inspection of the Department of Natural Resources, Environment and the Arts web site, Management Guidelines for the threatened species of Pine Creek, shows that the following plants and animals are considered endangered or under threat in the area of proposed exploration.

Plants Identified as Endangered
Cycads Armstrong`s Cycad *Cycas armstrongii* VU . 351085
Cycads Armstrong`s Cycad *Cycas armstrongii x conferta* VU . 351085
Flowering Plants Ground Orchid *Zeuxine oblonga* VU . 256282
Flowering Plants Coastal Plain Spike-Rush *Eleocharis retroflexa* . VU 253020
Flowering Plants Pink Myrtle *Lithomyrtus linariifolia* VU . 254179
Flowering Plants Sauropus *Sauropus filicinus* . VU 255153
Flowering Plants Wattle *Acacia praetermissa* VU VU 350945
Flowering Plants Helicteres *Helicteres sp. Glenluckie Creek* EN 256854
Flowering Plants Brennan`s Native Hibiscus *Hibiscus brennanii* VU VU 253778
Flowering Plants Schoutenia *Schoutenia ovata* VU . 255180
Flowering Plants Bladderwort *Utricularia singeriana* VU . 256156
Flowering Plants Goodenia *Goodenia quadrifida* . VU 253531

Animals Identified as Endangered
Reptiles Yellow-snouted Gecko *Lucasium occultum* VU EN 177347
Reptiles Arnhemland Egernia *Egernia obiri* EN EN 177092
Reptiles Mertens` Water Monitor *Varanus mertensi* VU . 347295
Reptiles Yellow-spotted Monitor *Varanus panoptes* VU . 347307
Reptiles Oenpelli Python *Morelia oenpelliensis* VU . 176989
Birds Emu *Dromaius novaehollandiae* VU . 176363
Birds Partridge Pigeon *Geophaps smithii* VU VU 176384
Birds Red Goshawk *Erythrotriorchis radiatus* VU VU 176391
Birds Australian Bustard *Ardeotis australis* VU . 176354
Birds Masked Owl (northern mainland) *Tyto novaehollandiae kimberli* VU VU 594609
Birds White-throated Grasswren *Amytornis woodwardi* VU . 176398
Birds Yellow Chat (Alligator River) *Epthianura crocea tunneyi* EN VU 177042
Birds Crested Shrike-tit *Falcunculus frontatus whitei* VU VU 176377
Birds Hooded Robin *Melanodryas cucullata* EN/- EN/- 597046
Birds Gouldian Finch *Erythrura gouldiae* EN EN 176370
Mammals Northern Quoll *Dasyurus hallucatus* CR EN 176443
Mammals Northern Brush-tailed Phascogale *Phascogale pirata* VU . 177965
Mammals Golden Bandicoot *Isoodon auratus* EN VU 176421
Mammals Arnhem Leaf-nosed Bat *Hipposideros inornata* VU . 177085
Mammals Brush-tailed Rabbit-rat *Conilurus penicillatus* VU VU 176414
Mammals Golden-backed Tree-rat *Mesembriomys macrurus* CR VU 176951Mammals Arnhem Rock-rat *Zyzomys maini* VU VU 176407

Regalpoint Resources will engage a suitably qualified consultant to interpret the available flora and fauna data for the area before any exploration activity commences. Regalpoint Resources are aware that specifically in relation to any areas they intend to clear that they will require the following;

- Potential for and identification of any State and or Commonwealth listed threatened species (e.g. Helicteres spp);
- Description of any feral animals and weed species at the site;
- Outline of flora and fauna native to the area; and
- Any flora and fauna of cultural significance.

During the pre-exploration inspection, should Regalpoint Resources identify the presence of Cycads that require clearing, then they will apply for the necessary Permit from the Parks and Wildlife Commission. A copy of the Permit will also be provided to the DME.

CSA Global's site manager will be familiarised with the endangered species listed above. Any encounters with or sightings of endangered animals will be noted and reported to the NT DME.

As part of the site induction all staff and contractors will be made aware of the potential danger the drilling operations pose to the natural environment. The site manager, who will be the senior geologist on site during the drilling operations, will be responsible for ensuring the work is done with the least amount of environmental damage as possible.

All vehicles will be inspected and washed down before they arrive on the project area. This will also be done before they leave the project area. Wash downs will use standard pressure washing equipment and hose pipes to ensure vehicles do not carry any weeds on or off the project area. Inspections of vehicles will conform to the checklist outlined in Appendix A of the Northern Territory Weed Management Handbook 2012.

(c.f. https://nt.gov.au/environment/weeds/weed-management-handbook).

A summary of weeds that may be found in the project area is as follows:

Barleria (*Barleria prionitis*), Bellyache bush (*Jatropha gossypiifolia*), Cabomba (*Cabomba caroliniana*), Caltrop (*Tribulus cistoides & T.terrestris*), Candle bush (*Senna alata*), Castor oil plant (*Ricinus communis*), Cat's claw creeper (*Macfadyena unguis-cati*), Gamba grass (*Andropogon gayanus*), Grader grass (*Themeda quadrivalvis*), Lions tail (*Leonotis nepetifolia*), Mimosa (*Mimosa pigra*), Mission grass (*Pennisetum polystachion*), Para grass (*Urochloa mutica*), Parkinsonia (*Parkinsonia aculeata*), Prickly acacia (*Acacia nilotica*), Rat's tail grass (*Sporobolous spp.*), Siam weed (*Chromolaena odorata*) & Thatch grass (*Hyparrhenia rufa*).

The greatest danger to wildlife is seen as fire followed by habitat destruction. The risk of fire will be managed by ensuring the drilling rig is equipped with several fire extinguishers and that these are in readily accessible positions. All vehicles entering the site will also be required to carry a fire extinguisher. No open fires will be permitted.

The danger of habitat destruction due to ground clearing will be managed by moving access tracks and drill sites to suit the natural environment. Where possible, rocky outcrops and trees will be avoided and the track or pad moved. Vehicles will keep to the prepared access to further minimise the ground disturbance.

It is the policy of both Regalpoint Resources Ltd and CSA Global Pty Ltd to forbid any employee or contractor bringing firearms or dogs on site. Thus, while feral pigs, donkeys, buffalos and horses are known to inhabit the area of proposed activity no action against these will be undertaken.

4.4 Current Land Use

The controlling agency of portion 3837 has been identified as the Power and Water Corporation. Portion 3837 covers the entire area in which costeaning and drilling are proposed. The area of drilling lies entirely within RO 26654 (Figure 2) which covers the Manton Dam Recreational Reserve.

With the exception of the Darwin to Katherine power line, Alice Springs to Darwin Gas Pipeline and associated access tracks there is no indication of any other commercial development in the area.

The NT gas pipeline lies immediately adjacent but does not impinge on the area of drilling. The gas pipeline is well identified in the field and a 50m buffer zone will be implemented during the proposed exploration activity. This will ensure a safe working distance is maintained from the gas pipeline area. Existing gas pipeline crossing points will be used on the ground to enter the proposed exploration area.

4.5 Historical, Aboriginal, Heritage Sites

An inspection of the Register of Sacred Sites maintained by the Aboriginal Areas Protection authority has been made. No sites of significance are registered in the area of proposed activity. A copy of the inspection record is appended as Attachment 1.

None-the-less all staff and contractors will be constantly reminded of their obligations to avoid and report to management any areas they suspect may have cultural significance.

The Highlander Prospect area partly lies over a WW2 army camp site (the Highlander Regiment, hence the prospect name). All activities are conducted so as to avoid disturbance to identifiable remaining WW2 heritage. This consists mainly of foundations, assorted rubbish, latrines and shallow pits. Prior to any ground disturbing activities taking place the planned access and drill pads will be surveyed for possible heritage sites and the location of tracks and pads will be modified so as to avoid disruption to these sites. Heritage locations found during any initial surveys will be recorded and detailed in future reports. Photographic and coordinate records are held on the operators and department files for known and surveyed WW2 heritage areas as of 2011.

5 Environmental Management Plan

5.1 Environmental Policy and Responsibilities

CSA Global Pty Ltd aims to minimise our impact on the natural environment in which we operate by adopting best environmental practices at all operations. To achieve this we ensure strict compliance with local statutory laws and regulations, promote awareness of environmental issues amongst our workforce to identify the potential impact of their activities and wherever possible to conserve natural resources.

The company environmental policy is attached as Attachment 2.

The Exploration Manager shall be responsible for day to day management and control of activities that may impact on the environment.

5.2 Statutory Requirements

All exploration activities will be conducted under the relevant acts and regulations:

- Mineral Titles Act
- Mining Management Regulations
- Mining Management Act
- Bushfires Act
- NT Aboriginal Sacred Sites Act
- Native Title Act
- Aboriginal Land Rights (Northern Territory) Act
- Weeds Management Act
- Work Health and Safety (National Uniform Legislation) Act 2011t
- NT Parks & Wildlife Conservation Act
- Heritage Conservation Act
- Environment Protection & Biodiversity Conservation Act

5.3 Non-Statutory Requirements

Letters of introduction and a description of the work proposal have previously been sent to the registered land owners. As part of our activities the interested parties will be kept informed of our progress and invited to comment on our work.

5.4 Identified Stakeholders and Consultation

There are several individuals and groups that have an identified interest in the proposed work and the areas of activity. Principal amongst these are: Regalpoint Resources Ltd, CSA Global Pty Ltd, NT Worksafe, Department of Primary Industry and Resources, Northern Territory Geological Survey, NT Gas, NRETAS, Department of Land Resource Management, Department Lands, Planning and Environment, Parks and Wildlife Commission of the NT and the land owners as listed below.

Other groups which have a less direct but important interest in the proposed work include, the broad exploration and mining industry, environmental groups and the general public.

The proposed activities will occur on:

N.T. Portion 3837 plan(s) S 89/380B. The current tenure type is “estate in fee simple” tenure with the registered controlling interest being the Power and Water Corporation.

Land owned by Mr. Richard Luxton of Coomalie Farm which adjoins the southern portion of the Power and Water Corporation land. Mr. Luxton has allowed access work, costean work and the use of a laydown area for machinery on his land.

Enquiries with the tenement managers noted that there are no Traditional Owners or Claimant’s registered within the area of required activity.

Letters of introduction which outline intended activities have previously been sent to the identified land owners. To date no objections to our proposal have been received. Further letters of notification will also be sent 30 days before any further drilling work commences.

Letters were also sent to other landowners on EL26094 highlighting Regalpoint Resources intention to explore in the area.

Relevant permits will be sought from NT Gas allowing heavy machinery to cross the NT gas pipeline at a nominated crossing point.

CSA Global’s updated Induction manual (see Attachment 3) clearly outlines the importance of communication on site during exploration work. The following outlines the consultation process:

The Exploration Manager is to inform and consult with pastoral owners/ managers/ traditional owners before, during and after any exploration activity.

Usually a nominated supervisor corresponds with owners/ managers, but it is recommended that all employees maintain frequent contact with pastoralists / traditional owners during exploration activity, so good relations are generated and maintained.

It is important that the following points are adhered to;

- All vehicles must use existing tracks where possible.
- Vehicle movement in wet weather must be kept to a minimum. Any damage to tracks caused by wet weather movement, e.g. getting bogged, must be repaired by those responsible. When working on pastoral properties during wet periods, the property owner/ manager must be consulted with, **prior to** any vehicle movements.

- All gates must be left as they are found.
- No water to be taken from pools dams or bores without prior permission from the pastoralist.
- Damage to fences, gates, power lines, windmills etc. must be reported immediately to the pastoralist and field supervisor. Repairs must be completed without delay.
- Wherever possible, disturbance to stock is to be avoided.

Refer also to the Code of Conduct for Minerals Explorers in the NT (2003); Northern Territory Minerals Council (Inc).

Internal communication takes the form of daily work meeting on site carried out by the Senior Geologist as well as daily and weekly reporting updates to the Exploration Manager. All correspondence received from external interested parties will be dealt with by the CSA Global NT office. The office has a well maintained and efficient filing system for receiving, documenting, tracking and responding to received communications.

A copy of the CSA Global Operations Manual has been submitted with this report as Attachment 4.

5.5 Induction and Training

Training in environmental related areas will be done by the following ways:

- General induction training for new employees and contractors. They will be given comprehensive induction training; this includes aspects relating to environmentally related procedures and practices.
- All staff and contractors will receive induction training in recognising at risk and endangered species and their responsibilities towards habitat protection
- Site / contract specific induction training, which is related to employees' specific jobs.

A copy of the updated CSA Global Induction procedure is attached as Attachment 3. Part 2 of the induction procedure deals with environmental issues both natural and cultural. Written records are kept of all inductions and training needs are identified during the compulsory completion of the induction questionnaire.

Aspects that require management are specific to the environment in which the exploration activities are proposed; however, they typically include:

- Disturbance of native vegetation and flora;
- Fauna disturbance (e.g. "vehicle strike", habitat disturbance and noise);
- Soil disturbance, erosion and compaction;
- Disturbance to surface water drainage patterns and surface water bodies;
- Introduction and/or spreading of weeds and pathogens;
- Noise, light and dust emissions;
- Fire; and
- Contamination of soil and water, including fuel and chemical storage as well as sewage, greywater and waste management.

5.6 Identification of Environmental Aspects and Impacts

The key environmental aspects of the exploration drilling proposed are listed in the following Table 2 (Risk Rating Table is shown in Figure 8):

Aspect	**Impact**	**Risk Rating**	**Management measures (prevention)**	**Management measures (remediation)**
Clearing of drill pads / tracks / camp	*Loss or Destruction of Habitat*	*5*	*Move tracks and drill pads to suit the environment. Prevent fires from starting, have extinguishers on-site ready to use*	*Native Flora to be used for revegetation / rehabilitation works where required.* *Disturbed areas stabilized in a timely manner to minimise erosion potential.*
Clearing of drill pads / tracks / camp	*Loss of native flora and fauna.*	*3*	*Move tracks and drill pads to suit the environment.*	*Soil on tracks and pads to be ripped where necessary to alleviate compaction and soil profile and contours are reinstated following completion of operations.* *Any soil removed in construction to be stored on site and returned to its original stratigraphic level upon restoration of the drill site.*

Aspect	Impact	Risk Rating	Management measures (prevention)	Management measures (remediation)
Driving between drill sites / tenements	*Spread of weeds / pests*	*8*	*Clean equipment and vehicles before they come on site.* *Clean equipment and vehicles before they leave site.* *A designated entry and exit wash-down control point will be used to ensure that all equipment and vehicles are controlled for weeds.* *Please also refer to Section 4.3 of this MMP for wash down information.* *The Weed Advisory Management Note (2012) will be used a guide to control activities on site.*	*Within the Highlander Project, the area is already heavily contaminated by foreign species. Please refer to Section 4.3 of this MMP.* *In this instance remediation measures will focus on the education of all workers on the site about the high risk of spreading weeds outside the area if vehicles and equipment are not properly cleaned before leaving site.*
Drilling	*Water possibly escaping from Drilling area.*	*7*	*Provide sump areas to control water flow.* *Select drilling methods like RC which do not require external lubrication and prevent excess water flows with appropriate bunding.*	*Sumps to be backfilled and top soil profile and contours to be reinstated following completion of operations.*

Aspect	Impact	Risk Rating	Management measures (prevention)	Management measures (remediation)
	Dust and noise emission – pollution and disturbance to fauna		*With respect to dust emission this can be management by using dust suppression units on the drilling rig.* *With respect to noise emission it is important to repair or replace defective mufflers of vehicles and plant with suitable effective mufflers. Limiting the hours of operation (between the hours of 6am to 6pm) within the project area will also ensure noise emission are kept to a minimum.*	*All dust collected in the suppression units will be collected and held in the sump area. Once sump area dries out the material will be covered by backfilling the sump at the end of the drilling program.*
Fuel Storage	*Hydrocarbon leak / spill – contamination of soil, surface and ground water*	*5*	*Preventative scheduled maintenance and constant vigilance are the best methods of preventing and stopping oil, etc., spills.*	*Provision and use of oil adsorbing material on site is an important first pass clean up response. Bagging and removal of contaminated soil also recommended. Should an incident require that Hydrocarbon contaminated material be removed, it will only be removed to registered disposal sites in the Darwin area. Full spill kits with the relevant absorbent material will be provided by the contractors on site. Standard remediation measures are detailed in*

Aspect	Impact	Risk Rating	Management measures (prevention)	Management measures (remediation)
				the updated Induction manual (Attachment 3) under the heading "Action to Take When a Spill Occurs" in the EMERGENCY RESPONSE PROCEDURES FOR SPILLAGE section.

Table 2. Identification of Environmental Aspects and Impacts

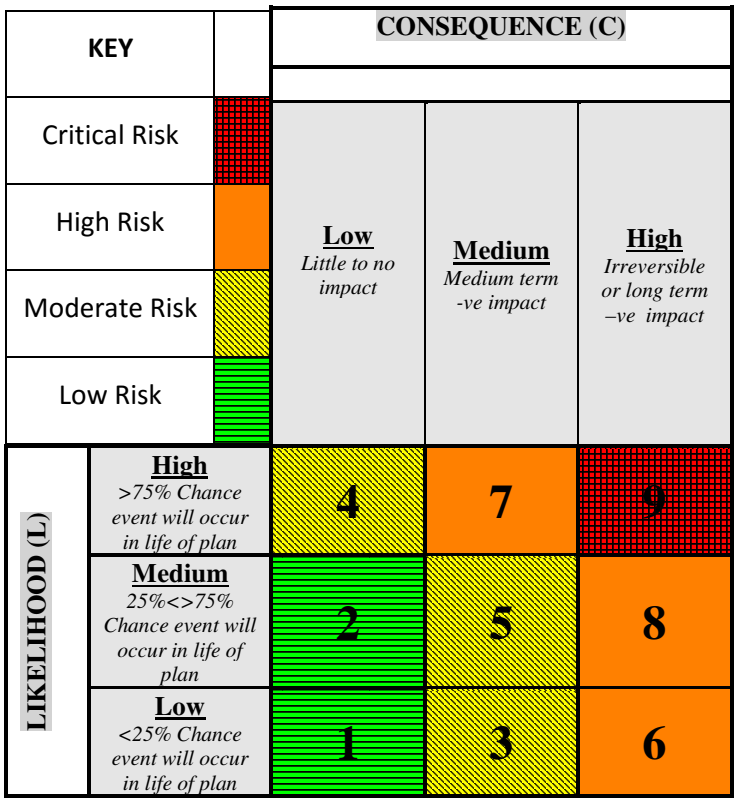


Figure 8. Risk matrix and key

It is noted that EL26904 falls within the Manton Dam Recreation Reserve RO26654, and is adjacent to Lake Bennett, however the proposed area of exploration lies in neither catchment but is drained by the Coomalie Creek.

The proposed work will take place on a previously explored location. With respect to the management of erosion/sediment on the proposed earthworks CSA Global will use existing access tracks and work adjacent to previously opened costeans. This will minimise the impact and control the creation of any new potential drainage channels. It should be noted that drainage on the flats underlying the north-western part of the proposed drilling has been substantially modified by earthworks associated with a WW2 encampment.

Sections 5.9.1 and 5.9.3 deal further with the management measures (e.g. sumps, bunding) that will be put in place to ensure that the earthworks and drilling activities will not impact on or contaminate surrounding drainages.

Activity on site is not expected to last for more than a month. The short duration and the small size of machinery required will mean that hydrocarbons and other chemicals will not need to be stored on site. It is the norm for drilling sub-contractors working on short duration drilling programs to take fuel bowsers and fuel trucks away from site each evening for security and refueling purposes. It should also be noted that refueling facilities are closely located to the site in the town of Batchelor, where the drilling sub-contractors will be based.

Whilst some environmental impact is inevitable sensible field procedures can go a long way in limiting the extent of any damage.

5.7 Emergency Procedures and Incident Reporting

In the case of any chemical emergencies the following procedures have been established:

5.7.1 Leak or Spill

Identify the hazardous material and refer to MSDS and emergency information to obtain details on hazards, appropriate action, use of emergency equipment and protective clothing.

Avoid contact without the proper protective equipment

Attempt to contain the chemical and prevent it from entering drains and water courses

Follow spill clean-up procedures

If exposed to hazardous material without the proper protective equipment, seek medical attention.

Keep records of exposure details

Report all spills or leaks

5.7.2 Contamination

Identify the hazardous material and refer to emergency information to obtain details on hazards, appropriate action, use of emergency equipment and protective clothing. All hazardous materials are delivered with a materials data sheet and emergency information details are supplied on how to respond should contamination occur.

Attempt to contain the situation once hazard is assessed

Monitor the conditions

Report all contamination

Prepare access to the scene for emergency services vehicles, if required

5.7.3 Fire or Explosion

Notify emergency services and evacuate the site

If relevant, identify the hazardous material and refer to emergency information to obtain details on hazards, appropriate action, use of emergency equipment and protective clothing

Assess the situation without placing anyone in danger

Prepare access to the scene for emergency services vehicles

5.7.4 Incident Reporting

All environmental incidents will be recorded in a site register. The severity of the incident will be assessed using the matrix provided in the Department's Guideline at: http://www.nt.gov.au/d/Minerals_Energy .

Incidents rating Class 2 and above will be reported to the Chief Executive Officer of the Department of Primary Industry and Resources in accordance with the procedures set out in the Guideline.

Environmental incidents and near misses will be reported, investigated and analysed. A review will also be carried out to identify what led to the event so that effective corrective and preventive actions can be implemented to prevent recurrence. If such incidents occur the Mines Department will be notified as-soon-as possible and the proposed remediation discussed.

In the event of a significant incident, associated work will not resume until actions have been taken to reduce the risk of recurrence and authorisation to resume work is given at the appropriate level. NT Worksafe will be immediately informed of significant safety incidents that occur on site.

Information gathered from near miss and significant incidents will be analysed to identify lessons and to monitor trends and will also be reported to management to improve standards, systems and practices. Systems will be in place to ensure that all remedial actions, including changes in procedures, are documented, communicated, followed-up and completed.

5.8 Environmental Audits and Inspections

Environmental inspections will be undertaken by the Exploration Manager / Senior Geologist before, during and after the program. The Exploration Manager / Senior Geologist will inspect each of the drilling sites at the conclusion of the drilling to ensure the environmental performance criteria have been met. Photographs are taken before and after each drilling job to enable comparison and facilitate record keeping.

Such environmental audits were conducted; at the end of the 2011 costeaning and drilling programs, during a site visit in 2012, and during rehabilitation work 2013.

Once permission and conditions allow a site assessment will be undertaken which will include photographing any existing disturbances and proposed costean and drilling sites. The most suitable access routes and drill pad positions will be identified and marked. Earthworks will be supervised to ensure clearing is kept to the bare minimum.

Daily start-up inspections of all of the mechanical equipment will be undertaken to identify oil and fuel leaks. The site geologist and driller will conduct constant inspections of the equipment to identify leaks as-soon-as they occur and organise an appropriate response.

Environmental issues, as they are identified will be included in the daily “toolbox” safety meeting. Records of any issues raised and proposed remediation will be keep for each meeting.

5.9 Environmental Performance Reporting

5.9.1 Monitoring Programs

The proposed drilling program will mainly use the RC method of drilling. If excessive water flows are encountered and the samples become excessively wet the drilling will be halted. Water that escapes from the diverter will be trapped in sumps or by bunds and allowed to evaporate to dry. Diamond drilling will use sumps to contain the drilling water.

It is highly unlikely that the proposed work program of drilling will generate significant quantities of water. Other than containment and evaporation no additional monitoring is proposed.

The Highlander area has already been disturbed by previous workers and due to the close position of the Stuart Highway weeds and feral animals abound. Both Mission and Gamba grass are widely distributed. To effectively manage the further spread or establishment of either grasses in areas where clearing or soil disturbance has occurred through drill pad establishment or clearing of tracks, we will consult with the Weeds Branch website for information on Gamba grass management at: https://nt.gov.au/environment/weeds

There is also abundant evidence of the activities of feral pigs and donkeys. Cane toads, horses and buffalo are also known in the area. At this stage of the exploration cycle it is not considered that a weed or feral animal monitoring program is warranted. Should the project develop a weed and animal management program might be developed as part of the overall mine management strategy.

5.9.2 Pollution and Waste Management

The current work proposal involves the drilling of several relatively shallow RC holes and diamond drill holes. The only likely pollution comes from hydrocarbon spills. The procedures for dealing with spills of this nature have been outlined in sections 5.6 and 5.7.1.

For a short exploration campaign waste management is not an issue. All of the materials brought onto the site will be removed and disposed of in an approved council facility. As part of the final site inspection the senior site geologist will ensure no waste remains and will report the same to the exploration manager who will sign the closure report.

5.9.3 Progress on Environmental Targets

Progress on Environmental Targets are summarised below in Section 6.1.

To provide a measurable basis for the rehabilitation works a photographic record will be started and maintained throughout the exploration program. Photographs of tracks and areas that have previously been cleared have been taken. Prior to any ground disturbing work occurring photographs of the area to be affected will be taken. The photographs will be used during the rehabilitation work and once completed additional photographs will be taken of the finished work.

6 Exploration Rehabilitation

6.1 Status of Current Rehabilitation

Since the initial program of exploration in 2011, no further drilling work was carried out between 2012 and 2014. Consequently, no further drill pads and tracks were prepared.

The work carried out in 2011 consisted of the clearing of approx. 2,000m of track, the digging of 6 costeans and the drilling of 18 holes from 17 pads. At the end of the 2011 program the costeans were fully rehabilitated and all the plastic sample bags were removed and disposed of in the Coomalie refuse facility in Batchelor.

It was Regalpoint Resources intention to utilise a number of the 2011 drilling pads to twin and retest some of the holes which caused sampling difficulty during the 2012 & 2013 drilling campaign. Subsequently some of the 2011 drill pads were not rehabilitated as they were required for further use.

In September 2013, Regalpoint Resources instructed Andrew Margereson (CSA Global, Manager XRF and Environmental Services) to visit the site and carry out the require rehabilitation work on all the previously un-rehabilitated drill holes and drill pads with the intention to return these sites to the natural landform.

Before this rehabilitation work was carried out by Mr. Margereson, the project site was inspected by the Department of Primary Industry and Resources Mines Directorate – Compliance Division on the 10th of September 2013. An email from Christine Friebel (Mining Officer, Mines Directorate – Compliance Division, Department of Primary Industry and Resources) on 21st November 2013 noted that the rehabilitation work completed by Mr. Margereson complied with the inspection recommendations made in MR2013-0203.

The following table summarises the progress on the rehabilitation work to date.

Disturbance	Rehabilitation Activities	Schedule (Timing)	Closure Objectives / Targets	Monitoring and Remediation
Drill holes	Cap hole. Backfill hole with drill cuttings.	Cap immediately the hole is finished. Backfill once assay results are received.	All holes plugged and capped or backfilled and table/safe prior to end of program. 2011: Holes capped. However final rehabilitation awaits completion of further drilling from the same sites 2012: No drilling work took place and no further drill pads or tracks were prepared. All holes monitored by Andrew Margereson in October 2012. Rehab work done on Holes HLRC028, 036, 037, 038, 039, 040 and 041. 2013: All drill holes monitored by Andrew Margereson in September 2013. Rehabilitation on all the drill holes completed. 2014 & 2015. No exploration work carried out.	e.g. inspection of holes to be undertaken at end of wet season/within six months to ensure no hole failures. Remediation to be undertaken at inspection if necessary. Drill holes fully rehabilitated in 2013.
Costeans	Refill the costean, spread top soil and provide erosion control drainage works	At the completion of mapping and sampling.	All work to be done by the end of the program. 2011: All costeans rehabilitated as per plan	Inspection to be undertaken at the end of the wet to see if slumping has occurred. If so remediation to be undertaken at the time of inspection. Costeans fully rehabilitated in 2011.
Drill pads & Sumps	Pads will be pulled up and the area re-contoured. Any stockpiled topsoil will be re-spread and	At the completion of the drilling works. If no further work is warranted.	Drill pads and any sumps levelled back to surface and made safe 2011: Partially complete; access to several pads still required. 2012 – Drill pads were inspected by Andrew Margereson and noted to be in good condition. 2013: All drill pads and sumps rehabilitated.	Inspection of pads to take place at end of wet season or within six months of end of project to check areas. Remediation to take place if necessary. Pads and sumps fully rehabilitated in 2013.

	any cleared vegetation laid over the area		2014. No exploration work carried out.	
Tracks / Gridlines	Routes will be cleared and backfilled where required	At the completion of the drilling work if no further work is warranted	Tracks and gridlines free of any debris 2012: No further tracks or gridlines prepared. 2013: No further tracks or gridlines prepared. 2014. No further tracks or gridlines prepared. 2015. No further tracks or gridlines prepared.	Tracks and gridlines free of any debris in 2013.
Sample bags	Empty all sample bags and remove from site.	At the completion of the drilling works and once assay results are received.	No bags to be left on site 2011: All rubbish removed from site prior to the wet. Plastic sample bags removed from site. 2012: Site monitored by Andrew Margereson in October and no plastic sample bags were found on site.	Site check in 2012 found to be completely clear of plastic bags.

Table 3. Progress on the rehabilitation work to date

6.2 Rehabilitation Planning

The main environmental issues relating to the exploration proposal are:

- Those relating to drilling, such as access tracks, drill pad excavations, sumps and the creation of drill holes themselves,
- Other exploration activities, e.g. gridding and costeaning.

The Company's environmental objectives are to:

- Permanently cap, fill or otherwise make safe drill holes on completion of a drilling programme,
- Rehabilitate all disturbances to the land surface made as a result of exploration, i.e. drill pads, access tracks and gridlines within 6 months of completion of the exploration program, unless otherwise approved by Department of Primary Industry and Resources.

NT Department of Primary Industry and Resources – Minerals and Energy Rehabilitation Guideline will be complied with regarding the clearing and rehabilitation of tracks, drill sites and grids.

To carry out these objectives a database record of all drill holes, will continue to be maintained on a tenement basis and their capping status audited every six months. Every six months, drill holes which have not been permanently capped will have their status reviewed and if no longer required, they will be permanently capped.

An additional inventory of surface disturbances will also be maintained. This is in the form of a checklist which will enable convenient recording of disturbances existing prior to current exploration as well as those caused by the present activities, and monitoring of rehabilitation efforts of these disturbances.

It is the responsibility of the Supervisor to ensure that the inventories are maintained and the appropriate rehabilitation implemented.

6.3 Closure Planning

At the completion of the current exploration proposal, as a minimum, the drill holes will be temporarily capped. Once assay data has been received the future of the project will be determined and a more substantial rehabilitation effort can be decided on. If more exploration work is deemed appropriate only those areas where activities are finished will be remediated.

6.4 Costing of Closure Activities

The Security Calculation for the proposed activities is included as Attachment 6. A total estimate of $31,812.74 has been calculated based on the proposed exploration work and the closure activities.

A summary table taken from Attachment 5 is detailed as follows:

Domains	Calculated Cost
Site Infrastructure	$0.00
Exploration	$14,197.00
Post Closure Management	$13,466.25
Sub-Total - All Domains	$27,663.25
CONTINGENCY @15%	$4,149.49
TOTAL COST	$31,812.74
10% Discount	$3,181
Amended amount	$28,631
1% levy	$286

A sum of $36,133 was paid as a security with the Authorisation of MMP 0621-01. The development of the MMP for 2011 proposed that 44 drill holes and drill pads be cleared and rehabilitated. In 2011, 18 drill holes and drill pads were developed.

With respect to the exploration activity planned for 2012, it was proposed that 22 drill holes and drill pads be developed. The updated 2012 MMP for the Highlander Project was reviewed by the Department and a requested extra security of $1,032 was received. The MMP approval letter (ref M2010/0217) advised that the MMP lodged was acceptable to the Department.

As the exploration planned for 2012 to 2016 did not take place and the same program is proposed to be carried out in 2017, it is requested that the Northern Territory Department of Primary Industry and Resources allow the security presently held of $37,165 to cover the activities detailed in this updated MMP.

7 Performance Objectives

The success of the proposed exploration drilling will be measured in terms of:

- Successfully testing the targets with the minimum number of holes required to decide if additional work is warranted.
- The completion of the programme with no accidents or incidents involving employees, contractors or material damage to the environment.
- Completion of the programme with the absolute minimum of surface disturbance which includes the construction of tracks and drill pads.
- The removal of all items brought to the site including drilling equipment and rubbish.
- The below-ground permanent capping of all drill holes in accordance with departmental guidelines.
- The restoration of the drill sites to as close to natural profile as possible as recorded photographically.

It is anticipated that the drilling operations will be completed by the end of August 2017 and the associated rehabilitation completed by the end of November 2017 and definitely before the onset of the wet season. At the completion of the rehabilitation a final site inspection will be undertaken by the Exploration Manager who will ensure that the work has been done to the highest standards. A final rehabilitation report will be prepared detailing the work completed.

Attachments

Attachment 1: AAPA Clearance Notification.

Attachment 2: CSA Global's Environmental Policy.

Attachment 3: CSA Global's Induction Manual.

Attachment 4: CSA Global's Operations Manual.

Attachment 5: Security Calculation for proposed exploration.