

**Clean TeQ Sunrise Project
2017/2018 Annual Review
31 March 2019**

CLEAN TEQ SUNRISE PROJECT


2017/2018 Annual Review

Name of Operation	<i>Clean TeQ Sunrise Project</i>
Name of Operator	<i>Clean TeQ Sunrise Pty Ltd</i>
Development Consent	<i>DA 374-11-00</i>
Name of Holder of Development Consent	<i>Clean TeQ Sunrise Pty Ltd</i>
Mining Lease #	<i>ML1770 and ML1769</i>
Name of Holder of Mining Lease	<i>Clean TeQ Sunrise Pty Ltd</i>
Environmental Protection Licence #	<i>Pending Issue</i>
Name of Holder of EPL	<i>N/A</i>
Water Licence #	<i>WAL 32068; WAL 39837; WAL 28681</i>
Name of Holder of Water Licences	<i>Clean TeQ Sunrise Pty Ltd</i>
MOP Start Date	<i>22 February 2018</i>
MOP End Date	<i>15 August 2020</i>
Annual Review Start Date	<i>22 May 2017</i>
Annual Review End Date	<i>31 December 2018</i>

I, Bronwyn Flynn, certify that this audit report is a true and accurate record of the compliance status of the Clean TeQ Sunrise Project for the period 22 May 2017 – 31 December 2018 and that I am authorised to make this statement on behalf of Clean TeQ Sunrise Pty Ltd.

Note.

- a) The Annual Review is an 'environmental audit' for the purposes of section 122B(2) of the Environmental Planning and Assessment Act 1979. Section 122E provides that a person must not include false or misleading information (or provide information for inclusion in) an audit report produced to the Minister in connection with an environmental audit if the person knows that the information is false or misleading in a material respect. The maximum penalty is, in the case of a corporation, \$1 million and for an individual, \$250,000.*
- b) The Crimes Act 1900 contains other offences relating to false and misleading information: section 192G (Intention to defraud by false or misleading statement—maximum penalty 5 years imprisonment); sections 307A, 307B and 307C (False or misleading applications/information/documents—maximum penalty 2 years imprisonment or \$22,000, or both).*

Date	31 March 2019
Name of Authorised Reporting Officer	Bronwyn Flynn
Title of Authorised Reporting Officer	Environmental Approvals Lead
Signature of Authorised Reporting Officer	

Prepared by

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Date **31 March 2019**

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Date **31 March 2019**

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1. STATEMENT OF COMPLIANCE

The compliance status of the Clean TeQ Sunrise Project (Sunrise Project) with its relevant approval conditions at the end of the reporting period (31 December 2018) is provided in Table 1.

Table 1 - Statement of Compliance

Were all conditions of the relevant approval(s) complied with?	
Development Consent DA 374-11-00	YES
Environmental Protection Licence (EPL) 21146	PENDING ISSUE
Mining Lease (ML) 1769	YES
ML1770	YES

2. INTRODUCTION

The 2017/2018 Annual Review (AR) has been prepared by Clean TeQ Sunrise Pty Ltd for the Sunrise Project in accordance with the requirements of Condition 5 Schedule 5 of the Development Consent (DA 374-11-00) granted on 23rd May 2001. This AR is also consistent with the New South Wales (NSW) Government's (2015) *Annual Review Guideline – Post-approval Requirements for State Significant Mining Developments*.

As requested by Clean TeQ via email on the 21 January 2019, this AR will cover the period 22nd May 2017 through to 31st December 2018. The DPE subsequently responded to this request on the 23rd January 2019 confirming concurrence with this period.

2.1 Clean TeQ Sunrise Background

Clean TeQ Sunrise Pty Ltd owns the rights to develop the Sunrise Project. Clean TeQ Sunrise Pty Ltd is a wholly owned subsidiary of Clean TeQ Holdings Limited (Clean TeQ).

The Sunrise Project is a nickel-cobalt-scandium deposit located approximately 350 kilometres (km) west-northwest of Sydney, near the village of Fifield, NSW (Figure 1). The Sunrise Project includes the establishment and operation of the following:

- mine (including the processing facility) on ML1770;
- limestone quarry on ML1769;
- rail siding;
- gas pipeline;
- borefields, surface water extraction infrastructure and water pipeline;
- accommodation camp; and
- associated transport activities and transport infrastructure (e.g. the Fifield Bypass, road and intersection upgrades).

Development Consent DA 374-11-00 for the Project was issued under Part 4 of the NSW *Environmental Planning and Assessment Act 1979* (EP&A Act) in 2001. Six modifications to Development Consent DA 374-11-00 have since been granted under the EP&A Act:

- 2005 - to allow for an increase of the autoclave feed rate, limestone quarry extraction rate and adjustments to ore processing operations;

2.2 Mine Contacts

Contact details for key Clean TeQ employees for the Project are provided below:

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Technical Manager

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Environmental Approvals Lead

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The postal address for the Clean TeQ Project is provided below:

Postal Address

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Mulgrave, Victoria, 3170

3. APPROVALS

3.1 Current List of Consents, Leases, Licences and Permits

The key consents, leases, licences and permits current at the end of the reporting period for the Sunrise Project are listed in

1. Any applicable changes to these approvals during the reporting period are also described in Table 1.

Table 1 Key Consents, Leases, Licences and Permits

Instrument	Relevant Authority	Date of Grant	Expiry Date	Last Issue Date	Changes During AR Period
Development Consent (DA 14/98)	DP&E	23/5/2001	21 years from commencement of mining operations	19/12/2018	Modification 5 was approved on 20/12/2017 and amended the hazard study requirements. Modification 6 was approved on 25/5/2018 and approved the relocation of the accommodation camp. Modification 4 was approved on 19/12/2018 and approved various opportunities to improve overall efficiencies of the Project.
Mining Lease Application (MLA 162) ML 1769	DRG	15/2/2018	15/2/2039	15/2/2018	Mining Lease 1769 over the limestone quarry was granted.
Mining Lease Application (MLA113) ML 1770	DRG	16/2/2018	16/2/2039	16/2/2018	Mining Lease 1770 over the deposit area was granted.
EL4573	DRG	17/08/1993	16/08/2018	16/10/2018	EL4573 was renewed until 17 August 2021.
AHIP #C0003049	OEH	10/10/2017	09/10/2027	28/11/2018	AHIP #C0003049 for the Project site was granted. This AHIP was varied during the reporting period to correct typographical errors and change the location of the temporary keeping place to be consistent with AHIP #C0003887.
AHIP #C0003887	OEH	10/08/2018	10/08/2041	28/11/2018	AHIP #C0003887 for the accommodation camp was granted. This AHIP was varied during the reporting period to correct typographical errors.
Project Borefield Water Access Licence (WAL) 32068 Water supply work approval (WSWA) 70CA614098	DI-Lands & Water	2/09/2015	Tenure Type: Continuing	2/09/2015	Share component 3,154 units
Water Access Licence (WAL) 39837	DI-Lands & Water	24/04/2018	Tenure Type: Continuing	October 2018	Increased share component from 424 units to 766 units in Oct 2018
Pit dewatering WAL 28681 Water supply works approval 70CA610184	DI-Lands & Water	29/12/2017	Tenure Type: Continuing	29/12/2017	Share component 243 units

DP&E: NSW Department of Planning and Environment.

DI-Lands & Water: Department of Industry – Lands & Water.

DRG: Division of Resources and Geoscience – within the Department of Planning and Environment (previously the Division of Resources and Energy).

OEH: NSW Office of Environment and Heritage.

4. ACTIVITIES DURING THE REPORTING PERIOD

4.1 Exploration

During the Reporting Period, an RC drilling program commenced on the 18th January 2018 (prior to the grant of ML1770) and was completed on the 22nd February 2018 (following the grant of ML1770). That program represented the “Stage 1” trial infill drilling program identified in Section 2.3.1 of the approved MOP. The results of that program have been presented in the *Annual Activity Report for EL4573 for the 12 months to 16 August 2018* (RWC, 2018a).

The January/February 2018 RC program comprised:

- 124 x close spaced (20m x 20m) RC holes (SRC1428 to SRC1551 - 18 January to 22 February 2018); and
- 1 x metallurgical test hole (SRC1552 - 22 February 2018).

For completeness, all of the exploration drilling was reported in the *Annual Exploration Report for EL 4573 “Clean TeQ Sunrise Project” - 17 August 2017 to 16 August 2018* (RWC, 2018b). Figure 2 presents the location of the drill holes completed as part of the January/February 2018 RC program.

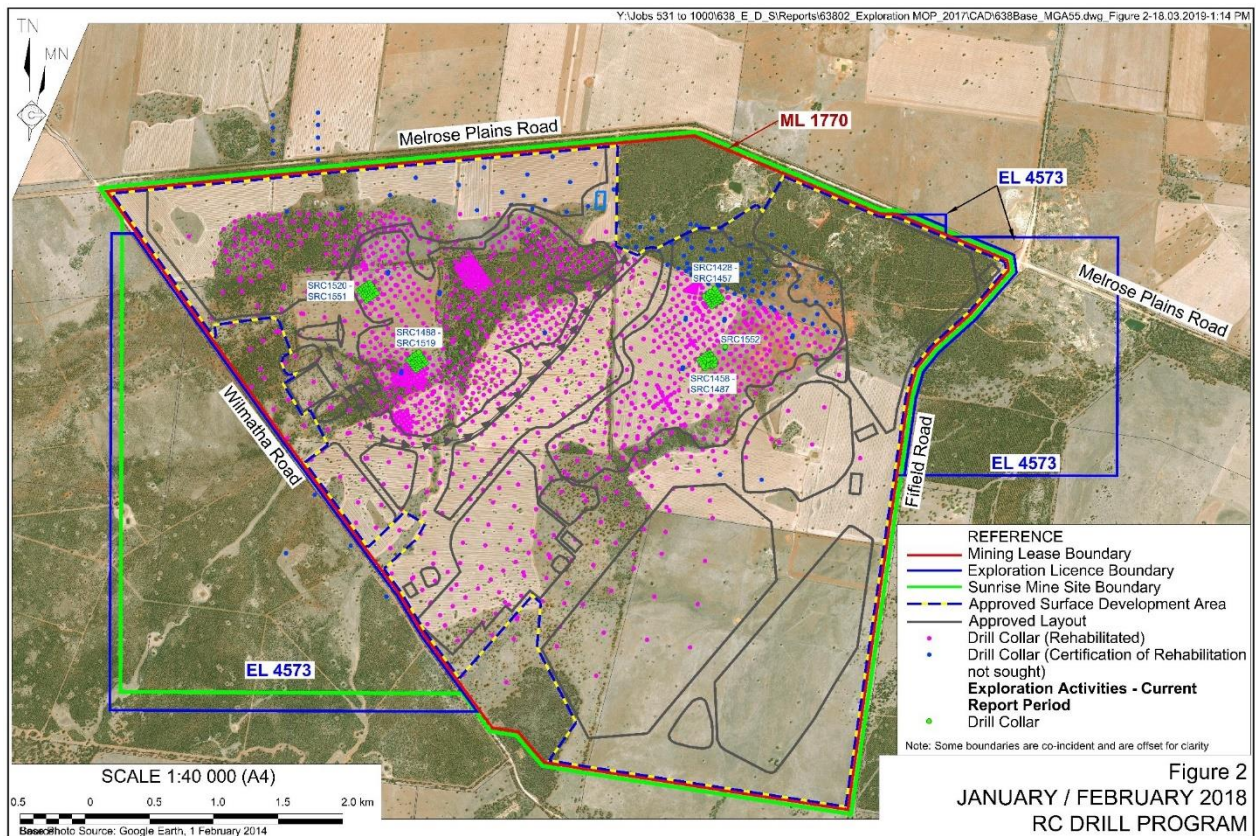


Figure 2 RC Drill Program

4.1.1 Summary of Exploration Results

18th January to 22nd February 2018 RC - Drill Program

Four areas of 100m x 100m were drilled at a 20m spacing. This was the first work Clean TeQ has undertaken to begin measuring ore variation, particularly for cobalt, over shorter distances than can be quantified by the Mineral Resource drill spacing of 60m x 60m. The program was a successful starting point for future programs that will test the ore variation at a grade-control level.

The drill results also successfully provided data on which ongoing geometallurgical analytical work is being based.

22nd February 2018 Metallurgical Drill Hole

This was a single RC hole drilled to provide a check on Platinum grades from nearby existing twin holes, as well as material for additional Metallurgical Platinum testwork.

5. ACTIONS REQUIRED FROM PREVIOUS ANNUAL REVIEW

The *2017 Annual Environmental Management Report (AEMR)* was submitted to the DP&E on the 31st July 2017. On the 8th August 2017, the DP&E responded to the 2017 AEMR submission with no actions raised. The DP&E did note that the project had not recommenced construction during that reporting period.

6. ENVIRONMENTAL PERFORMANCE

Environmental management at the Sunrise Project during the reporting period was conducted under the guidance of the approved Mining Operations Plan (MOP). Risks associated with the proposed exploration activities were summarised in section 3.1 of the MOP as follows:

- Adverse noise impacts on surrounding residents;
- Unacceptable dust-related impacts;
- Surface water impacts associated with discharge of produced or other water; and
- Groundwater impacts associated with contamination of aquifers.

A number of Environmental Management Plans (EMPs) required under the Development Consent were prepared and approved by the DP&E during the reporting period. These included:

- Air Quality Management Plan;
- Heritage Management Plan;
- Noise Management Plan;
- Rehabilitation Management Plan; and
- Biodiversity Management Plan and Revegetation Strategy.

No exploration activity has been undertaken on ML1769 or ML1770 since the above EMPs were approved. Future planned exploration activities will be undertaken in accordance with the commitments outlined in the relevant approved EMP and approved MOP. All approved EMPs can be found on the Clean TeQ website at <https://www.cleanteq.com/sunrise-project/management-plans/>.

6.1 Air Quality

Development Consent Condition 23 requires the development of an Air Quality Management Plan (AQMP) for the Sunrise Project. As stated above, a construction phase AQMP was prepared and submitted to the DP&E for approval during the reporting period. The AQMP was subsequently approved on the 23 November 2018.

6.1.1 Environmental Management

6.1.1.1 Control Strategies

Dust from the percussion drilling program on ML1770 and vehicle movements on unsealed roads was identified in the MOP as a potential impact to sensitive receivers surrounding the mine site. Therefore, Clean TeQ implemented the following air quality management measures to minimise and mitigate these impacts:

- All drill rigs were fitted with an effective dust suppression and collection system and rigs only operated when that dust suppression system was functional;
- Drilling ceased immediately if dust emissions were visible from a distance of more than 250m from the drill rig; and
- Vehicle speeds on-site were limited to 40km/h on formed tracks and 20km/h on unformed tracks.

The AQMP states depositional dust monitoring will be undertaken at four locations representative of nearby sensitive receivers on a monthly basis. In accordance with the approved AQMP, four dust deposition gauges will be installed in January 2019, prior to any further exploration or construction activities being undertaken. Data from air quality monitoring will be made available on the Clean TeQ website and described in the next Annual Review for the Project.

6.1.1.2 Effectiveness of Control Strategies

The control strategies implemented during the reporting period were considered to be effective.

Variations from Proposed Control Strategies

There were no variations from the proposed control strategies during the reporting period.

6.1.2 Environmental Performance

6.1.2.1 Monitoring

Meteorological Monitoring

As required by Development Consent Condition 25, an Automatic Weather Station (AWS) [meteorological station] was installed on the 8th November 2018. The AWS is located on the Sunrise

Property in close proximity to ML1770 and has collected meteorological data since that time. The station measures real time wind speed and direction, standard deviation of wind direction, temperature (2m, 10m), barometric pressure, humidity, solar radiation and rainfall. The Sunrise Project AWS will be supported by six monthly independent maintenance and calibration.

Insufficient data has been collected to date to warrant meaningful summary information included in this Annual Review, however meteorological data is available upon request by the DP&E. Rainfall recorded for the months of November and December totalled 81.4mm and 55.8mm respectively (note: rainfall data recorded for November was from 8th November).

Air Quality Monitoring

A network of four static dust deposition gauges will be commissioned in early 2019 to collect monthly dust samples as described in the approved AQMP.

6.1.2.2 Performance Outcomes

Deposited Dust

Dust monitoring will commence during the next reporting period, with results interpreted and included in the 2019 Annual Review.

6.1.3 Reportable Incidents

There were no reportable incidents during the reporting period. Furthermore, no community complaints were received regarding air quality from nearby sensitive receivers during the exploration activities undertaken during the reporting period.

6.1.4 Further Improvements

Installation of static depositional dust monitors in January 2019 will allow for the collection and interpretation of background air quality.

6.2 Operational Noise

Development Consent Condition 9 requires the development of a Noise Management Plan (NMP) for the Sunrise Project. As stated above, a construction phase NMP was prepared and submitted to the DP&E for approval during the reporting period. The NMP was subsequently approved on the 23 November 2018.

6.2.1 Environmental Management

6.2.1.1 Control Strategies

Noise from the drilling program was identified in the MOP as a potential impact to sensitive receivers surrounding the mine site. Clean TeQ implemented the following noise-management measures during exploration activities to minimise and mitigate these impacts:

- Strictly enforced the proposed hours of operation;
- Consulted closely (initially daily) with surrounding residents to determine the acceptability or otherwise of the noise emissions from the Mine Site;
- Implement additional management measures in consultation with surrounding residents in the event that noise emissions are determined to be unacceptable.

The hours of operation during the drilling programs were limited to 7am to 6pm Monday to Saturday and 8am to 6pm Sunday and public holidays as described within the approved MOP.

The NMP describes noise monitoring will be undertaken at four nearby sensitive receivers on a quarterly basis. The first round of noise monitoring will be undertaken during the next reporting period. Results from this monitoring will be made available on the Clean TeQ website and described in the 2019 Annual Review.

Community consultation was undertaken at the commencement and during exploration activities. No noise issues were raised, and no community complaints were received regarding noise from nearby sensitive receivers.

6.2.1.2 Effectiveness of Control Strategies

The control strategies implemented during the reporting period were considered to be effective.

6.2.1.3 Variations from Proposed Strategies

There were no variations from the proposed control strategies during the reporting period.

6.2.2 Environmental Performance

Monitoring

Noise monitoring is scheduled to commence in Q1, 2019 at four locations representative of the nearest sensitive receivers. Results from the noise monitoring will be published on the Clean TeQ website and reported in the next AR.

6.2.3 Reportable Incidents

There were no reportable incidents during the reporting period.

6.2.4 Further Improvements

No further improvements are proposed for the next reporting period.

6.3 Erosion and Sediment

Development Consent Condition 30(b) requires a detailed description of erosion and sediment control strategies in the Surface Water Management Plan (SWMP). A construction phase SWMP for the Project was in development during the reporting period, however had not been finalised or approved at the time of writing this AR.

During the exploration activities described in Section 4.1, it was noted that no surface water run on or runoff occurred from the drill pad sites due to the flat nature of the surrounding landforms. No sediment or erosion control measures were required to be implemented during the exploration program, and follow up inspections did not identify any erosion or sedimentation issues.

6.3.1 Reportable Incidents

There were no reportable incidents during the reporting period.

6.3.2 Further Improvements

The construction phase SWMP will be submitted for approval to the DP&E during the 2019 reporting period. Following approval and upon the commencement of construction, the erosion control measures outlined in the SWMP will be implemented including the construction of sediment ponds and installation of silt fences and hay bales where necessary to control erosion. Disturbance areas will also be kept to a minimum to minimise erosion and sedimentation issues.

6.4 Flora

Development Consent Conditions 33, 34, 35 and 36 detail the requirements for the Sunrise Project in relation to the management of flora. As such, a construction phase Biodiversity Management Plan and Revegetation Strategy (BMP-RS) was prepared during the reporting period and approved by the DP&E on 23rd November 2018. No vegetation clearing was undertaken during the reporting period, therefore no control strategies or monitoring of flora was required.

Vegetation clearance activities associated with construction of the project will commence during the next reporting period and will be implemented using the Ground Disturbance Permit process and Vegetation Clearance Protocol (VCP) as outlined in the BMP-RS. The outcomes of these processes will be reported in the 2019 AR.

6.5 Fauna

Development Consent Condition 35 details the requirements for the Sunrise Project in relation to the management of fauna. As such, a construction phase Biodiversity Management Plan and Revegetation Strategy (BMP-RS) was prepared during the reporting period and approved by the DP&E on 23rd November 2018. No vegetation clearing was undertaken during the reporting period, therefore no control strategies or monitoring of fauna was required.

6.5.1 Environmental Management

6.5.1.1 Control Strategies

Vegetation clearance activities associated with construction of the project will commence during the next reporting period and will be implemented using the Ground Disturbance Permit process and VCP as outlined in the BMP-RS. The VCP involves:

- Clearing restrictions;

- Pre-clearance fauna surveys;
- Applying clearing methods to minimise impact on fauna;
- Salvaging of material for habitat enhancement;
- Installation of artificial bat roosts;
- Rehabilitation following construction of the water pipeline; and
- Reporting.

The outcomes of the VCP process will be reported in the 2019 AR.

Development Consent Condition 35(c) requires measures to identify and manage significant impacts on threatened fauna species not identified in the EIS. As described in the BMP-RS, no threatened fauna species are likely to be significantly affected by the project, therefore measures to manage significant impacts are not required and general measures to manage impacts on threatened species will be applied (e.g. implementing the VCP).

6.5.1.2 Effectiveness of Control Strategies

No control strategies were required to be implemented during the reporting period.

6.5.1.3 Variations from proposed Control Strategies

There were no variations from the proposed control strategies during the reporting period.

6.5.2 Reportable Incidents

There were no reportable incidents during the reporting period.

6.6 Weeds and Pests

Weeds and pests are required to be managed as per the BMP-RS. A construction phase BMP-RS was prepared during the reporting period and approved by the DP&E on 23rd November 2018. Under the BMP-RS a baseline weed and pest survey is required to be undertaken within 12 months of the approval of the BMP-RS. The results of this survey will inform a weed and pest strategy for implementation with results of this survey, strategy and implementation available in the next AR.

6.6.1 Environmental Management

6.6.1.1 Control Strategies

In accordance with the BMP-RS, control strategies for weed management on Clean TeQ-owned land would include the following:

- identification of weeds by regular site inspections;
- mechanical removal of identified noxious weeds and/or the application of approved herbicides in authorised areas;
- implementing follow-up site inspections to determine the effectiveness of the weed control measures;
- where practicable, prevention of the establishment of new weeds on Clean TeQ-owned land by minimising seed transport of weed species to and from the Sunrise Project through the use of a vehicle inspection process (primarily for use on agricultural and earthmoving equipment that are likely to carry weed seeds); and
- pest control activities.

The implementation of weed management strategies will occur according to seasonal and climatic requirements.

The pest control activities within the Sunrise Project areas are described in the BMP-RS and include the following measures:

- regular property inspections to assess the status of pest populations within Clean TeQ owned- land;
- implement pest control methods for declared pests (i.e. rabbits, pigs and wild dogs) in accordance with Pest Control Orders under the *NSW Local Land Services Act, 2013*; and
- inspections to assess the effectiveness of control measures implemented and review these if necessary.

6.6.1.2 Effectiveness of Control Strategies

The control strategies implemented during the reporting period were considered to be effective. Assessment against the performance indicators outlined in the BMP-RS will occur during the next reporting period following the completion of the baseline weed and pest survey.

6.6.1.3 Variations from Proposed Control Strategies

There were no variations from the proposed control strategies during the reporting period.

6.6.2 Environmental Performance

6.6.2.1 Monitoring

Monitoring of weed and pest control methods and their effectiveness has not yet been implemented. Monitoring will commence during the next reporting period after the completion of the weed and pest survey.

6.6.2.2 Performance Outcomes

Weed Management

No weed control was implemented during the reporting period.

Pest Management

A fox baiting program in conjunction with local landholders was undertaken in early 2018. Following the baiting program, visual assessments indicated the fox population had reduced on Clean TeQ owned land.

6.6.3 Reportable Incidents

There were no reportable incidents during the reporting period.

6.6.4 Further Improvements

No further improvements are proposed for the next reporting period.

6.7 Aboriginal Heritage

Development Consent Condition 23 requires the development of a Heritage Management Plan (HMP) for the Sunrise Project. As stated above, a construction phase HMP was prepared and submitted to DP&E for approval during the reporting period. The HMP was subsequently approved on the 14th November 2018.

Monitoring and management of Aboriginal objects and archaeological sites commenced during the reporting period in accordance with the HMP and relevant Aboriginal Heritage Impact Permits (AHIPs) (#C0003049 and #C0003887). AHIP #C0003049 was issued by the OEH on the 10th October 2017 for a period of 10 years and covers ML 1770 and other components of the Project (e.g. limestone quarry, rail siding etc). AHIP #C0003887 was issued by the OEH on the 10th August 2018 for a period of 23 years. The HMP and AHIPs outline the requirements in relation to salvage, excavation and monitoring of archaeological sites at the Sunrise Project prior to and during construction and project development.

6.7.1 Environmental Management

6.7.1.1 Control Strategies

The HMP sets out the salvage, excavation, monitoring and other management measures that have been undertaken for each of the registered archaeological sites and other Aboriginal objects within the Sunrise Project area. The management measures include strategies for registered sites and other Aboriginal objects. In general, the strategies include: protection; investigation; collection; excavation; documentation and storage of Aboriginal objects in an on-site temporary “Keeping Place”.

6.7.1.2 Effectiveness of Control Strategies

The control strategies implemented during the reporting period were considered to be effective as demonstrated by the environmental performance indicators.

6.7.1.3 Variations from Proposed Control Strategies

There were no variations from the proposed control strategies during the reporting period.

6.7.2 Environmental Performance

6.7.2.1 Monitoring

During the reporting period, as required by condition 13 of AHIP #C0003049, Clean TeQ engaged archaeologist Matt Cupper to commence site recording of quarry site (AHIMS 35-4-0026) located on ML 1770. This occurred on the 27th November 2018, with members of the Registered Aboriginal Parties present. Further survey and salvage of the artefacts located within this site will occur during the next reporting period and will be described in the next AEMR and/or Annual Review.

Activities undertaken during the reporting period included the following:

- Cultural heritage and due diligence inspections with archaeologist and representatives from the Aboriginal community for the preparation of Modification 4 and Modification 6 as well as for the AHIP applications.
- Archaeological salvage activities at the accommodation camp location (under AHIP #C0003887) with archaeologists and representatives from the Aboriginal community.

Further cultural heritage work will continue during the next reporting period to salvage aboriginal objects and demarcate and protect those objects that are identified to not be disturbed.

Due diligence inspections were also undertaken during the reporting period within areas not covered by AHIPs (i.e. surface water extraction location on the Lachlan River).

6.7.2.2 Performance Outcomes

No non-compliance issues were reported.

6.7.3 Reportable Incidents

There were no reportable incidents during the reporting period.

6.7.4 Further Improvements

No further improvements are proposed for the next reporting period.

6.8 European Heritage

Development Consent Condition 23 requires the preparation of a Heritage Management Plan (HMP) for the Sunrise Project. As stated above, a construction phase HMP was prepared and submitted to DP&E for approval during the reporting period. The HMP was subsequently approved on the 14th November 2018.

Sites of known and potential historic heritage have been identified within the Project area and are described in the HMP. These sites include the old magnesite mining area on ML1770; the pastoral outstation on ML1770; and pine trunk telephone poles and a log hut along the gas pipeline route. All of these sites have been assessed as being significant on the local level, however no sites of State significance have been identified in the Project area.

No impact to any sites of historic heritage occurred during the reporting period. Prior to the commencement of construction activities, sites recommended for avoidance (such as the pastoral outstation) will be temporarily fenced to avoid any inadvertent disturbance.

6.8.1 Reportable Incidents

There were no reportable incidents during the reporting period.

6.8.2 Further Improvements

No further improvements are proposed for the next reporting period.

7. WATER MANAGEMENT

7.1 Water Supply

Clean TeQ did not extract any water for the Sunrise Project during the reporting period. A summary of the Water Access Licences held by Clean TeQ are in Table 2 below. Note that access to surface water for the Project was granted in the approval of Modification 4 on the 19th December 2018, however no surface water access licences were purchased during the reporting period.

Table 2 Summary of Sunrise Project Water Access Licences

Water Licence #	Water Sharing Plan, Source, Management Zone	Share Component (Units)	Passive Take/Inflows	Active Pumping (ML)	TOTAL
1. Groundwater					
WAL 32068	<i>Water Sharing Plan for the Lachlan Unregulated and Alluvial Water Sources 2012.</i> Upper Lachlan Alluvial Groundwater Source.	3,154	-	0	0
WAL 39837	Upper Lachlan Alluvial Zone 5 Management Zone	766	-	0	0
WAL 28681 (pit dewatering)	<i>Water Sharing Plan for the NSW Murray Darling Basin Fractured Rock Groundwater Sources 2011.</i> Lachlan Fold Belt Murray Darling Basin Groundwater Source. Lachlan Fold Belt MDB (Other) Management Zone	243	0	0	0
2. Surface Water					
-	-	-	-	-	-

Notes: ML – megalitre

7.1.1 Surface Water

Clean TeQ has no surface water access licences and therefore no surface water was used during the reporting period (Table 2).

7.1.2 Groundwater

No water was extracted from the Sunrise Project borefield during the reporting period (Table 2). As shown in Table 2, the Sunrise Project holds three groundwater Water Access Licences:

- WAL 32068 in the Upper Lachlan Alluvial Groundwater Source (Upper Lachlan Alluvial Zone 5 Management Zone) for 3,154 share components under the Water Sharing Plan for the Lachlan Unregulated and Alluvial Water Sources 2012;

- WAL 39837 in the Upper Lachlan Alluvial Groundwater Source (Upper Lachlan Alluvial Zone 5 Management Zone) for 766 share components under the Water Sharing Plan for the Lachlan Unregulated and Alluvial Water Sources 2012; and
- WAL 28681 in the Lachlan Fold Belt Murray-Darling Basin (MDB) Groundwater Source (Lachlan Fold Belt MDB [Other] Management Zone), for 243 share components under the Water Sharing Plan for the NSW Murray Darling Basin Fractured Rock Groundwater Sources 2011.

7.2 Surface Water

Development Consent Condition 30 requires the development of a Water Management Plan (WMP) which must include a Surface Water Management Plan for the Project. The construction phase WMP, including the construction phase Surface Water Management Plan, will be submitted for approval to the DP&E during the 2019 reporting period.

No water was required for drilling operations other than for minor dust suppression. Given the flat nature of the surrounding landforms, no surface water ran on to the drill sites and, as a result, no sedimentation or erosion controls were required.

7.2.1 Environmental Performance

7.2.1.1 Monitoring

Two monitoring events occurred during the latter half of the reporting period, with surface water samples collected on the 11th October 2018 and 28th November 2018. Surface water monitoring locations in the vicinity of and within ML1770 are shown in Figure 3. Water quality results of these events are shown in Table 3.

These surface water samples have provided important baseline water quality information for the site and will be used to generate site specific trigger levels for water quality.

7.2.2 Reportable Incidents

There were no reportable incidents during the reporting period.

7.2.3 Further Improvements

No further improvements were implemented during the reporting period.

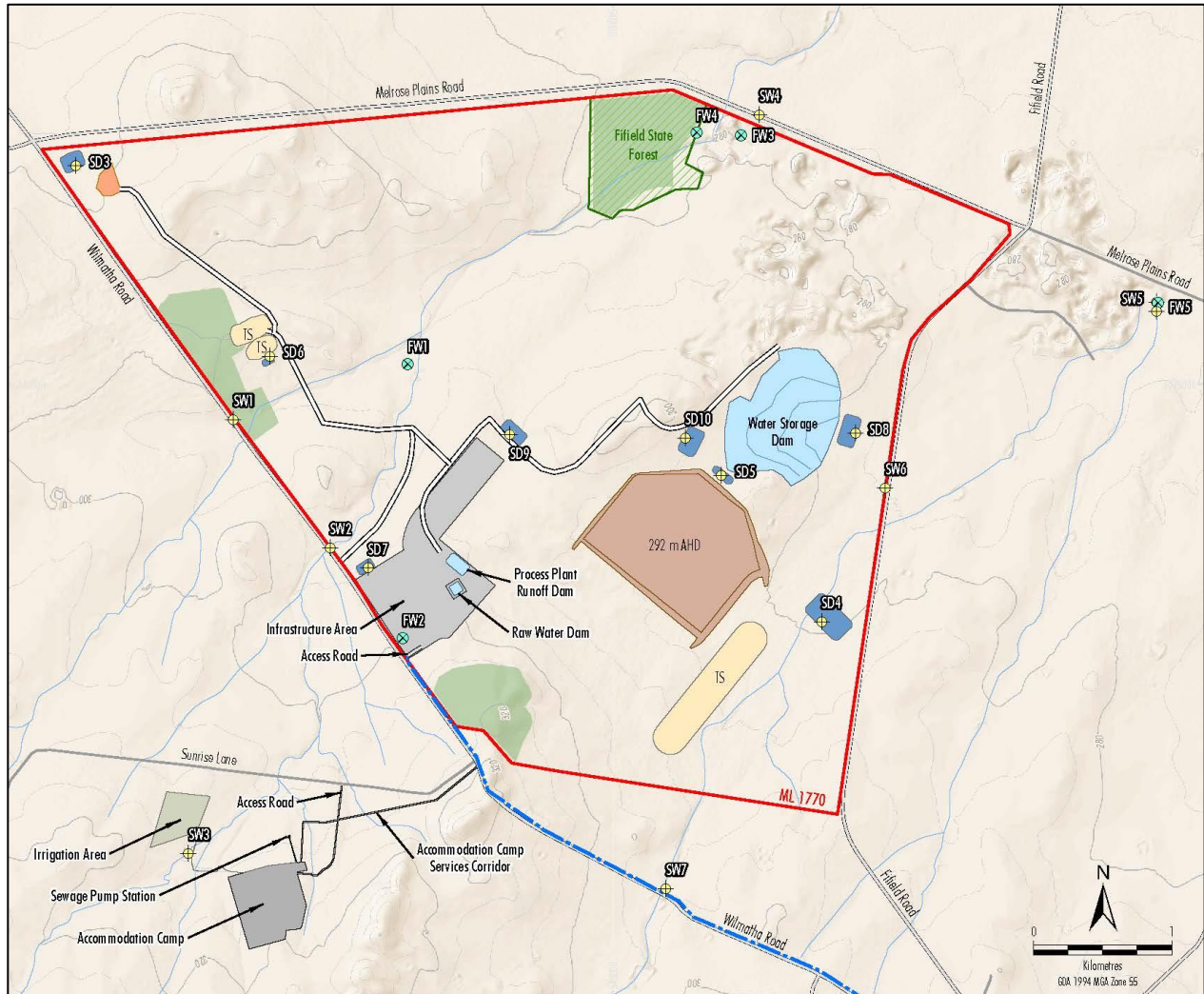


Figure 3 Surface water monitoring locations within the vicinity of and within ML1770

Table 3 Surface Water Monitoring Results for the Reporting Period

Surface Water Monitoring		
SW01	11/10/2018	28/11/2018
pH - Field	6.52	7.19
pH - Lab	6.5	7.8
Electrical Conductivity - Lab (µS/cm)	27	23
Turbidity – Field (NTU)	>1000	>1000
Total Dissolved Solids (mg/L)	14	96
Suspended Solids (mg/L)	300	300
Alkalinity (total) as CaCO ₃ (mg/L)	<20	<20
Calcium (mg/L)	1.3	1.2
Chloride (mg/L)	6.7	1.4
Hardness (mg/L)	12	11
Potassium (mg/L)	4.5	2.9
Sodium (mg/L)	2	1.7
Magnesium (mg/L)	2.1	2
Sulphate (mg/L)	<5	<2
Aluminium (mg/L)	11	6.7
Aluminium - Filtered (mg/L)	0.72	0.58
Arsenic (mg/L)	0.007	0.004
Arsenic – Filtered (mg/L)	0.001	<0.001
Cadmium - (mg/L)	<0.0002	<0.0002
Cadmium - Filtered (mg/L)	<0.0002	<0.0002
Chromium - (mg/L)	0.11	0.072
Chromium - Filtered (mg/L)	0.008	<0.001
Cobalt - (mg/L)	0.018	0.012
Cobalt - Filtered (mg/L)	0.001	0.006
Copper - (mg/L)	0.032	0.021
Copper - Filtered (mg/L)	0.002	0.003
Iron - (mg/L)	26	17
Iron - Filtered (mg/L)	1	0.52
Lead - (mg/L)	0.025	0.013
Lead - Filtered (mg/L)	<0.001	0.002
Manganese - (mg/L)	0.3	0.17
Manganese - Filtered (mg/L)	0.031	0.11
Nickel - (mg/L)	0.03	0.019
Nickel - Filtered (mg/L)	0.002	0.003
Zinc - (mg/L)	0.07	0.037
Zinc - Filtered (mg/L)	<0.005	0.006

Table 3 - Surface Water Monitoring Results for the Reporting Period Continued

Surface Water Monitoring		
SW02	11/10/2018	28/11/2018
pH - Field	6.47	6.48
pH - Lab	6.5	7.4
Electrical Conductivity - Lab (µS/cm)	23	20
Turbidity – Field (NTU)	>1000	>1000
Total Dissolved Solids (mg/L)	14	92
Suspended Solids (mg/L)	760	280
Alkalinity (total) as CaCO ₃ (mg/L)	<20	<20
Calcium (mg/L)	1.4	1.3
Chloride (mg/L)	3.4	1.2
Hardness (mg/L)	15	9.8
Potassium (mg/L)	4.2	3.5
Sodium (mg/L)	2	1.3
Magnesium (mg/L)	2.8	1.6
Sulphate (mg/L)	<5	<2
Aluminium (mg/L)	13	7.5
Aluminium - Filtered (mg/L)	0.82	0.81
Arsenic (mg/L)	0.007	0.004
Arsenic – Filtered (mg/L)	<0.001	<0.001
Cadmium - (mg/L)	<0.0002	<0.0002
Cadmium - Filtered (mg/L)	<0.0002	<0.0002
Chromium - (mg/L)	0.031	0.017
Chromium - Filtered (mg/L)	0.001	<0.001
Cobalt - (mg/L)	0.025	0.011
Cobalt - Filtered (mg/L)	0.001	<0.001
Copper - (mg/L)	0.041	0.016
Copper - Filtered (mg/L)	0.002	0.003
Iron - (mg/L)	28	15
Iron - Filtered (mg/L)	1	0.54
Lead - (mg/L)	0.025	0.01
Lead - Filtered (mg/L)	<0.001	0.002
Manganese - (mg/L)	0.34	0.23
Manganese - Filtered (mg/L)	0.034	0.19
Nickel - (mg/L)	0.035	0.016
Nickel - Filtered (mg/L)	0.002	0.002
Zinc - (mg/L)	0.14	0.037
Zinc - Filtered (mg/L)	<0.005	0.009

Table 3 - Surface Water Monitoring Results for the Reporting Period Continued

Surface Water Monitoring		
SW03	11/10/2018	28/11/2018
pH - Field	6.78	6.28
pH - Lab	6.2	7
Electrical Conductivity - Lab (µS/cm)	22	21
Turbidity – Field (NTU)	414	174
Total Dissolved Solids (mg/L)	11	88
Suspended Solids (mg/L)	130	68
Alkalinity (total) as CaCO ₃ (mg/L)	<20	<20
Calcium (mg/L)	1	0.9
Chloride (mg/L)	1.4	<1
Hardness (mg/L)	<5	<5
Potassium (mg/L)	4.2	4.1
Sodium (mg/L)	1	1
Magnesium (mg/L)	<0.5	0.6
Sulphate (mg/L)	<5	<2
Aluminium (mg/L)	5	1.6
Aluminium - Filtered (mg/L)	0.19	0.31
Arsenic (mg/L)	0.004	0.002
Arsenic – Filtered (mg/L)	<0.001	<0.001
Cadmium - (mg/L)	<0.0002	<0.0002
Cadmium - Filtered (mg/L)	<0.0002	<0.0002
Chromium - (mg/L)	0.007	0.002
Chromium - Filtered (mg/L)	<0.001	<0.001
Cobalt - (mg/L)	0.002	<0.001
Cobalt - Filtered (mg/L)	<0.001	<0.001
Copper - (mg/L)	0.005	0.002
Copper - Filtered (mg/L)	<0.001	<0.001
Iron - (mg/L)	6.8	2.1
Iron - Filtered (mg/L)	0.15	0.3
Lead - (mg/L)	0.005	0.002
Lead - Filtered (mg/L)	<0.001	<0.001
Manganese - (mg/L)	0.12	0.045
Manganese - Filtered (mg/L)	<0.005	0.039
Nickel - (mg/L)	0.004	0.002
Nickel - Filtered (mg/L)	<0.001	<0.001
Zinc - (mg/L)	0.019	0.006
Zinc - Filtered (mg/L)	<0.005	0.008

Table 3 - Surface Water Monitoring Results for the Reporting Period Continued

Surface Water Monitoring		
SW04	11/10/2018	28/11/2018
pH - Field	7.26	6.97
pH - Lab	6.7	7
Electrical Conductivity - Lab (µS/cm)	26	34
Turbidity – Field (NTU)	743	275
Total Dissolved Solids (mg/L)	13	30
Suspended Solids (mg/L)	290	110
Alkalinity (total) as CaCO ₃ (mg/L)	<20	<20
Calcium (mg/L)	2.7	2.2
Chloride (mg/L)	1.1	<1
Hardness (mg/L)	23	19
Potassium (mg/L)	3.4	2.7
Sodium (mg/L)	<0.5	<0.5
Magnesium (mg/L)	4	3.2
Sulphate (mg/L)	<5	<2
Aluminium (mg/L)	7.1	2.7
Aluminium - Filtered (mg/L)	0.3	0.41
Arsenic (mg/L)	0.003	0.001
Arsenic – Filtered (mg/L)	<0.001	<0.001
Cadmium - (mg/L)	<0.0002	<0.0002
Cadmium - Filtered (mg/L)	<0.0002	<0.0002
Chromium - (mg/L)	0.052	0.019
Chromium - Filtered (mg/L)	<0.001	0.002
Cobalt - (mg/L)	0.005	0.002
Cobalt - Filtered (mg/L)	<0.001	<0.001
Copper - (mg/L)	0.016	0.006
Copper - Filtered (mg/L)	0.001	0.002
Iron - (mg/L)	12	4.6
Iron - Filtered (mg/L)	0.21	0.34
Lead - (mg/L)	0.01	0.004
Lead - Filtered (mg/L)	<0.001	<0.001
Manganese - (mg/L)	0.19	0.067
Manganese - Filtered (mg/L)	0.016	0.058
Nickel - (mg/L)	0.009	0.003
Nickel - Filtered (mg/L)	<0.001	0.001
Zinc - (mg/L)	0.037	0.008
Zinc - Filtered (mg/L)	<0.005	<0.005

Table 3 - Surface Water Monitoring Results for the Reporting Period Continued

Surface Water Monitoring		
SW05	11/10/2018	28/11/2018
pH - Field	7.96	8.31
pH - Lab	7.8	7.7
Electrical Conductivity - Lab (µS/cm)	140	140
Turbidity – Field (NTU)	10.15	11.26
Total Dissolved Solids (mg/L)	78	80
Suspended Solids (mg/L)	10	9.4
Alkalinity (total) as CaCO ₃ (mg/L)	71	62
Calcium (mg/L)	3.7	3.4
Chloride (mg/L)	10	5.7
Hardness (mg/L)	46	46
Potassium (mg/L)	11	11
Sodium (mg/L)	7.3	7.6
Magnesium (mg/L)	8.9	9.2
Sulphate (mg/L)	<5	<2
Aluminium (mg/L)	0.11	0.08
Aluminium - Filtered (mg/L)	<0.05	0.12
Arsenic (mg/L)	<0.001	<0.001
Arsenic – Filtered (mg/L)	<0.001	<0.001
Cadmium - (mg/L)	<0.0002	<0.0002
Cadmium - Filtered (mg/L)	<0.0002	<0.0002
Chromium - (mg/L)	<0.001	<0.001
Chromium - Filtered (mg/L)	0.002	<0.001
Cobalt - (mg/L)	<0.001	<0.001
Cobalt - Filtered (mg/L)	<0.001	<0.001
Copper - (mg/L)	0.002	0.001
Copper - Filtered (mg/L)	0.001	0.003
Iron - (mg/L)	0.32	0.28
Iron - Filtered (mg/L)	<0.05	0.21
Lead - (mg/L)	<0.001	<0.001
Lead - Filtered (mg/L)	<0.001	<0.001
Manganese - (mg/L)	0.024	0.017
Manganese - Filtered (mg/L)	<0.005	0.04
Nickel - (mg/L)	0.002	0.002
Nickel - Filtered (mg/L)	0.001	0.002
Zinc - (mg/L)	<0.005	<0.005
Zinc - Filtered (mg/L)	<0.005	0.006

Table 3 - Surface Water Monitoring Results for the Reporting Period Continued

Surface Water Monitoring	
SW06	28/11/2018
pH - Field	6.32
pH - Lab	7.2
Electrical Conductivity - Lab (µS/cm)	56
Turbidity – Field (NTU)	45.1
Total Dissolved Solids (mg/L)	110
Suspended Solids (mg/L)	6.6
Alkalinity (total) as CaCO ₃ (mg/L)	<20
Calcium (mg/L)	2.5
Chloride (mg/L)	3.8
Hardness (mg/L)	13
Potassium (mg/L)	10
Sodium (mg/L)	2.4
Magnesium (mg/L)	1.6
Sulphate (mg/L)	<2
Aluminium (mg/L)	0.72
Aluminium - Filtered (mg/L)	<0.05
Arsenic (mg/L)	<0.001
Arsenic – Filtered (mg/L)	<0.001
Cadmium - (mg/L)	<0.0002
Cadmium - Filtered (mg/L)	<0.0002
Chromium - (mg/L)	0.002
Chromium - Filtered (mg/L)	<0.001
Cobalt - (mg/L)	<0.001
Cobalt - Filtered (mg/L)	<0.001
Copper - (mg/L)	0.004
Copper - Filtered (mg/L)	0.001
Iron - (mg/L)	1.2
Iron - Filtered (mg/L)	0.14
Lead - (mg/L)	<0.001
Lead - Filtered (mg/L)	<0.001
Manganese - (mg/L)	0.044
Manganese - Filtered (mg/L)	0.018
Nickel - (mg/L)	0.003
Nickel - Filtered (mg/L)	0.001
Zinc - (mg/L)	<0.005
Zinc - Filtered (mg/L)	<0.005

7.3 Groundwater

Development Consent Condition 30 requires the development of a Water Management Plan (WMP) which must include a Groundwater Management Plan for the Project. The construction phase WMP, including the construction phase Groundwater Management Plan, will be submitted for approval to the DP&E during the 2019 reporting period.

7.3.1 Environmental Performance

7.3.1.1 Monitoring – Mine Lease

Three monitoring events occurred during the reporting period, with groundwater standing water levels measured in June 2017, June 2018 and September 2018. Groundwater monitoring locations within the vicinity of and within ML1770 are shown in Figure 4. Water quality results from the sampling event in June 2018 are shown in Appendix 1.

The standing water level measurements and water quality data have provided important baseline information for the site.

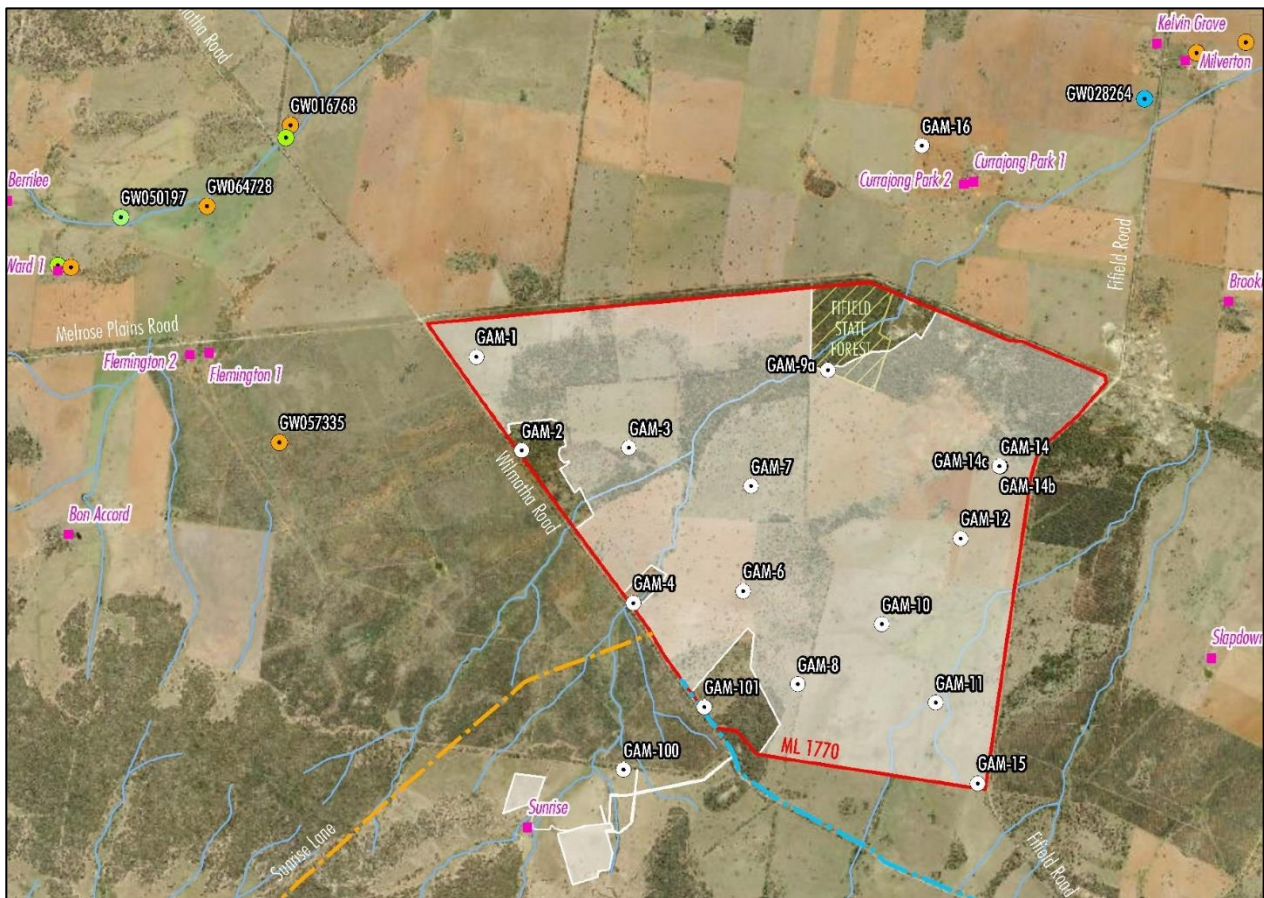


Figure 4 Groundwater monitoring locations within the vicinity of and within ML1770

Table 4 Mining Lease Area -Groundwater Monitoring Results for the Reporting Period

Standing Water Level (m AHD)			
ID	June 2017	June 2018	Sept 2018
GAM01	276.38	274.33	273.75
GAM02	268.97	269.9	269.91
GAM03	247.73	248.47	248.54
GAM04	264.13	264.03	263.81
GAM06	249.67	250.42	250.37
GAM07	242.55	243.32	243.45
GAM08	248.58	244.39	244.36
GAM09	238.69	239.68	239.67
GAM10	249.82	250.78	250.43
GAM11	242.32	243.62	243.69
GAM12	251.99	252.38	252.15
GAM14a	244.59	245.32	244.82
GAM14b	232.3	233.71	233.88
GAM14c	250.63	249.8	249.46
GAM15	239.68	240.57	240.55
GAM16	216.79	218.42	218.07
GAM100		257.15	257.2
GAM101		257.12	257.12

7.3.1.2 Monitoring – Borefield

Two monitoring events occurred during the reporting period, with groundwater standing water levels measured on the 6th June 2018 and the 20th September 2018 (Table 5). Groundwater monitoring locations within the borefield are shown in Figure 5. Water quality results from the August 2017 event are shown in Appendix 1.

The groundwater standing water level measurements and water quality results have provided important baseline information for the site.

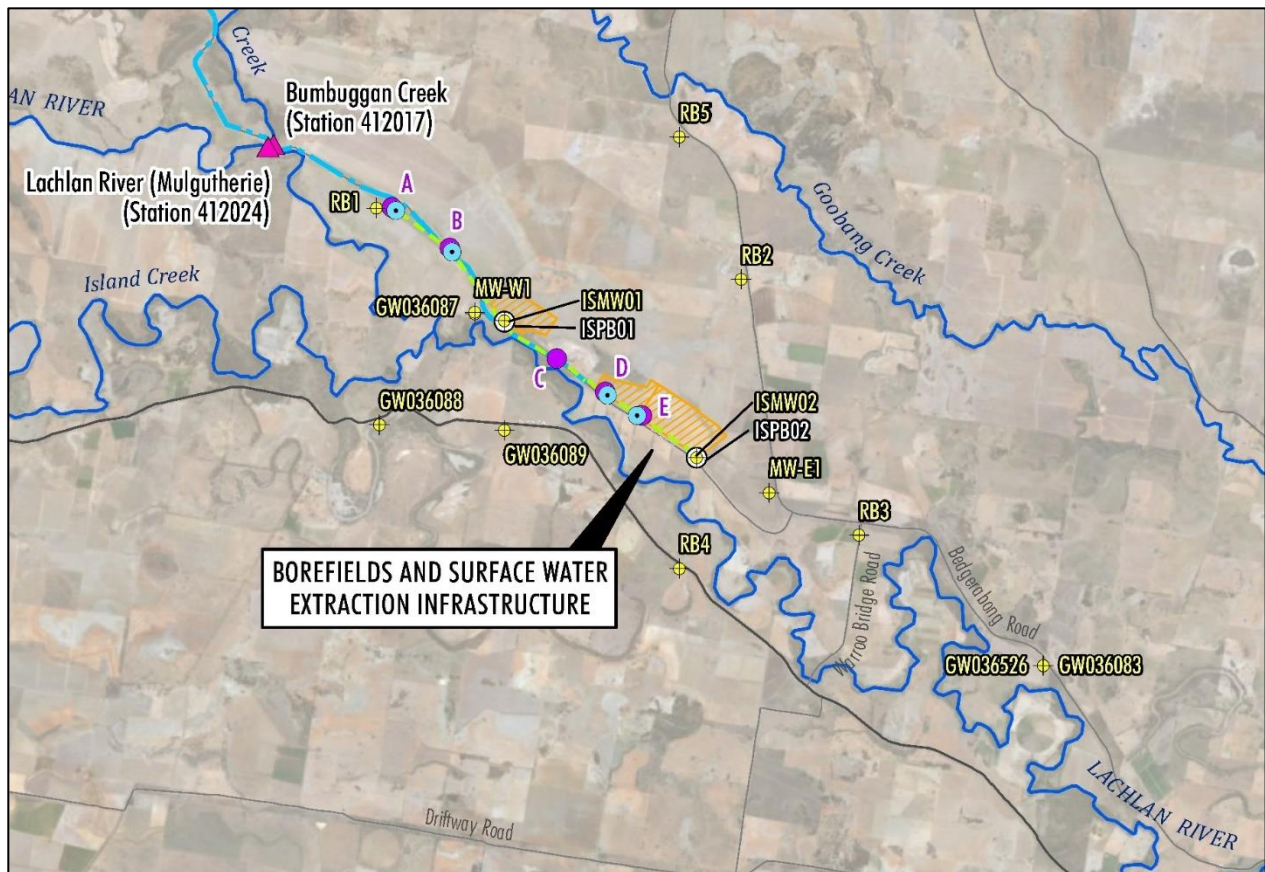


Figure 5 Groundwater monitoring locations within the borefield

Table 5 Borefield -Groundwater Monitoring Results for the Reporting Period

ID	Standing Water Level (m AHD)	
	06/06/2018	20/09/2018
ISMW01	193.69	190.69
ISMW02	196.65	193.23
MWE1	197.06	196.81
MWW1	197.57	196.67

7.3.2 Reportable Incidents

There were no reportable incidents during the reporting period.

7.3.3 Further Improvements

No further improvements were implemented during the reporting period.

8. REHABILITATION

Development Consent Condition 57 requires the preparation of a Rehabilitation Management Plan (RMP) for the Sunrise Project. As stated above, a construction phase RMP was prepared and submitted to DP&E for approval during the reporting period. The RMP was subsequently approved on the 17th December 2018.

8.1 Rehabilitation of Disturbed Land

Exploration drilling operations were undertaken in accordance with the *Exploration Code of Practice: Rehabilitation*, to ensure that areas disturbed by drilling activities are returned to a condition that is safe, stable, secure and non-polluting, and that allows the proposed final land uses (secondary domains) to be sustained.

Rehabilitation activities during the Reporting Period were limited to rehabilitation of all drill holes drilled during the January/February 2018 RC program including the metallurgical test hole.

Rehabilitation included the following (phase 1 decommissioning performance indicator):

- Removal of all sample bags to a central storage location near the “Syerston” Homestead;
- Capping of all drill holes in preparation for future down-hole geophysical surveys; and
- Removal of all remaining drilling and other equipment.

8.2 Rehabilitation Monitoring

The following rehabilitation monitoring was undertaken during the January/February 2018 RC Program; Photographs of each area of disturbance were taken:

- Prior to surface disturbing activities;
- During and after drilling of the hole; and
- Following rehabilitation of the drill site until such a time as no further monitoring is required.

These photographs will be retained for future reference for any Rehabilitation Relinquishment reports as required by the Resources Regulator. Records of relevant dates, including commencement of drilling, finalisation of drilling and commencement and finalisation of rehabilitation are also being kept.

8.3 Performance Indicators

Performance indicators and completion/relinquishment criteria for each rehabilitation phase are described in Section 6 of the approved MOP. Rehabilitation of the exploration areas disturbed during the January/February 2018 RC Program achieved phase 1 (decommissioning) performance indicator. Phase 2 rehabilitation (landform establishment) was not achieved as these drill holes are planned to be re-entered during future exploration activities.

No further rehabilitation took place on ML 1770 during the reporting period.

During the next reporting period, rehabilitation activities will continue in accordance with the approved MOP, RMP and Mining Lease conditions.

9. COMMUNITY RELATIONS

Clean TeQ communicates with respect and works hard to listen to our communities and achieve constructive dialogue. Clean TeQ uses multiple, audience-appropriate communication channels to deliver consistent and timely information.

9.1 Community Complaints

The Development Consent requires Clean TeQ to implement a procedure to receive, handle, respond to and record complaints, and resolve any disputes that may arise.

During the reporting period, Clean TeQ established a toll-free, 24-hour community complaint line (1800 952 277). The community complaint line is easily available to the public on the Clean TeQ Sunrise website. Calls are answered by an operator who records details (date and time of call, name, contact details, details of the complaint and whether an immediate response is required) and emails the record to the Community Relations team via community@cleanteq.com. Calls that require an immediate response outside business hours are sent to the General Manager - Government, External Affairs and Community and the Community Relations Officer for immediate response. A member of the community team responds to calls within 24 hours or on the next business day. Clean TeQ investigates all complaints thoroughly, always working towards a mutually agreeable and long-lasting solution.

Complaints may also be submitted through stakeholder interactions that may occur between Clean TeQ personnel and community members from time to time. All employees and contractors receive information about the Clean TeQ Sunrise Complaints Management Process during the general Induction process.

A summary of the community complaints received during the reporting period is provided in Table 6.

Table 6 Summary of Community Complaints during the Reporting Period

Summary of Community Complaints	
Record No 1	
Details	Community Member
Complaint	Clean TeQ Sunrise, Trundle shop front – Building condition.
Date	13/12/2017 & 11/02/2018
Details	1. Letter received from community member raising safety concerns regarding the condition of the office being used as the Clean TeQ Sunrise shop front.
Outcome	<ol style="list-style-type: none"> 1. Clean TeQ Sunrise undertook internal risk assessment of the space prior to establishing the shop front. 2. Clean TeQ Sunrise replied in writing on 29/03/2018 informing that a risk assessment had been completed prior to establishing the shop front and that monitoring of the building would continue. An invitation to meet in person and discuss further was extended. 3. Clean TeQ personnel met in person with the complainant on 2/05/2018 to discuss further. During the meeting a general project update was also provided.
Date of Response	Initial response – 29/03/2018 Complaint closed – 2/05/2018

9.2 Community Liaison

Community Consultative Committee

During the reporting period, quarterly meetings of the CCC were conducted in accordance with Development Consent Condition 7 [Schedule 5].

The CCC was re-established in October 2017 and provides a forum for discussion between Clean TeQ and representatives of the local community, stakeholder groups and the local councils on issues directly relating to the Project.

The CCC meets in Condobolin and Clean TeQ provides a project update, information relating to environmental management and community engagement activities and addresses questions and concerns raised by CCC members. In addition, guests and industry experts, including the DP&E, Environmental Protection Authority and Clean TeQ senior technical personnel participated in CCC meetings to address member and community concerns. Minutes are taken from each meeting and published on the Clean TeQ webpage, along with copies of all presentations. www.cleanteq.com/sunrise-project/community-consultative-committee/

Community Consultation

Clean TeQ engages through a range of consultation tools including individual stakeholder and public meetings, advertised community events, regular newsletters and the operation of shop fronts in Condobolin and Trundle. Clean TeQ policies and guidelines guide interactions with communities affected by Clean TeQ Sunrise activities. Clean TeQ's team of Community Relations specialists work across our communities of influence.

Clean TeQ regularly attends meetings with stakeholders, with meetings consisting of between 3 and 40 people, for example:

- Individual stakeholder meetings;
- Landholder meetings;
- Groundwater user group meetings;
- Community groups such as Community Progress Associations
- Local Government and State agency meetings; and
- Local secondary and primary school meetings.

During the reporting period, Clean TeQ also provided project update presentations and or briefings to various community groups, including:

- Local community and charitable groups;
- Wiradjuri Condobolin Corporation;
- Lachlan, Parkes and Forbes Shire Councils;
- State agencies
- Central West Shareholders
- Lachlan Valley Water; and
- Chamber of Commerce in Parkes and Condobolin.

In addition, Clean TeQ also hosted on-site inspections for several key stakeholders, including:

- Mayors and General Managers of the Lachlan, Parkes and Forbes Shire Councils;
- Federal Government MPs;
- Near neighbours of the mining lease area;
- State regulatory bodies; and
- Independent Planning Commissioners and stakeholders associated with Modification 4.

Aboriginal Consultation

During the development of the HMP, Clean TeQ consulted with all Registered Aboriginal Parties (RAPs) and relevant Local Aboriginal Land Councils.

As described in Section 6.7.2.1, an invitation to participate in planned Cultural Heritage Salvage works was extended to all RAPs in November 2018.

Through membership on the CCC, the Wiradjuri Condobolin Corporation is provided with regular updates on the Project. In addition, Clean TeQ has participated in community events hosted by the Wiradjuri Condobolin Corporation and has regular contact with this organisation outside of the CCC meetings.

Community Investment

In December 2018, Clean TeQ signed a Voluntary Planning Agreement (VPA) with the Lachlan, Parkes and Forbes Shire Councils. The VPA commits to investing more than \$18 million into the local communities during construction and the first 21 years of mine life. The local initiatives to be funded through Clean TeQ's investment encompass road maintenance and community enhancements at the discretion of the Councils.

Clean TeQ's guiding principle for community investment is to achieve meaningful outcomes that benefit as many people as possible in the community. For Clean TeQ, the definition of community investment includes financial and non-financial contributions.

The current pre-construction investment program includes small-scope direct financial contributions, complemented by important non-financial contributions such as time spent supporting schools and community organisations.

Financial and/or non-financial support during the reporting period was provided to:

- Local agricultural shows;
- Primary and secondary schools in Trundle, Condobolin and Forbes;
- Trundle Bush Tucker Day;
- Forbes Mega Farm Rescue; and
- Band Together Farmers.

10. INDEPENDENT ENVIRONMENTAL AUDIT

Development Consent Condition 10 [Schedule 5] requires an Independent Environmental Audit (IEA) to be commissioned within one year of the commencement of the development after 6th May 2017. As the Sunrise Project has not yet recommenced development, the requirement for an IEA has not been triggered.

11. INCIDENTS AND NON-COMPLIANCES DURING THE REPORTING PERIOD

No reportable incidents or non-compliances occurred during the reporting period.

12. ACTIVITIES TO BE COMPLETED IN THE NEXT REPORTING PERIOD

12.1 Exploration

The following exploration activities are proposed during the next Reporting Period:

- Downhole geophysical testing of drill holes completed during the January/February 2018 RC Drill Program; and
- Commencement of the “Stage 2” infill drill program identified in Section 2.3.2 of the approved MOP.

Other non-exploration activities proposed during the next Reporting Period include the following and are described in Section 2.3.2 of the approved MOP:

- Geotechnical, soil and other test work to further refine the design parameters for the approved mine infrastructure and mine-related purposes;
- Minor preparatory works, including installation of services and ancillary infrastructure.

12.2 Project Development

Clean TeQ is proposing to commence initial Project construction activities during Q3 in 2019. Initial construction activities associated with ML 1770 include the following:

Development of the mine, including:

- Site establishment and earthworks;
- Construction of site access roads and haul roads;
- Processing facility earthworks;
- Establishment of temporary facilities required for construction activities (e.g. offices, laydown areas, communications infrastructure);
- Construction of the mine infrastructure area including the offices, workshops, warehouse, laboratory and amenities buildings, fuel storage areas, potable water treatment plant and car parking facilities;
- Construction of the tailings storage facility and evaporation pond;
- Construction of water management infrastructure including the raw water dam, water storage dam and sediment dams;

- Construction and operation of the concrete batch plant;
- Development of gravel and clay borrow pits (including blasting);
- Installation of appropriate fencing and barriers for public safety and security for mining and construction; and
- Other associated minor infrastructure, plant, equipment and activities.

In addition to the above, Development Consent Condition 48 (e) requires the establishment of vegetation screens within three years of the commencement of any development on the mine site. The vegetation screens are required along the eastern, southern and part of the western ML1770 boundary. During the reporting period, Clean TeQ ordered the tubestock required for the vegetation screens, with plans to plant the seedlings during the winter of 2019 well advanced.

The above project development activities are not described in the currently approved MOP, therefore a new MOP is currently in preparation and will be submitted to the Resources Regulator during the next reporting period for approval.

13. REFERENCES

Corkery RW (2018a) *Annual Activity Report for EL4573 for the 12 months to 16 August 2018*.

Corkery RW (2018b) *Annual Exploration Report for EL 4573 “Clean TeQ Sunrise Project” - 17 August 2017 to 16 August 2018*.

NSW Government (2015) *Annual Review Guideline – Post-approval Requirements for State Significant Mining Developments*. October 2015.

GLOSSARY OF TERMS

AQMP	Air Quality Management Plan
AR	Annual Review
AWS	Automatic Weather Station
BMP-RS	Biodiversity Management Plan and Revegetation Strategy
CCC	Community Consultative Committee
DP&E	Department of Planning and Environment
DRG	Division of Resources and Geoscience
EMP	Environmental Management Plan
GWMP	Groundwater Management Plan
HMP	Heritage Management Plan
IEA	Independent Environmental Audit
ML	Mining Lease
MOP	Mining Operations Plan
NMP	Noise Management Plan
RAP	Registered Aboriginal Party
RMP	Rehabilitation Management Plan
SWMP	Surface Water Management Plan
VCP	Vegetation Clearance Protocol
WMP	Water Management Plan

APPENDIX 1
Groundwater Monitoring Results

Sample Date	Sample Point	Field pH	Lab Total Dissolved Solids (mg/L)	EC (us/cm)	Lab EC (us/cm)	Field EC (us/cm)	Total Anions (meq/L)	Total Cations (meq/L)	Ionic Balance (%)	Total Alkalinity as CaCO3 (mg/L)	Ammonia as N (mg/L)	Aluminium (filtered) (mg/L)	Arsenic (filtered) (mg/L)	Boron (filtered) (mg/L)	Calcium (filtered) (mg/L)	Chloride (mg/L)	Cadmium (filtered) (mg/L)	Chromium (filtered) (mg/L)	Cobalt (filtered) (mg/L)
07/06/2018	GAM01	6.7	214	340	340	356	3.2	3	3.22	75	0.02	0.08	0.001	<0.05	12	30	<0.0001	<0.001	<0.001
07/06/2018	GAM02	8.3	452	822	822	868	10.4	9.29	5.53	435		<0.01	<0.001	0.08	57	51	<0.0001	0.028	<0.001
08/06/2018	GAM03	7	812	1620	1620	1725	22	19.9	4.93	1010		<0.01	<0.001	0.11	28	57	<0.0001	0.009	0.001
07/06/2018	GAM04	7.2	851	1460	1460	1461	16.5	14.5	6.33	553		<0.01	<0.001	0.11	75	170	<0.0001	0.015	<0.001
12/06/2018	GAM06	8	763	1480	1480	2560	15.6	14.2	4.73	236		0.01	<0.001	0.1	66	332	<0.0001	0.002	0.003
07/06/2018	GAM07	8.8	588	1180	1180	1193	13.2	11.4	7.61	404		<0.01	<0.001	<0.05	2	173	<0.0001	0.006	<0.001
13/06/2018	GAM08	7	6020	10400	10400	10130	122	104	7.81	949		<0.01	0.002	0.13	111	2110	0.0037	<0.001	0.008
12/06/2018	GAM10	8.7	3090	5780	5780	5770	63.1	59.9	2.57	796		0.03	<0.001	0.16	347	1350	0.0002	0.002	<0.001
07/06/2018	GAM11	6.8	10300	14800	14800	14380	167	144	7.52	814	<0.01	<0.01	<0.001	0.13	347	4210	0.0004	0.001	0.002
13/06/2018	GAM12	8.6	798	1400	1400	1445	14	12.7	4.93	137		0.03	0.006	0.28	46	218	<0.0001	<0.001	<0.001
13/06/2018	GAM14c	7.3	934	2070	2070	2021	22.2	20.8	3.36	655		<0.01	0.002	0.22	54	295	<0.0001	<0.001	0.003
12/06/2018	GAM15	7.3	2420	4230	4230	4210	48.8	43	6.26	856		<0.01	<0.001	0.13	114	708	<0.0001	<0.001	0.006
08/06/2018	GAM16	6.9	3540	5430	5430	5260	55.8	53.6	1.99	620		<0.01	<0.001	0.18	161	1420	<0.0001	0.002	<0.001
08/06/2018	GAM100	7.2	3980	6320	6320	6610	69.2	66.8	1.76	1530		<0.01	0.001	0.14	13	1060	<0.0001	<0.001	0.01
08/06/2018	GAM101	8.9	4080	6910	6910	7770	69.6	67	1.92	871		0.08	0.012	0.07	16	1420	<0.0001	0.009	<0.001

Sample Date	Sample Point	Copper (filtered) (mg/L)	Field Redox (mV)	Field Temp. (degree s Celsius)	Field Dissolved Oxygen (mg/L)	Iron (filtered) (mg/L)	Kjedahl Nitrogen Total (mg/L)	Lead (filtered) (mg/L)	Magensium (filtered) (mg/L)	Manganese (filtered) (mg/L)	Mercury (filtered) (mg/L)	Nickel (filtered) (mg/L)	Potassium (filtered) (mg/L)	Sodium (filtered) (mg/L)	Silver (filtered) (mg/L)	Sulfate as SO4 (mg/L)	Total Phos. as P (mg/L)	Vanadium (filtered) (mg/L)	Zinc (filtered) (mg/L)
07/06/2018	GAM01	0.009	198	18.6	4.2	<0.05	0.4	0.001	<1	0.006	<0.0001	0.005	2	54	<0.001	41	0.02	<0.01	0.008
07/06/2018	GAM02	0.012	135	17.2	7.9	<0.05		0.005	55	0.013	<0.0001	0.006	2	43	<0.001	12		0.03	0.026
08/06/2018	GAM03	0.007	257	17.8	5.4	<0.05		<0.001	200	<0.001	<0.0001	0.014	1	47	<0.001	10		<0.01	0.008
07/06/2018	GAM04	0.009	97	20.9	4.4	<0.05		0.005	86	0.003	<0.0001	<0.001	2	84	<0.001	31		0.02	0.006
12/06/2018	GAM06	0.013	151	19.3	7.5	<0.05		0.01	66	0.129	<0.0001	0.101	6	123	<0.001	75		<0.01	0.029
07/06/2018	GAM07	0.008	107	18	3.7	<0.05		0.006	58	0.009	<0.0001	0.001	4	147	<0.001	14		<0.01	<0.005
13/06/2018	GAM08	0.098	230	17.1	5.7	<0.05		<0.001	251	0.052	<0.0001	0.01	20	1780	<0.001	2080		0.02	0.021
12/06/2018	GAM10	0.246	191	18.5	7.2	<0.05		0.011	286	0.032	<0.0001	0.143	14	725	<0.001	437		<0.01	0.054
07/06/2018	GAM11	0.003	141	18.8	5.2	0.12	<0.2	<0.001	475	0.035	<0.0001	0.002	19	2000	<0.001	1550	<0.02	<0.01	<0.005
13/06/2018	GAM12	0.005	91	18.1	4.1	<0.05		<0.001	8	0.094	<0.0001	<0.001	3	223	<0.001	248		<0.01	0.01
13/06/2018	GAM14c	0.011	96	19	2.3	<0.05		0.015	132	0.057	<0.0001	0.004	4	164	<0.001	40		0.02	0.022
12/06/2018	GAM15	0.007	86	17.2	5.2	0.19		0.002	178	0.193	<0.0001	0.002	7	517	<0.001	561		<0.01	0.013
08/06/2018	GAM16	0.007	165	17.1	5.1	<0.05		<0.001	339	0.002	<0.0001	0.002	12	399	<0.001	160		<0.01	0.007
08/06/2018	GAM100	0.007	248	16.9	4.8	<0.05		<0.001	67	0.652	<0.0001	0.012	24	1380	<0.001	419		0.02	0.009
08/06/2018	GAM101	0.008	144	18.2	5.6	<0.05		<0.001	38	0.039	<0.0001	0.002	17	1440	<0.001	584		0.02	0.006

Sample Date	Sample Point	Field pH	Total Dissolved Solids (mg/L)	Lab EC (us/cm)	Field EC (us/cm)	Total Alkalinity as CaCO ₃ (mg/L)	Ammonia as N (mg/L)	Aluminium (mg/L)	Arsenic (mg/L)	Barium (mg/L)	BOD (mg/L)	Bismuth (mg/L)	Boron (mg/L)	Calcium (mg/L)
15/08/2017	ISPB01	7.1	669	1350	1238	193	0.06	0.03	<0.001	0.034	<2	<0.001	0.07	24

Sample Date	Sample Point	Chemical Oxygen Demand (mg/L)	Chloride (mg/L)	Cadmium (mg/L)	Chromium (mg/L)	Cobalt (mg/L)	Copper (mg/L)	Field Turbidity (NTU)	Fluoride (mg/L)	Gold (mg/L)	Iron (mg/L)	Iron Ferric (mg/L)	Iron Ferrous (mg/L)
15/08/2017	ISPB01	<10	235	<0.0001	<0.001	<0.001	<0.001	4.2	0.5	<0.001	0.92	<0.05	1

Sample Date	Sample Point	Lead (mg/L)	Lithium (mg/L)	Magnesium (mg/L)	Manganese (mg/L)	Mercury (mg/L)	Molybdenum (mg/L)	Nitrite (mg/L)	Nitrate as N (mg/L)	Nitrite and Nitrate as N (mg/L)	Nickel (mg/L)	Potassium (mg/L)	Reactive Silica (mg/L)	Sodium (mg/L)
15/08/2017	ISPB01	<0.001	0.006	21	0.051	<0.0001	<0.001	<0.01	<0.01	<0.01	<0.001	3	13.3	188

Sample Date	Sample Point	Silver (mg/L)	Sulfate as SO ₄ (mg/L)	Selenium (mg/L)	Strontium (mg/L)	Specific Gravity	Titanium (mg/L)	Total Phos. as P (mg/L)	Total Suspended Solids (mg/L)	Total Hardness as CaCO ₃ (mg/L)	Vanadium (mg/L)	Yttrium (mg/L)	Zinc (mg/L)	Zirconium (mg/L)
15/08/2017	ISPB01	<0.001	52	<0.01	0.543	1	<0.01	0.06	8	146	<0.01	<0.001	<0.005	<0.005