RENISON CONSOLIDATED MINES NL

MINING MANAGEMENT PLAN (MMP)

STEVE’S HILL PROJECT AREA

EXPLORATION

EL22068

JUNE 2005 – JUNE 2006
SECTION 1: Outline and Introduction

1.1 Mine Name and Location:
Exploration Licence 22068 - Steve’s Hill

Steve’s Hill is located about 80 kilometres south east of Darwin in the Northern Territory. The northern boundary of the project area is approximately 3km to the south of the Arnhem Highway.

1.2 Operator:
Renison Consolidated Mines NL (the Company)

1.3 Address:
Level 5
Santos House
60 Edward St
Brisbane, QLD. 4000

Mailing:
GPO Box 5268
Brisbane, QLD 4001

1.4 Phone:
Renison Consolidated Mines NL 07 3303 0630

1.5 Contact Person:
Renison Consolidated Mines NL Richard Seville
Scott Hall

1.6 Tenement Details:
Exploration Licence 22068
Granted 2nd August 2000
15 Sub Blocks

1.7 Permits and Conditions:
Any future operations under the Authorisation will have to comply with the following legislation:

- Mining Management Act;
- Mining Act;
- Bushfires Act;
- Environmental Assessment Act;
- Heritage Conservation Act;
- Native Title Act;
- Northern Territory Aboriginal Sacred Sites Act;
- Public Health Act;
- Territory Parks and Wildlife Conservation Act;
- Waste Management and Pollution Control Act;
- Water Act; and
- Weeds Management Act.

Statement of Project Status

1.7 Proposed Activity and History of Development
Reconnaissance work during the first 2 years of tenure successfully located an area which contained coarse gold in alluvial and elluvial form. This work was mainly carried out using a metal detector. The gold was found on the northern slopes of a south-westerly trending low ridge locally known as Steve’s Hill. Broadly spaced soil sampling in the third year located 2 further areas of interest to the southwest of Steve’s Hill. Subsequent reconnaissance work with the metal detector in the vicinity of the two soil anomalies was successful in locating more coarse gold. In the fourth year the tenement holders decided to look for a partner with the ability to rapidly assess and develop the potential of the area.
Renison Consolidated Mines NL signed an ‘Option to Purchase’ Agreement with the tenement holders in January 2004. Renison are now the Operators and Managers of the project.

The initial exploration programme during the previous 12 months centred on the ridge which projects to the southwest from Steve’s Hill. This programme included gridding, BLEG soil sampling, regolith mapping, costeuning and RAB drilling.

The grid was constructed using non-intrusive methods. Steel grid pegs were placed every 80m over a base line length of 4km with cross lines 400m either side of the base line at 160m intervals.

The soil sampling involved the digging of shallow pits to a depth of approximately 15-20cm at an interval of 20m. The samples were then sieved using a 2mm screen, excess material being placed back in the hole prior to being backfilled. This method is expected to be used in the future.

Costeuning will be carried out by using a small backhoe. Only shallow trenches will be dug to a maximum depth of 1.5m. The trenches will be mapped, sampled and then backfilled. Costeuning is considered the most effective tool for designing which orientation the drill holes will be placed.

The RAB & RC drilling programme will be carried out using a small 4WD truck mounted machine. No significant track emplacement is considered necessary for this machine to complete the programme. RC Hole locations will be to follow up RAB drilling where appropriate to a maximum depth of 100m. Further RAB drilling will be determined from further mapping, ground magnetic, geochemical sampling and costeuning programme. The RAB programme will be used to better define the source of the alluvial/elluvial gold that has been located within the tenement. At this stage holes are planned to be drilled to refusal or to a depth of approximately 25m, whichever occurs first. All drill chips will be collected in bags and holes temporarily plugged before backfilling once the analyses of the samples from the holes has been received. Excess drilling chips will be placed in a pit and covered with topsoil.

1.8 Proposed Extraction Method

No mining is proposed for the tenement during the authorisation period.

1.9 Proposed Treatment Process

No ore treatment processes will occur during the authorisation period.

0.10 Material Reserves

No definable resources have been determined for the tenement area.

0.11 Expected Mine Life and Exploration Schedule

No mining will occur in the next twelve months. If exploration is successful it is expected that the project will be rapidly advanced to take advantage of the processing facilities held by the Company at Tom’s Gully, approximately 15km from the tenement area.

0.12 Infrastructure Required

All exploration activities will be managed from the Company’s regional administration and storage facilities at Tom’s Gully. All field equipment and samples will be stored at Tom’s Gully. Water for drilling is available from streams and waterholes that occur within the tenement area. If insufficient water is available from these sources then water will be transported from Tom’s Gully. All refuse will be removed from site.

0.13 Transportation Corridors and Site Access

Steve’s Hill is approximately 80km southeast of Darwin and is accessible from both the Arnhem Highway via Wyatts Road and from the Marrakai Track. Access in possible during the dry season along existing sheeted tracks along cleared fence lines which double as fire breaks.

The tenement is situated on freehold land, currently held by Creation 99 Pty Ltd.

1.14 Maps and Site Layout

See map at the back of this document.
SECTION 2: Current Project Site Conditions

2.1 Topography and Vegetation:  
The project area is characterised by gently undulating topography of low relief. Vegetation is characterised by Eucalypt woodlands with tropical grass understoreys.

1.2 Climate:  
The climate of the Darwin-Katherine region is broadly classified as tropical monsoon. It is characterised by seasonal shifting of the prevailing winds and consequent marked changes of air mass properties. Two distinct seasons can be identified, with two subsidiary transitional periods between them. The distinct seasons are commonly known as the Wet (monsoon) and Dry.

The warm dry winter or dry season occurs from May to September. It is characterised by prevailing south easterly winds. The hot "dry-wet" transition from October to November has high humidity and variable winds. The wet season is a hot wet summer from December to March with dominant north-west to westerly winds. The hot "wet-dry" transition of April has variable winds though dominantly westerly. Thunderstorms are still common but decrease markedly in intensity.

Virtually all the rainfall occurs in the summer 'wet season'. The average rainfall decreases with distance from the coast, from 1660mm at Darwin to less than 875mm in Katherine. Average rainfall for the Steve’s Hill area is approximately 1500mm per year.

The area experiences high temperatures year round. The Bureau of Meteorology has records from Oenpelli dating back to 1963. The highest temperature recorded was in October 1987, reaching 42.2°C, the lowest was in July 1974 of 9°C. The average daily maximum temperatures range from 32-37°C, with the highest being recorded during the months of September to November. The daily minimum temperatures range from 18-24°C, the lowest occurring in June-August.

The yearly average U.S. Class A pan evaporation is approximately 2.5 m. The highest evaporation occurs during the latter half of the dry season, and the lowest evaporation occurs during the height of the wet season.

Wind data has been collected at Middle Point (35km northwest of Steve’s Hill) since 1965. These readings are taken at 9:00 am and would be indicative of wind patterns expected at the project. The main feature of the wind data is the predominance of the south easterly winds during the dry season and north to north-westerly winds prevailing during the mid-wet season of December and January. Winds for the rest of the year are varied, though south easterly winds are still predominant.

1.3 Geology:  
The project area lies on the northern flank of the Pine Creek Inlier. The oldest but poorly exposed unit within the tenement area are the shallow marine sediments of the Early Proterozoic South Alligator Group. Exposure within the tenement area is dominated by Cainozoic sediments which unconformably overly the Early Proterozoic units. Considerable alluvium known locally as ‘black soil plains’ masks most areas within the tenement. Detailed airborne magnetic data indicates the presence of underlying highly prospective Early Proterozoic sediments at relatively shallow depths.

2.4 Hydrology:  
There is a poorly developed drainage system within the tenement area. Drainage is generally towards the west towards the Adelaide River.

2.5 Flora and Fauna:  
Vegetation is characterised by Eucalypt woodlands with tropical grass understoreys. In the low areas where permanent water occurs, thickets of bamboo are situated.

There is ample evidence of feral buffalo and pigs taking residence within the tenement area.

Minor earthworks will occur during the exploration program. This will involve the clearance of drill pads and safe access to drill pads. Topsoil containing seed material will be stored adjacent to the drill pads for use in rehabilitation of the drill pads. Large trees will not be removed.

2.6 Current Land Use:  
The tenement is held by freehold title by a land development company which plans to subdivide the area into small farmlets for fruit tree cultivation. No activities of any kind are currently occurring on the land.
2.7 Identified Stakeholders:
Renison Consolidated Mines NL
Creation 99
Arnhem Highway Estate Pty Ltd
John Lewis
Department of Business, Industry and Resource Development
Department of Infrastructure, Planning and Environment
Department of Health and Community Services
Department of Community Development, Sport and Cultural Affairs
Attorney Generals Department – Canberra

2.8 Historical, Aboriginal, Heritage Sites:
There are two recorded Aboriginal Sacred Sites in the southwest corner of the licence area. These sites are not near the area of proposed activities.

2.9 Workforce:
The tenement will be managed by a Project Geologist under supervision of the Company’s Exploration Manager.
The field work will be carried out by one to two experienced field assistants.
All drilling will be carried out by reputable contractors.

SECTION 3: Health and Safety Management Plan

3.1 Health and Safety Policy Commitments and Responsibilities:
Renison Consolidated Mines NL is committed to achieving a high level of performance in occupational health and safety with the aim of creating and maintaining a safe and healthy working environment.
This will be achieved by:-
§ Seeking continuous improvement in occupational health and safety performances taking into account community expectations, sound management and engineering practices.
§ Complying with all applicable laws, regulations and relevant standards.
§ Involving employees and contractors in strategy development for the ongoing improvement of occupational health and safety performance.
§ Ensuring that all employees understand and fulfill their duty of care.
§ Managing risk by identifying, assessing and controlling hazards and by monitoring performance.
§ Encouraging and assisting site contractors to achieve comparable high levels of occupational health and safety performance.
A Lost Time Injury frequency rate of zero is the target for the Company.
The Project Geologist will be responsible for the management and implementation of health and safety policy whilst the project is under care and maintenance.

3.2 Induction and Training:
The Project Geologist shall ensure that all employees and contractors have had specific skills training or are qualified in the work expected of them. All employees and contractors must complete a company induction programme prior to commencing work.
The induction will cover site specific matters and general safety issues such as emergency procedures, reporting safety hazards, site safety rules and the like. The site Induction Manual addresses the following matters:-
§ Land Ownership
§ Environmental Matters
§ Heritage
§ Occupational Health and Safety
§ General Safe Working Practices
§ Security
§ Site Rules
3.3 Communications:
The tenement area is within the Telstra CDMA network. All field crews will have a telephone. UHF radio communications will also be used while conducting field work and communicating to Tom’s Gully Mine Offices.

Employees and contractors will report to the Project Geologist at the beginning and end of each work period, as well as radio and/or phone schedules between 12:30 – 13:00 each day.

3.4 Management of Risk:
All field activities will be carried out with a minimum crew of two persons.
A fire break will be constructed around machinery operating in areas of high fire danger
All field crews will check-in at the end of each day with a designated Company representative.

2.5 Hazardous Materials/Fuel Storage:
No hazardous materials will be stored within the tenement.

3.6 Records and Reporting:
A Hazard/Incident reporting system will be maintained for onsite recording of all incidents, accidents and potential incidents. Copies of the reports will be kept at the Tom’s Gully Mine and forwarded to Renison Consolidated Mines senior management for analysis.

All Lost Time Injuries, serious incidents and accidents will be reported to the Department of Business, Industry and Resource Development. LTI’s will be reported to DBIRD within 7 days and serious incidents and accidents within 24 hours of occurring.

3.7 Emergency Response:
All field crews will have a CDMA telephone & UHF Radio to contact emergency services. The tenement is 3km from the Arnhem Highway. Emergency vehicles will have access to the tenement or can be met by Company vehicles on the Arnhem Highway.

SECTION 4: Safety Performance

4.1 Reportable Incidents
No reportable incidents in the previous year.

4.2 Lost Time Injuries
No Lost Time Injuries in the previous year.

4.3 Safety Audits
A HSE Management Systems Audit was completed during the year.

4.5 Occupational Health Monitoring
No activities occurred during the previous 12 month period which warranted monitoring.
SECTION 5: Environmental Management Plan

5.1 Environmental Management System:
This management plan addresses the ongoing environmental commitment of Renison Consolidated Mines to exploration in the Northern Territory.

5.2 Renison Consolidated Mines NL Environment Policy:
Renison Consolidated Mines NL is committed to responsible environmental management in all its business activities. Renison Consolidated Mines strives for best practice environmental outcomes through:
- The integration of economic, environmental, social and cultural considerations into all decision making and management activities in a manner consistent with sustainable development.
- High operating standards of practice in all aspects of its activities to minimise environmental impact and prevent environmental harm.
- Communication and consultation with stakeholders.
- Employee awareness of sound environmental practice as part of day to day activities.
- Continuous improvement through measuring environmental performance.
- Regular audit of policies, systems and procedures.
- Compliance with applicable legislation.

4.3 Environmental Responsibility
The responsibility for the environmental performance of the Company within the tenement area rests with all employees (permanent, casual or contract) of the Company. The Project Geologist or his nominee will undertake management of the Companies environmental policy. The Project Geologist is directly responsible for enforcing the Companies policy within the guidelines set down by the Northern Territory Government and other relevant legislation. The Project Geologist will be responsible for management of all monitoring and reporting. The Project Geologist will employ specialist personnel as required.

The ultimate responsibility for the environmental performance of the site resides with the Directors of Renison Consolidated Mines NL.

5.4 Induction and Training:
All employees will be instructed in the Company’s environmental management policy before commencing field activities.

5.5 Consultation:
The various government departments, groups and individuals that have been identified as having an interest in the project are listed below.
- Arnhem Highway Estate Pty Ltd
- Creation 99
- John Lewis
- Department of Business, Industry and Resource Development
- Department of Infrastructure, Planning and Environment
- Department of Health and Community Services
- Department of Community Development, Sport and Cultural Affairs

5.6 Environmental Management Practices:
All exploration undertaken is aimed at causing the minimal disturbance possible where possible topsoil will not be disturbed, only clearing of obstruction will be undertaken. Where topsoil is required to be disturbed it will be separately stockpiled and replaced as soon as practical to the disturbed areas along natural contours. Established fauna particularly large trees will be left as is wherever possible.

4.7 Incident Reporting
The Project Geologist will be responsible for all aspects of environmental management for the project area.

Any accidental spill or environmental incident of any kind will be immediately reported to the Board of Renison Consolidated Mines and to DBIRD. Management of the spill and subsequent remedial action will be controlled by the Project Geologist. A written report will be submitted to DBIRD on the nature of the incident.
and corrective action taken within 10 working days of the incident occurring. Plans to prevent the recurrence of the incident will be supplied with the report.

5.8 **Emergency Response Procedures:**

If a major environmental accident or incident occurs within the project area the following response action will be taken:

- The person who discovers the accident or incidents to take all possible safe action to contain the release
- The person who discovers the accident or incident is to immediately notify the Project Geologist of details on nature, location and magnitude of incident
- The Project Geologist is to assess the incident at the scene, furnish emergency and/or technical and/or other assistance at the site as required and assess the environmental impact of the incident
- The Project Geologist is to notify Renison Consolidated Mines NL Board and DBIRD of nature of the incident as soon as is practicable
- The Project Geologist is to organise the appropriate manpower and materials to the site to effect remedial action.

The containment and clean up operations will consist of the following as appropriate:

- Spilled fluids will be contained within earthen dykes.
- Pumps and absorbent materials will be used to remove the spilled fluid from the contained area
- Soils contaminated with petroleum or other dangerous products will be removed and disposed of in an appropriate manner approved by DBIRD.
- Water samples will be collected downstream of a system breach for signs of possible contamination. DBIRD will be immediately notified of any recorded downstream contamination.

5.9 **Monitoring Programs:**

Performance monitoring will be on an ongoing basis.

5.10 **Environmental Audits and Inspections:**

A HSE Management Systems Audit was completed during the year, as well as regular and irregular audits to be carried out in areas where activity is occurring.

5.11 **Rehabilitation Management**

All work sites will be prepared with minimum disturbance with any topsoil that requires removal to be stacked adjacent to the work site. All work areas will be systematically rehabilitated by replacing topsoil and contouring to the existing landform (if necessary) following the completion of exploration activities in the effected area.

No exploration activities will be carried out within existing waterways. Any waters resulting from exploration activities will be diverted from existing waterways into specially constructed traps for disposal by evaporation.

5.12 **Fire Management**

All work activities involving operating machinery will be conducted within areas that have had adequate fire breaks constructed.

Controlled burning will be completed over the main areas of the tenement under a valid Permit to Burn and within the regulatory requirements of such a permit and with consultation with the local bushfire council and volunteers (Beatrice Hill).
SECTION 6: ENVIRONMENTAL PERFORMANCE

6.1 Environmental Performance Targets
The Company’s aim is to maintain the natural environment.
All previous exploration activities have been rehabilitated.

6.2 Complaints on Environmental Performance
No complaints have been received regarding the environmental performance related to previous activities within the tenement.

6.3 Environmental Audits
An informal environmental audit was carried out by Renison Consolidated Mines during its due diligence period on the project area with no matter of concern arising.

6.4 Environmental Monitoring
No regular monitoring practices have been implemented to-date.

6.5 Waste Management
All waste has been removed from the tenement area.

SECTION 7: REHABILITATION

7.1 Status of Current Rehabilitation
There are some small quartz gravel pits that have been used by property developers to construct sheeted access tracks which have not been rehabilitated.
All sample sites from previous exploration activities have been rehabilitated.

7.2 Rehabilitation Planning
As per Section 5.10

7.3 Topsoil Management
As per Section 5.10

7.4 Revegetation Planning
The topsoil will contain seed material of the local native vegetation. Previous experience in this region has shown that this method is a successful method of promoting regrowth in effected areas.

7.5 Fire Management
As per Section 5.11

7.6 Closure Planning
The ongoing rehabilitation plan is expected to be sufficient during exploration that extra close out works will not be required. A performance bond of $10,000 on-top of the MMP assessment is held by the Department of Business, Industry and Resource Development over the tenement area.