

# SUPPORTING STATEMENT FOR MINING LEASE APPLICATION OVER EXPLORATION LICENCE 45/4701

## Introduction

Newcrest Operations Limited is pleased to provide this Supporting Statement which accompanies the Havieron Project Mineralisation Report for a Mining Lease Application (“MLA”) over a portion of E45/4701 under Section 74(1a) of the Mining Act 1978.

This Statement provides a summary of the likely mining operations including plans showing the proposed Mining Lease boundary, the location of the zones of significant mineralisation (the orebody as currently defined) and the location and extent of the proposed areas required for infrastructure to support the mining activities, excluding infrastructure corridor [which will be part of a separate miscellaneous licence application].

The Havieron Project is contained within twelve (12) blocks of E45/4701, which is currently 60% owned by Greatland Pty Ltd and 40% owned by Newcrest Operations Limited. Newcrest entered into a Farm-In Agreement (FMA) with Greatland Pty Ltd and Greatland Gold Plc on 12 March 2019, with Newcrest as Manager of the Havieron Project. Newcrest can earn up to a 70% joint venture interest through expenditure of US\$65 million and the completion of a series of exploration and development milestones over a 6-year period. Newcrest may acquire an additional 5% interest at the end of the farm-in period at fair market value, taking its total equity interest to 75%.

Newcrest is known not only for its strong technical capabilities in exploration, deep underground block caving and metallurgical processing skills, but for its reputation in social performance and environmental stewardship. Newcrest is dedicated to creating a work environment where everyone can go home safe and healthy every day. Newcrest has a long history of successful exploration, building multi-mine districts through exploration discovery, such as Telfer in WA and Cadia in NSW. Over the past five years Newcrest has made significant investments of over \$380 million in exploration across a portfolio of projects, working with an ecosystem of global technology partners to deploy leading exploration expertise in discovering profitable gold ounces under cover.

## Summary of Likely Mining Operations

The Havieron orebody lies under approximately 420 metres of post mineralisation cover. As such, underground mining methods will be employed at the Project. Both bulk and selective mining methods are being considered as potential approaches to extract the mineralised material from beneath the cover sequence.

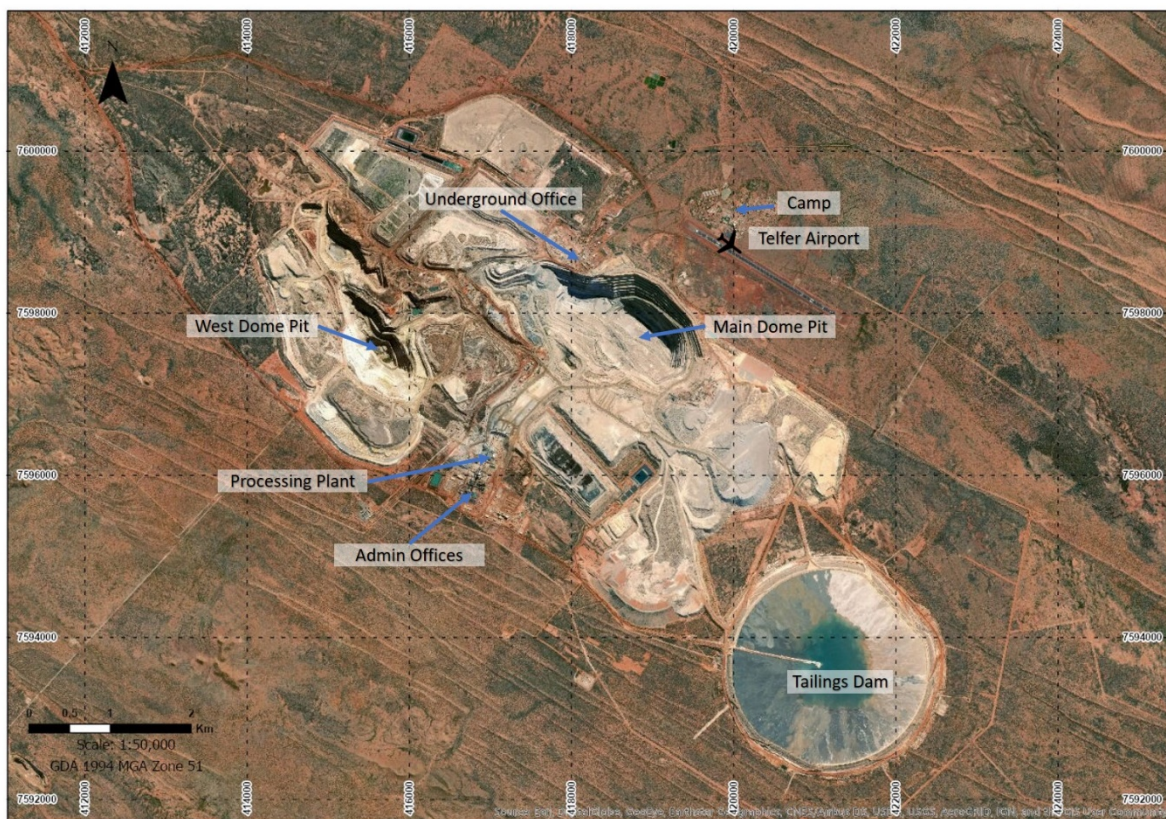
A number of studies are underway to further define the orebody and determine the appropriate mining and processing methodologies for the ore from the Havieron deposit. These studies include: mine design and scheduling, geotechnical analysis, hydrogeological modelling, metallurgical testwork, ore transport options analysis and environmental baseline studies. Continued exploration and resource

definition and infill drilling is also required. Pre-feasibility and feasibility reports will subsequently be completed as appropriate.

The mining rate at Havieron will vary depending on which mining method(s) are employed and may range from a <1Mtpa for highly selective stopping options to ~10Mtpa for block caving options.

The opportunity for ore mined at Havieron to be transported and processed at Newcrest's Telfer processing facility, which is located approximately 45km east of the Havieron desposit is being assessed. The Telfer processing facility has a capacity of approximately 24Mtpa and it is likely that there will be sufficient processing capacity at the facility to accommodate the Havieron ore once it is in production. Metallurgical testwork programs are currently underway to understand the modifications required to the Telfer processing facility to process the Havieron ore.

It is also envisaged that additional infrastructure from Newcrest's Telfer operations may be used to support the Havieron operations. This may include the airport, accommodation and catering facilities, access roads, and the power station. Further work to determine the extent of the Telfer facilities used for Havieron operations is being conducted. Havieron provides a compelling opportunity to improve and extend the operation and mine life of Telfer.

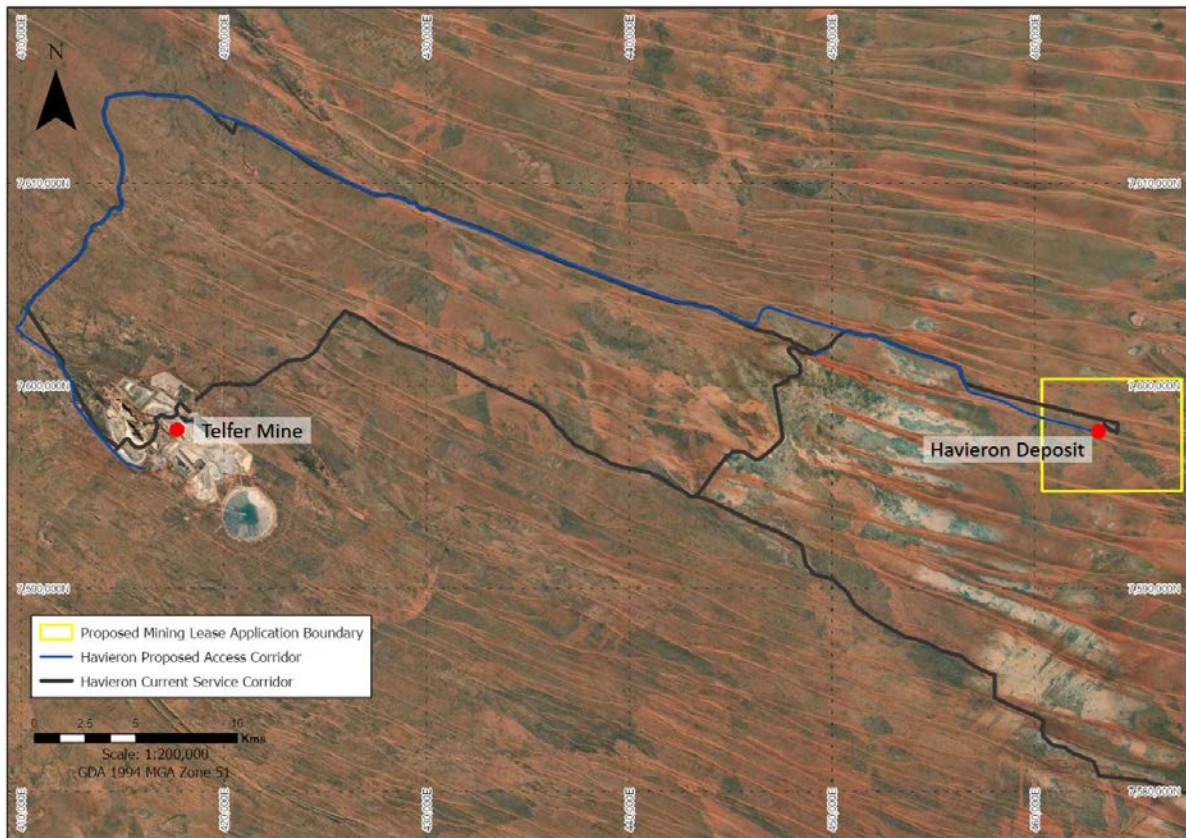


**Figure 1 - Telfer operations infrastructure**

An appropriate infrastructure corridor needs to be identified and a number of alternative methods to transport ore from Haverion to the Telfer processing facility are being considered, including:

- Truck haulage;
- Conveyor;
- Rail; and
- Pipeline

Studies are underway to assess the suitability of the above modes of transport as well as the location of the transport corridor. The location and mode of transport option will depend on the tonnages required to be transported, the topography, environmental and cultural heritage considerations and will be subject to all necessary permits and regulatory approvals.



**Figure 2 - Location of Havieron in relation to Telfer**

It is estimated that two to three years of tunnelling and development activities are required before ore can be mined from the Havieron orebody. Given the lead time to commencement of mining the orebody, Newcrest is investigating the earliest option to commence the development of a box-cut (late 2020 or early 2021), followed by the establishment of a decline to the top of the orebody.<sup>1</sup> During this time, studies into the mining methods for the orebody, ore transport options and processing plant modifications at Telfer would continue. It is intended that these studies would be completed in line with first ore being available to be mined from the Havieron orebody.

The conceptual level mine layout will require the following surface infrastructure:

- Mine Infrastructure Area (13 hectares)
  - heavy vehicle workshop
  - light vehicle workshop
  - boilermakers workshop
  - tyre change bay

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<sup>1</sup> Subject to all necessary permits, regulatory requirements and Board approvals.

- fuelling station
- vehicle wash
- warehouse
- administration and mine offices
- ablutions and change rooms
- lunchroom
- Laydown Area (15 hectares)
- Ore Handling (3 hectares)
- Top Soil Storage Areas (44 hectares)
- Effluent treatment area (4 hectares)
- Paste backfill plant (4 hectares)
- Main Camp (4 hectares)
- Evaporation ponds (37 hectares)
- Waste rock dumps (33 hectares)

The proposed Mining Lease boundary is intended to cover the area required for the box-cut, decline, orebody and required support infrastructure for the life of mine development, as shown in Figure 3

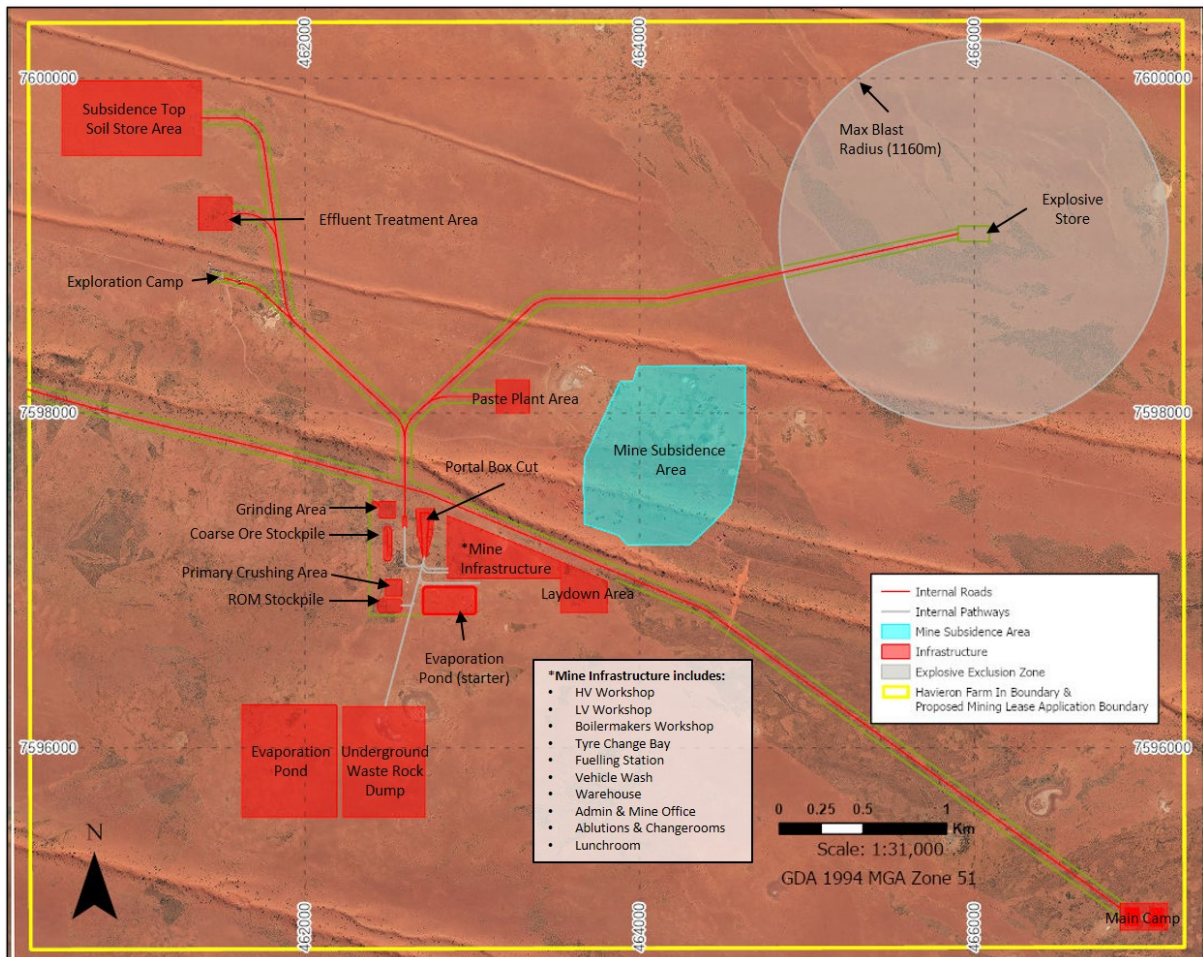
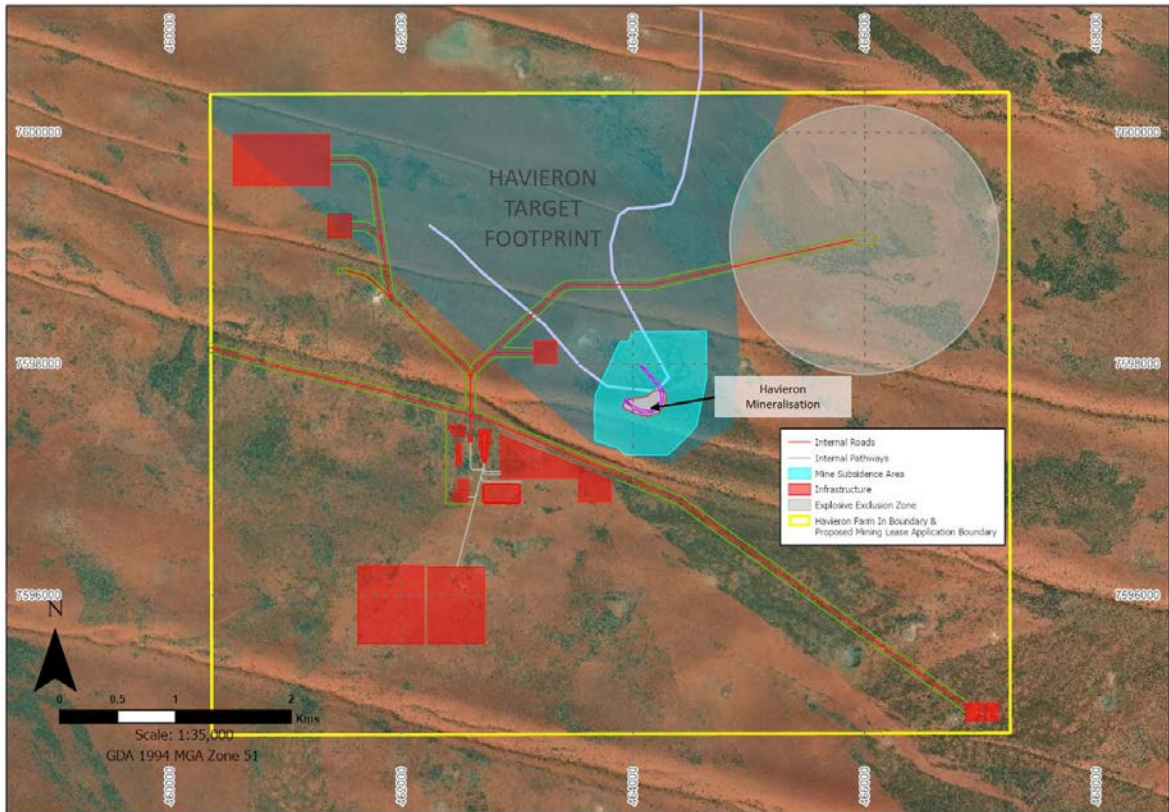


Figure 3 - Conceptual site infrastructure layout



**Figure 4 - Mineralisation envelope and prospective exploration target footprint overlaid on proposed ML boundary and conceptual site infrastructure layout**