

Dargues Gold Mine

RESPONSE TO SUBMISSIONS
Report No.752/42

Appendix 1

APPENDIX A

Copy of Letter of Prescription from DSC

Dargues Gold Mine

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ABN 55 079 703 705

9 November, 2010

Big Island Mining Pty Ltd Ground Floor, 22 Oxford Close West Leederville WA 6007

Our ref:

DarguesTSF

Your ref:

Att: Ajanth Saverimutto

Dear Mr. Saverimutto,

Re: Dargues Reef Gold Project Tailings Storage Facility – Prescription

The Committee wishes to thank Knight Piesold Pty Ltd for its correspondence of 21st September 2010, including the D1, D2 and D8 Forms for the proposed tailings storage facility at Darques Reef Gold Project, near Braidwood.

The Committee, at its October 2010 meeting, has noted the proposal, and will initially prescribe the dam with a "Significant" Consequence Category.

You are now requested to submit a Design Report for the Committee's consideration, prior to construction commencing.

It is requested that the constructed dam is to be capable of withstanding the impacts of mining. Please be advised that the DSC will put a Notification Area around the dam.

Your continuing cooperation is appreciated. If there are any queries in regard to the above please do not hesitate to contact the undersigned.

Yours faithfully

Paul W. Heinrichs

Executive Engineer

CC.

Simon Smith Knight Piesold Pty Ltd **GPO Box 1302** West Perth WA 6872

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APPENDIX B

TSF Options Study Technical Memorandum

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MEMORANDUM

To:	MACROMET	Date:	25 th February 2010
Attn:	Gary Jobson	Our Ref:	PE801-00139smwM10001PLV
		KP File Ref.:	PE801-139 EMEM-KP001
cc:		From:	Dave Morgan / Peter Veld

RE: DARGUES REEF - SITING STUDY FOR TSF

INTRODUCTION

A preliminary tailings storage facility (TSF) siting study has been undertaken for the Dargues Reef Gold Project.

DATA FOR DESIGN 2.

The sizing of the facility was based on the following data:

Required storage capacity 1.0Mt

Tailings grind size $P_{80} = 212 - 250 \mu m$

Average throughput 280,000 tpa

Tailings discharge %solids 55%

The site is located south-east of Canberra and a review of climatic maps of the relevant area indicate an annual rainfall of about 720 mm and an annual evaporation rate of about 1,620 mm (Class 'A' pan with birdguard).

DESIGN PARAMETERS 3.

Based on the available tailings and site information the following design parameters were generated:

Tailings density	1.3 t/m ³
Supernatant release	40%
Nominal facility size for	
full air drying	12 ha
Runoff Coefficients	
Tailings	0.7
Undisturbed catchment	0.3
Evaporation pan factor	0.7
Embankment configuration	
Crest width	6 m
Upstream slope	1V:2H
Downstream slope	1V:3H

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4. TSF OPTIONS

4.1 SELECTED OPTIONS

Two sites for the TSF were assessed as follows:

- Option 1 Nominal square / rectangular facility south of the plant area.
- Option 2 Valley storage in the stream to the east-northeast of the plant site.

Both locations are shown on Figure 1 and are discussed in more detail below.

4.2 OPTION 1

Option 1 is a rectangular facility in a relatively flat area south of the plant site.

The facility consists of two cells and the dimensions are provided below:

Facility Area Cell 1 - 215 m x 240 m Cell 2 - 215 m x 215 m

Average tailings depth 8.1 m

Embankment heights 1 to 17 m (Cell 2 crest level nominally

7 m higher than Cell1)

Estimated Embankment Volume

Downstream 666,000 m³ Upstream 200,000 m³

Distance to plant

(mill area to centroid of TSF) 500 m

Based on the two cell configuration the TSF was assessed to determine the annual water balance as follows:

Evaporation (based on

2 No 2 ha ponds) 45,200 m³

Shortfall 134,400 m³ (59%)

Thus the water balance for this option would be strongly negative with water makeup required from another source.

4.3 OPTION 2

Option 2 is a cross valley storage to the east-northeast of the plant. The facility dimensions are as follows:

Final tailings footprint 9.3 ha

Catchment Area (inside

diversion channels) 12.0 ha Maximum embankment height 21 m

Estimated embankment

Volume downstream 184,800 m³

Distance to plant (mill

area to centroid of embankment) 480 m

It may be possible to construct the embankment using a modified centreline configuration which would potentially save 30% of the embankment volume.

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The annual water balance for this option was assessed as follows:

Water in with slurry 229,000 m³ Supernatant released 91,600 m³

Rainfall collection

(9.3 ha at RC=0.7,

2.7 ha at RC=0.3) 53,000 m³ Evaporation (4 ha pond) 45,200 m³

Shortfall 129,600 m³ (57%)

Similar to Option 1 this TSF water balance is strongly negative with water makeup required from another source. However it would be possible to reduce the shortfall by modifying the diversion channels.

5. CONCLUSIONS

Both of the options selected are viable tailings storage areas. From an embankment volume point of view Option 2 is more efficient and it should be possible to reduce the water shortfall.

The following points should be noted:

- The siting study is a preliminary assessment only and more detailed work is required to do a full comparison of the potential sites.
- It needs to be confirmed that a TSF in the nominated valley is acceptable based on environmental criteria.

Yours faithfully KNIGHT PIÉSOLD PTY LTD

PETER VELD

Technical Consultant

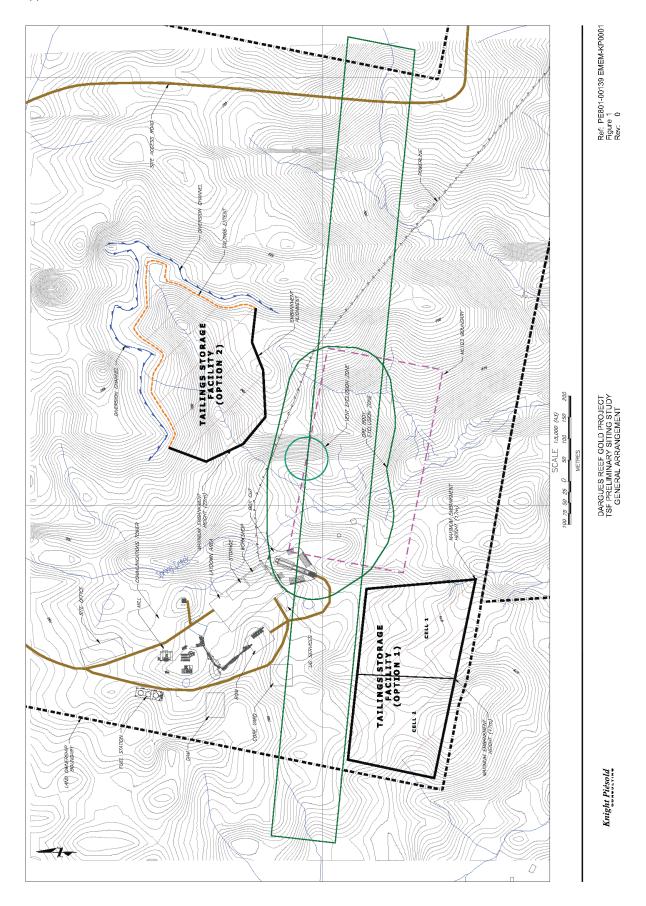
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FIGURE



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APPENDIX C

Detailed Seismicity Assessment of the Dargues Reef Project Site

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CORTONA RESOURCES LIMITED

DARGUES REEF GOLD PROJECT

TAILIGNS STORAGE FACILITY FINAL DESIGN DETAILED SEISMICITY ASSESSMENT

Ref. PE801-00139/07 November 2011

Rev. No.	Date	Description	KP	Client
		•	Approved	Approved
Α	23 Nov 2011	Issued for Client Review	DJTM	

Knight Piésold Pty Limited A.B.N. 67 001 040 419 Level 1, 17 Cordelia Street South Brisbane QLD 4101 AUSTRALIA





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FIGURES

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1. INTRODUCTION

A probabilistic seismic hazard analysis has been carried out for the Dargues Reef Gold Project site. The site is situated in the Southern Tablelands region of NSW, approximately 14 km south of the town of Braidwood and approximately 60 km southeast of Canberra.

This report presents the methodology and results of a seismic hazard analysis carried out to determine appropriate seismic design parameters for use in the design of the Tailings Storage Facility (TSF). Existing information and historical data, including earthquake catalogues and technical publications on the tectonics and seismicity of the region have been collected and reviewed for this study.

Seismic ground motion parameters have been determined using probabilistic seismic hazard analysis. The probabilistic analysis was carried out using a seismic hazard model developed using the computer program EZ-FRISK. Appropriate seismic design parameters for the Operating Basis Earthquake (OBE) and Maximum Design Earthquake (MDE) for the TSF have been selected using the results of the analysis, together with consideration of the dam consequence classification defined for the facility.

For this seismic hazard assessment, the project site location has been defined as Latitude 35.55° S, Longitude 149.75° East.

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2. REGIONAL TECTONICS AND SEISMICITY

The seismicity of south-east Australia is typical of an intraplate region, characterised by low levels of seismic activity with earthquakes apparently randomly distributed in location and time. The correlation between recorded earthquakes and geological features in Australia is typically not well known or understood. However, the Dargues Reef project site is known to be located within the Lachlan Fold Belt, a zone of folded and faulted rocks which dominates New South Wales and Victoria, also extending into Tasmania, the Australian Capital Territory and Queensland. It was formed in the Middle Palaeozoic by intense folding and deformation, major igneous intrusions and volcanic activity. Lambeck et al. (1984) believe that in Eastern Australia much of the present day seismicity is associated with the Lachlan Fold Belt, where earthquakes occur down to approximately 20 km, predominantly by strike-slip fault mechanisms. However, no recent surface faulting has been observed. Further Lambeck et al. (1984) suggest that the seismicity in the Lachlan Fold Belt is consistent with a local stress field associated with the erosion of the highlands leading to regional isostatic rebound.

Another seismic source zone in proximity to the site is the Dalton-Gunning zone, located approximately 30 km to the north of the study area. Gaull et al. (1990) identified the area as being a source of significant activity just north of Canberra. Three earthquakes of magnitude 5.5 to 5.6 are known to have occurred within the Dalton-Gunning zone during the last 130 years, in 1886, 1934 and 1949 (McCue et al. 1989). The majority of earthquakes in the Dalton area are very shallow, with focal depths of 5 km or less (Leiba 2007).

A review of historical earthquake data was carried out and incorporates data obtained from the USGS for earthquakes between 1973 and October 2011. Several different definitions of earthquake magnitude are included in the historical earthquake data, including Local (Richter) Magnitude (M_L), Surface Wave Magnitude (M_S), Body Wave Magnitude (M_B) and Moment Magnitude (M_W). Moment Magnitude is similar to M_S for events greater than about magnitude 6.0 and similar to M_B for events less than about magnitude 6.0. Moment Magnitude is the scale typically used by the majority of the more recently published ground motion attenuation relationships.

The database includes records of 46 earthquakes of M3.0 or greater which have occurred within 250 km of the site since 1973. The largest event was a M5.5 earthquake in March 1973 located approximately 165 km north-east of the site and with a focal depth of approximately 13 km.

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The closest recorded earthquakes to the Dargues Reef site were M3.0 and M3.1 events located approximately 88 km from the site. These earthquakes were shallow crustal events with focal depths of approximately 5 to 10 km.

The locations of the recorded earthquakes in proximity to the Dargues Reef project site are presented in Figure 2.1.

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3. SEISMIC HAZARD ANALYSIS

3.1 GENERAL

The seismic hazard for the Dargues Reef project has been examined using probabilistic methods of analysis. Seismic hazard analysis requires an examination of historical earthquake data and the regional tectonics to identify potential seismic sources and determine the maximum earthquake magnitude for each seismic source. An appropriate relationship defining the attenuation of earthquake ground motion is also required.

The methodology used to complete the site-specific probabilistic seismic hazard analysis and the results of the analysis are described in the following sections.

3.2 GROUND MOTION ATTENUATION

Appropriate attenuation models defining the relationship between earthquake magnitude, source to site distance and peak ground motion (acceleration) are required to carry out probabilistic hazard analyses. The ground motions experienced at the Dargues Reef project site are dependent on the regional ground motion attenuation characteristics and the earthquake source mechanisms.

There are very limited attenuation relationships for estimating maximum ground acceleration in Australia due to a lack of strong motion data. However, Somerville et al. (2009) published ground motion models for cratonic and non-cratonic regions of Australia. The non-cratonic model was developed specifically for the Lachlan Fold Belt and Sydney Basin. Therefore, this attenuation relationship is considered to be the most applicable to the site.

However, it is common practice to incorporate several attenuation relationships into seismic hazard analyses, especially in intraplate regions where there are generally greater uncertainties inherent within the attenuation relationships, primarily due to a lack of strong motion data. Therefore, additional published relationships which were developed for shallow crustal earthquake sources in central and/or eastern North America have been used. Central and eastern North America is considered to have a similar intraplate tectonic setting to Australia, and a number of attenuation relationships have been developed for the area. For this study, the relationships of Atkinson and Boore (2006), Toro (1999), Frankel (1996), Campbell (2003) and Silva et al. (2002) have been incorporated. In the probabilistic analysis, the attenuation equations developed for central and/or eastern America have each been given a weighting of 0.1, with the model of Somerville et al. (2009) given a weighting of 0.5. This is to account

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for the fact that the model of Somerville et al. (2009) was developed specifically for Australia.

3.3 PROBABILISTIC ANALYSIS

A probabilistic seismic hazard analysis is carried out to define a unique probability of occurrence for each possible level of ground acceleration experienced at a site. The methodology used for the probabilistic analysis is based on that presented by Cornell (1968). The likelihood of occurrence of earthquakes within defined seismic source zones is determined by examining seismicity data. Using historical earthquake records for the region, magnitude-frequency recurrence relationships are established for potential earthquake source zones. The magnitude recurrence relationships are of the form derived by Gutenberg-Richter (1944):

$$log(N) = a - b(M)$$

Where, M = Earthquake magnitude

N = Annual frequency of occurrence for earthquakes exceeding magnitude M

(1/N = Return Period)

The parameter "a" is dependent on the period of observation and the level of seismicity, while the parameter "b" is a measure of seismicity that describes the scaling relationship between the number of small and large earthquakes. Global "b" values are typically in the range of 0.6 to 1.2. Low values of "b" typically indicate the potential for large earthquakes and/or low seismic activity in an earthquake zone.

The computer program EZ-FRISK (Risk Engineering, Inc., 2011) was used to develop a seismic hazard model for south-eastern Australia. The seismic hazard analysis module available with EZ-FRISK includes a database of faults and areal seismic sources for the study area provided by Risk Engineering. Seismic sources defined in the hazard model are similar to those proposed by Gaull et al. (1990) and include the Lachlan Fold Belt and Dalton-Gunning source zones. In addition, source zones further from the site such as those in the wider Sydney area and Tasman Sea Margin have been considered. All of the seismic sources included in the model comprise shallow crustal fault zones.

Magnitude-frequency recurrence relationships and the corresponding maximum earthquake magnitude for each seismic source are prepared by Risk Engineering from consideration of historical seismicity, fault characteristics and the regional tectonics, using information obtained from the U.S. Geological Survey and proprietary studies. For calculation of peak ground accelerations, a minimum magnitude of 5.0 was used in

the analysis for all seismic source zones. Earthquakes of lower magnitude are not considered to be a risk to engineered facilities. Appropriate ground motion attenuation relationships were assigned to the seismic sources, as discussed in Section 3.2.

The seismic hazard model developed using EZ-FRISK was used to determine the relationship between peak ground acceleration and annual frequency of occurrence for the site. Median hazard values of peak ground acceleration have been determined for return periods ranging up to 10,000 years. Predicted values for the mine site are summarised in Table 3.1 in terms of earthquake return period, probability of exceedance (assuming a 63 month mine operating life) and peak ground acceleration. For a return period of 475 years, the corresponding peak ground acceleration is 0.07g, implying a low seismic hazard. The relationship between probability of exceedance and peak ground acceleration for a range of design lives (5, 10, 20, 50 and 100 years) is shown graphically in Figure 3.1.

Table 3.1: Summary of probabilistic seismic hazard analysis

Return Period (years)	Annual Frequency of Exceedance	Probability of Exceedance	Maximum Acceleration (g)
100	0.01	5%	0.03
200	0.005	3%	0.04
475	0.002	1%	0.07
1000	0.001	0.5%	0.11
2500	0.0004	0.2%	0.17
5000	0.0002	0.1%	0.25
10000	0.0001	0.05%	0.34

De-aggregation of the probabilistic seismic hazard results has been carried out to provide the relative contributions of all potential seismic sources, and to more accurately define the characteristics of design earthquakes required for the design of critical facilities at the site. The required characteristics of the design earthquake events include magnitude, mean distance, duration of shaking and frequency characteristics. Appropriate design earthquakes and their corresponding characteristics are discussed in Section 4.0

A global seismic hazard map was prepared for the Global Seismic Hazard Assessment Program (GSHAP, 1999). This hazard map presents the probabilistic maximum acceleration on rock with a 10% chance of exceedance in 50 years (corresponding to a return period of 475 years). The maximum acceleration indicated by the hazard map for the project site is 0.08g to 0.16g. This indicates that the site is in a region of

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moderate seismic hazard and corresponds reasonably well with the acceleration of 0.07g determined for this site-specific study.

Earthquake hazard maps provided in AS1170.4 (2007) indicate the site to be located in area where the hazard (z) for the 1 in 500 year annual probability of exceedance is equivalent to 0.08g to 0.09g. These maps were based on the earlier work by Gaull et al. (1990) who calculated the 1 in 500 year peak ground acceleration for the site area to be approximately 0.05g. These values are all in very good agreement with the acceleration of 0.07g calculated for this study.

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4. SEISMIC DESIGN PARAMETERS

Appropriate design earthquakes and seismic design parameters have been selected for the Dargues Reef project site based on the findings of the seismicity review and the results of the probabilistic seismic hazard analysis.

Consistent with current design philosophy for geotechnical structures such as dams, two levels of design earthquake are typically considered: the Operating Basis Earthquake (OBE) for normal operations; and the Maximum Design Earthquake (MDE) for extreme (dam safety) conditions.

The OBE is typically determined using the probabilistic seismic hazard analysis to select an acceptable hazard level, based on the probability of exceedance over the design life of the facility. This is often chosen as the earthquake that has a 10% probability of exceedance in 50 years, corresponding to a return period of 475 years (ICOLD, 1995). For an operating life of just over 5 years, the probability of exceedance for the OBE event is 1%. The maximum acceleration for the 1 in 475 year OBE is 0.07g. A design earthquake magnitude of 5.8 within the Lachlan Fold Belt or Gunning-Dalton Fault Zone at a hypocentral distance of 25 km has been selected for the OBE, based on a review of historical seismicity and the findings of the seismic hazard analyses (including de-aggregation of the seismic hazard). The TSF would be expected to function in a normal manner after the OBE and any damage from the occurrence of earthquake shaking should be easily repairable (ICOLD, 1995).

An appropriate Maximum Design Earthquake (MDE) for the TSF is typically determined based on the consequence category of the facility, which considers the consequences of failure. This assessment typically includes consideration of the potential loss of life and environmental and economic impacts due to failure of the tailings dam (ICOLD, 1989 and ANCOLD, 2000). The TSF at the Dargues Reef project site has been assigned a consequence category of "Significant", based on the NSW Dams Safety Committee (DSC) publication DSC3A "Consequence Categories for Dams" (2010).

The DSC publication DSC3C "Acceptable Earthquake Capacity for Dams" (2010) states that an appropriate MDE for a significant consequence category dam is equivalent to an annual exceedance probability (AEP) of 1 in 500. However, given that this has virtually the same return period as that adopted for the OBE, it is proposed that the adopted MDE should be the 1 in 1000 year acceleration of 0.11g. This is a conservative approach that also allows for some of the uncertainty inherent when conducting earthquake hazard assessments within Australia, as previously discussed in Section 3.2. For an operating life of just over 5 years, the probability of exceedance for a 1 in 1000 year MDE during operation is 0.5%. A design earthquake magnitude of



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6.1 within the Lachlan Fold Belt at a hypocentral distance of 20 km has been selected for the MDE, based on a review of historical seismicity and the findings of the seismic hazard analyses (including de-aggregation of the seismic hazard). The DSC guidance document DSC3C (2010) states that all significant consequence category dams are to withstand shaking, without an uncontrolled loss of storage due to partial or complete failure of the dam, for the appropriate MDE. Considerable damage in such an event, however, would be acceptable.

Probabilistic response spectra have been derived for the OBE and MDE earthquakes, as summarised below in Table 4.1 and shown graphically in Figure 4.1.

Table 4.1: Summary of OBE and MDE response spectra

Spectral Period	Spectral Acceleration (g)		
(Seconds)	OBE	MDE	
PGA	0.07	0.11	
0.01	0.06	0.10	
0.02	0.08	0.14	
0.05	0.14	0.20	
0.10	0.16	0.24	
0.20	0.15	0.21	
0.30	0.12	0.17	
0.40	0.09	0.13	
0.50	0.07	0.10	
0.75	0.04	0.06	
1.0	0.03	0.04	
2.0	0.009	0.01	
3.0	0.004	0.007	
4.0	0.003	0.004	

The maximum accelerations presented in this report are based on rock site conditions, as defined by the IBC (2009), with an average shear wave velocity of 760 m/s. Peak ground accelerations within the tailings deposit and embankment dam may be higher due to amplification of ground motion through the tailings facility. Typically, ground accelerations may amplify by a factor of about 1.5 to 3.0. The ability of the embankment fill and tailings materials to transmit high seismic ground motions is dependent on their dynamic stiffness and damping characteristics. Dynamic site response analyses can be carried out to determine the amplification of ground motions as seismic waves propagate through the foundation materials, tailings deposit and embankment dam.



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5. SUMMARY

An assessment of the seismicity of south-eastern Australia has been carried out and probabilistic seismic hazard analyses have been completed for the Dargues Reef project site. Existing information and historical data, including earthquake catalogues and technical publications on the tectonics and seismicity of the region have been reviewed. The most prominent seismic source in the region that defines the seismic hazard for the project is the Lachlan Fold Belt, an areal source zone thought to be capable of causing earthquakes up to Magnitude 6.1. The Dalton-Gunning zone, located approximately 30 km to the north of the site, is another areal source zone that contributes significantly to the seismic hazard at Dargues Reef. This seismic source zone is also thought to be capable of causing earthquakes of up to M6.1 (Risk Engineering, 2011).

The computer program EZ-FRISK was used to develop a seismic hazard model for the Dargues Reef site. Seismic sources defined in the hazard model include shallow crustal earthquake sources such as the Lachlan Fold Belt and Dalton-Gunning zone, but also those located within the wider Sydney Basin area and Tasman Sea Margin. Appropriate attenuation models defining the relationship between earthquake magnitude, source to site distance and peak ground acceleration have been used in the probabilistic analysis.

Seismic design parameters have been determined for use in the design of the Tailings Storage Facility (TSF). Seismic ground motion parameters (including peak ground acceleration, earthquake magnitude and response spectra) have been determined using the results of the probabilistic seismic hazard analysis.

It is recommended that the 1 in 475 year earthquake be adopted as the Operating Basis Earthquake (OBE) for the TSF. For a design operating life of 63 months the probability of exceedance for the OBE event is 1%. The estimated peak ground acceleration for the 1 in 475 year earthquake is 0.07g. A design earthquake magnitude of 5.8 within the Lachlan Fold Belt or Gunning-Dalton Fault Zone at a hypocentral distance of 25 km is appropriate for the OBE. The TSF and appurtenances are expected to remain functional and any damage from the occurrence of earthquake shaking not exceeding the OBE would be easily repairable.

An appropriate Maximum Design Earthquake for the TSF has been determined based on the DSC guidance documents DSC3A and DSC3C (2010). The facility has been classified as a significant consequence category dam and, therefore, an appropriate MDE would be equivalent to an annual exceedance probability (AEP) of 1 in 500. However, given that this is virtually the same return period as that adopted for the OBE,

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it is proposed that the adopted MDE should be the 1 in 1000 acceleration of 0.11g. This is a conservative approach that also allows for some of the uncertainty inherent when conducting earthquake hazard assessments within Australia. Considerable damage of the tailings dam is acceptable under seismic loading from the MDE, provided that there is no uncontrolled loss of storage due to partial or complete failure of the dam.

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6. REFERENCES

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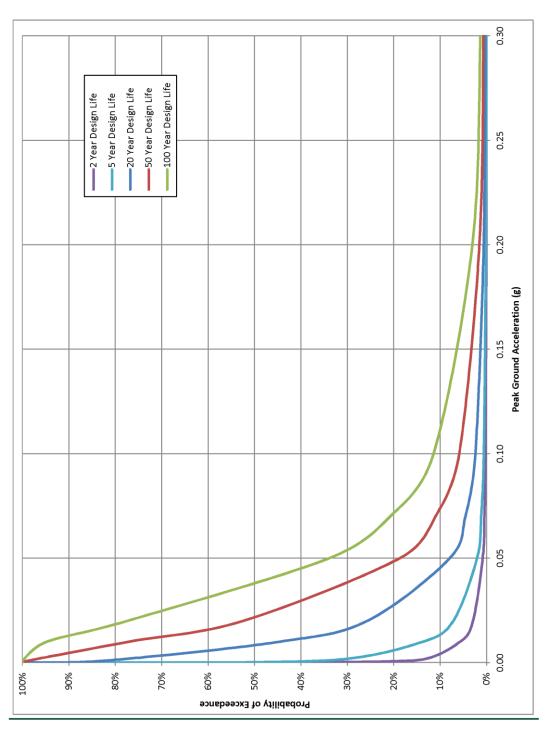
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FIGURES



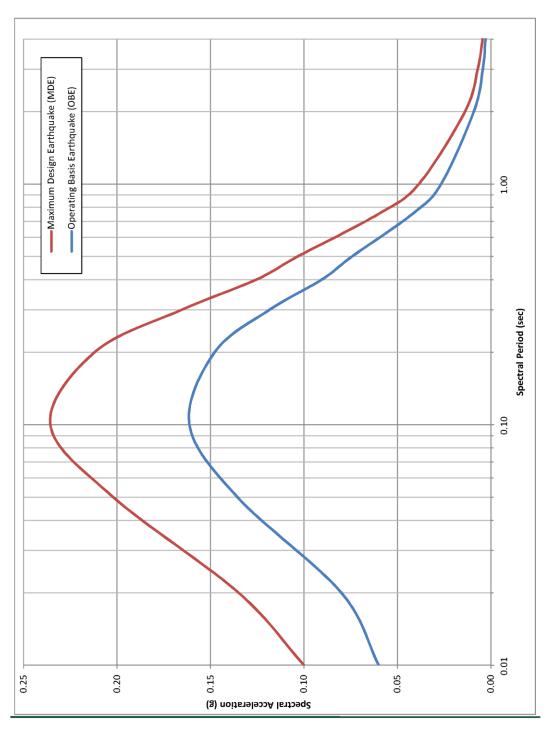






DARGUES REEF GOLD PROJECT
DETAILED SEISMICITY ASSESSMENT
RELATIONSHIP BETWEEN DESIGN LIFE, PROBABILITY OF
EXCEEDANCE AND PEAK GROUND ACCELERATION

Ref: PE801-00139/07 Figure 3.1



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DARGUES REEF GOLD PROJECT Ref. PE801-00139/07
DETAILED SEISMICITY ASSESSMENT Figure 4.1
PROBABILISTIC RESPONSE SPECTRA FOR DESIGN EARTHQUAKES

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RESPONSE TO SUBMISSIONS

Report No.752/42 Appendix 1

APPENDIX D

Photographic Record of Walk Over Survey

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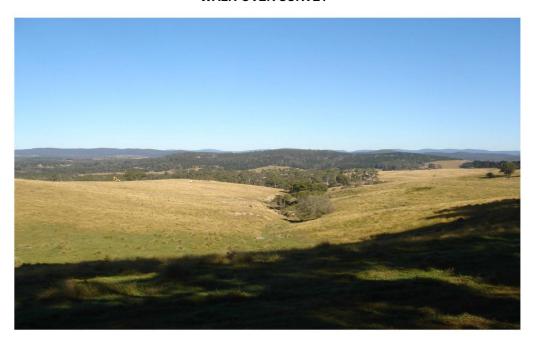


Plate 1: View of TSF area facing southwest.

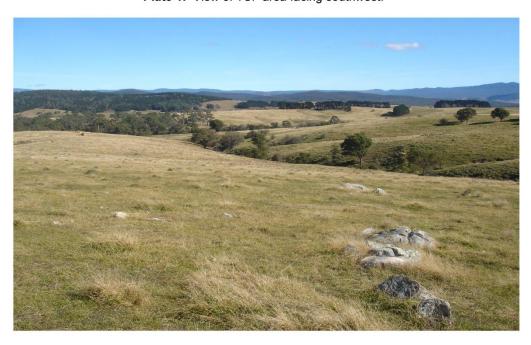


Plate 2: View of TSF area facing west.

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Plate 3: View of TSF area facing north.



Plate 4: View of TSF area facing south.



Plate 5: View of TSF tributary facing west.



Plate 6: View across TSF facing west.

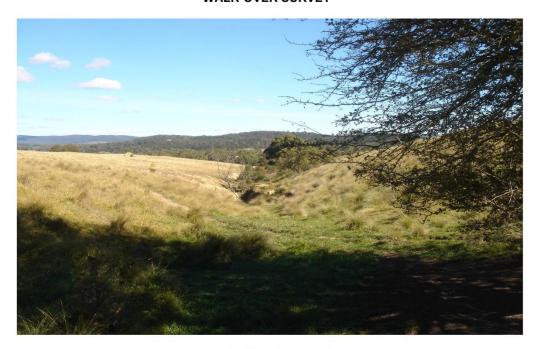


Plate 7: View down creek.



Plate 8: View down creek from TP05.



Plate 9: View up creek from TP11.



Plate 10: View up creek from TP04.



Plate 11: View up creek from TP19.

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APPENDIX E

Borehole Logs and Core Photographs

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Kı	Knigl A.B Level	ht I C O N at Piesola N. 67 00 3, 46 Ver T PERTII Austra	Pty Lim 1 040 4 utnor Ave WA 6	19 епие	<u>l</u>	Dargues Reef Gold Project Cortona Resources Ltd Tailings Storage Facility New South Wales	HOLE: DRTSF1 Sheet 1 of 5 JOB: PE801-00139			
TOTAL RECOVERY (%)	SOLID CORE RECOVERY (%)	ROCK QUALITY DESIGNATION (%)	FRACTURE FREQUENCY	GRAPHIC LOG	DEPTH (m)	MATERIAL DESCRIPTION	STRENGTH/ CONSISTENCY	WEATHERING	DEFECTS/ADDITIONAL COMMENTS	WATER STRIKES AND SAMPLING
-	-	-	-	17	 	Om SAND, silty, with gravel and clay, low plasticity, grey brown, dry. O.2m TOPSOIL GRANITE, light brown, cream and orange, extremely weathered, recovered as sand and gravel. Occasionally clayey or consolidated, low plasticity.	/		Where visible joints in weathered granite are sub-horizontal to sub-vertical, undulating, rough and open. (Probably drilling induced)	
55	37	37	2	+ + + + + + + + + + + + + + + + + + +	- 1	Poor recovery to 13.65 m.	EL	XW		
2. Adv	anced l	41 y auger using wa drilling	ter flush	ı drilling t		e below 1.0 m. ds sticking due to collapse of hole and drill bi	EL	in hard r	ock (Anlite)	
4. Pac 5. NI - 6. NR	ker test Non in	s attemp				m and 20–30 m.	i expireu	iii naru i	оск (Арше).	
CONTI MACH LOGG		SW	est Truck M	Iounted Rig	; I	DATE FINISHED: 17/05/2010 EA	RTHING: STING: EVATIO	7491	DRTSF1	0

Report No.752/42 Appendix 1

Ki	Knigh A.B Level	ht Piesole 3, 46 Ver T PERTI	d Pty Lim 01 040 4 ntnor Av	19 епие	100	Dargues Reef Gold Project Cortona Resources Ltd Tailings Storage Facility New South Wales			HOLE: DRTSF1 Sheet 2 of 5			
TOTAL RECOVERY (%)	SOLID CORE RECOVERY (%)	ROCK QUALITY DESIGNATION ### Application ### A		GRAPHIC LOG	DEPTH (m)	MATERIAL DESCRIPTION	STRENGTH/ CONSISTENCY	WEATHERING	JOB: PE801-00139 DEFECTS/ADDITIONAL COMMENTS	WATER STRIKES AND SAMPLING		
76	53	37	7	1 + + + + + + + + + + + + + + + + + + +			EL	XW				
85	22	22	1	- + + + + + + + + + + + + + + + + + + +	- 9 - - 10 - 		EL	XW				

Knight Piésold Knight Piesold Pty Limited A.B.N. 67 001 040 419 Level 3, 46 Ventnor Avenue WEST PERTIL WA 6005 Australia						Dargues Reef Gold Project Cortona Resources Ltd Tailings Storage Facility New South Wales			HOLE: DRTSF1 Sheet 3 of 5 JOB: PE801-00139		
TOTAL RECOVERY (%)	SOLID CORE RECOVERY (%)	ROCK QUALITY DESIGNATION (%)	PRACTURE PIP	GRAPHIC LOG	DEPTH (m)	MATERIAL DESCRIPTION	STRENGTH/ CONSISTENCY	WEATHERING	DEFECTS/ADDITIONAL COMMENTS	WATER STRIKES AND SAMPLING	
31	0	0	NI	+ + + - + + + + + + + + + + + + + + + +	- 12	13.65m	EL	XW		_	
72	60	53	2	+ + + + + + + + + + + + + + + + + + + +	- 14 - - - - 15	13.65ff GRANITE, coarse grained, crystalline, massive, cream, brown, black, pink grey.	VH	sw	14.07-14.33 m - sub-vertical joints, 45°, planar, smooth, open, fresh. 14.33-14.63 m - sub-horizontal joints, 20°, planar, smooth, open, calcite coated 14.63-14.77 m - sub-horizontal joints, 25°, undulating, smooth, open, sity 14.77-15.0 m - sub-horizontal		
0	0	0	NR	\	- 15 — - - - 16 — - -	15m No recovery Possible weathered zone above dyke			14.77-13.0 m sub-nortzonial joints, 40°, undulating, smooth, open fresh		

Knight Piésold Knight Piesold Pty Limited A.B.N. 67 001 040 419 Level 3, 46 Ventnor Avenue						Dargues Reef Gold Project Cortona Resources Ltd Tailings Storage Facility New South Wales	HOLE: DRTSF1 Sheet 4 of 5			
		3, 40 vei T PERTI Austr	WA 6			New South Wates			JOB: PE801-00139	
TOTAL RECOVERY (%)	SOLID CORE RECOVERY (%)	ROCK QUALITY DESIGNATION (%)	FRACTURE FREQUENCY	GRAPHIC LOG	DEPTH (m)	MATERIAL DESCRIPTION	STRENGTH/ CONSISTENCY	WEATHERING	DEFECTS/ADDITIONAL COMMENTS	WATER STRIKES AND SAMPLING
30	18	18	2	+ + + + + + + + + + + + + + + + + + +		Very poor recovery, only 100 mm of gravel returned. Gravel includes granite and Aplite. Possible fault / Aplite dyke 20.24m GRANITE, coarse grained, crystalline, massive, brown cream, oxidised. 20.64m GRANITE, coarse grained, crystalline, massive, cream, brown, black, pink grey.	L	DW SW	20.24-20.36 m - sub-vertical joints, 60°, planar, smooth, open, calcite coating 20.36-20.61 m - undulating, smooth, open, fresh 20.53-20.94 m - sub-horizontal joints, 35°, undulating, rough, open, oxidised	
100	100	80	4	+ + + + + + + + + + + + + + + + + + +	- 21	22.5m Very poor recovery, only 500 mm of gravel returned. Gravel includes granite and Aplite. Possible fault / Aplite dyke	EH	sw sw	20.61-20.66 m - sub-vertical joints, 45°, undulating, smooth, open, partial calcite coating 20.66-20.87 m - sub-vertical joints, 85°, undulating, planar, rough and smooth, open, calcite coating 20.87-20.53 m - sub-vertical joints, 45°, undulating, rough, open, oxidised 20.94-21.27 m - sub-horizontal joints, 28°, undulating, rough, open, oxidised 21.27-21.28 m - sub-horizontal joints, 65°, planar, smooth, open, calcite coated 21.28-21.45 m - horizontal joints, undulating, smooth, open fresh 21.45-21.57 m - sub-horizontal joints, smooth, open fresh 21.45-21.57 m - sub-horizontal joints, 35°, planar, smooth, open fresh 21.45-21.57 m - sub-horizontal joints, 35°, planar, stepped,	

Knight Piésold Knight Piesold Pty Limited A.B.N. 67 001 040 419 Level 3, 46 Ventnor Avenue						Dargues Reef Gold Project Cortona Resources Ltd Tailings Storage Facility	HOLE: DRTSF1 Sheet 5 of 5				
	Level		itnor Av WA 6	enue		New South Wales			JOB: PE801-00139		
TOTAL RECOVERY (%)	SOLID CORE RECOVERY (%)	ROCK QUALITY DESIGNATION (%)	FRACTURE FREQUENCY	GRAPHIC LOG	DEPTH (m)	MATERIAL DESCRIPTION	STRENGTH/ CONSISTENCY	WEATHERING	DEFECTS/ADDITIONAL COMMENTS	WATER STRIKES AND SAMPLING	
6	0	0	NI	+ + + + + + + + + + + + + + + + + + + +	 - 24 -				open, fresh 21.57-21.67 m - sub-vertical joints, 50°, undulating, rough, open calcite coated 21.67-22.1 m - sub-vertical joints, 45°, planar, smooth, open, partially calcite coated 22.1-22.3 m - sub-horizontal joints, 35°, planar, smooth, open, partially calcite coated 22.3-22.5 m - sub-horizontal joints, 26°, undulating, rough, open silty		
33	0	0	NI	+ + + + + + + + + + + + + + + + + + +	+ + - 7	+ + + - 25 - + + + + + + + + + + + + + + + + + +					
100	83	61	7	+ + + + + +	- 26	25.8m GRANTTE, coarse grained, crystalline, massive, cream, brown, black, pink grey. (Aplite band noted between 26.75 - 26.83 m).	EH VH	sw	25.8-26.25 m - sub-horizontal joints, 10°, stepped, undulating, smooth, open, silty 26.25-26.27 m - sub-vertical joints, 70-90°, undulating, smooth, oxidised (400 mm long) 26.27-26.32 m - sub-vertical joints, 45°, planar, smooth, open, calcite coated 26.32-26.6 m - sub-horizontal joints, 30°, planar, smooth, open, calcite coated		
				+ + +		27.3m Borehole DRTSF1 terminated at 27.3 m			26.6-26.67 m - sub-vertical joints, 50°, planar, smooth, open, calcite coated 26.67-26.84 m - sub-vertical joints, 60°, planar, smooth, open, calcite coated 26.84-27.0 m - sub-vertical joints, 60°, undulating, rough, open, silty, with calcite coating 27.0-27.12 m - sub-vertical joints, 75°, planar, smooth, open, calcite coated, undulating, smooth, open silty 27.12-27.3 m - sub-vertical joints, 60°, undulating, smooth, open, silty, oxidised		