

# N Northgate

## FOSTERVILLE GOLD MINE

### Community Newsletter

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### February 2010

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## FOSTERVILLE'S RECORD GOLD PRODUCTION

The Fosterville Gold Mine achieved the highest quarterly gold production in the history of the mine, producing 26,615 ounces of gold in the December quarter to bring the full year production at Fosterville to 103,360 ounces of gold, a record high. Mr Ken Stowe, President and CEO of Northgate Minerals, commented, how pleased the Company was with the levels of production at the mine. The latest Company Quarterly report is on the Northgate web site. [www.northgateminerals.com](http://www.northgateminerals.com).

The Fosterville Gold Mine plans to produce over 110,000 ounces in 2010 which would be another record year.



### General Manager's Update

#### Change of leadership at Fosterville

2009 was a record year for the Fosterville Gold Mine and I wish to thank all those who have contributed to our Company's success. It has been due to a lot of hard work by the whole team over the past year and the plan is to achieve even greater production figures in 2010. There is much to be achieved during the coming year with the Harrier underground mine and associated infrastructure such as the vent rise. The Company is also looking to expand its regional exploration knowledge through low impact activities to the north and south of the current mining licence area.

After 6 interesting and rewarding years at Fosterville I am moving on to take up the role of Managing Director/CEO for Bassari Resource Ltd based in Melbourne. I wish to thank the FGM team for their support and efforts during my time here at Fosterville as well as thank the wider community for their ongoing support and friendship.

Mr **Ian Holland** has taken over the role of General Manager as of the 1st February 2010. Many of you will have met Ian at various community meetings as he has held the role of Production Manager for the past 2 years. I wish him well and as my successor and I know Fosterville will be in good hands moving forward. Ian is looking forward to taking on the challenges at the Fosterville Gold Mine and getting to know the community.



Once again thank you for your support.  
*Jozsef Patarica.*



### Student Mineral Venture

Thirty six students and staff visited the Fosterville Gold Mine in January as part of the Australasian Mining and Metallurgy Student Mineral Venture for 2010. Years 10,11 & 12 students were selected from applications from secondary schools in Victoria, Tasmania, NSW, South Australia and the ACT. The students need to possess a high level of skill and interest in science and mining related careers to gain a position on the tour. Similar tours are conducted in Queensland and Western Australia. The students also visited our sister mine at Stawell.

### FOSTERVILLE GOLD MINE ENVIRONMENTAL REVIEW COMMITTEE

Members : Tim Harrington, Alan Read, Barrie Winzar.

Next Meeting: 5th May 2010

10.30am at Fosterville Gold Mine



## Community Grants

The Community Grants applications are open twice yearly, in March and September.

The applications for the March round of Grants are now open and need to be received by the Company by 30th March 2010. Applications can be downloaded from the web page: [www.northgateminerals.com](http://www.northgateminerals.com) or can be posted or emailed by calling the Fosterville Gold Mine on 54399000.

Incorporated Community groups can seek funding for projects or activities that will enhance the lives of people living in our local area. The project must have a broad community focus and seek to enable as many people as possible to gain from the activity or program.

The Company have funded projects from environmental education programs to heritage restoration, assistance to local fire brigades, to providing over-locking machines to make support bags for cancer patients.



Above: Members of the Mosquito Creek Fire Brigade who received funding in 2009.

## Summary of Community Update

At a community update meeting held on the 20th January a number of topics were discussed. Marcus Binks, Processing Manager, explained the current progress on the *In-pit Tailings Work Plan Variation*. The plan is currently with the regulators for assessment and the Company is providing any further technical details as required by the DPI and EPA. At the current tailing facility a half lift has just commenced on the dam wall (1.25m lift) and will take approximately 5 weeks to complete. Amanda Giles, Underground Technical Superintendent, explained the development on the *Harrier underground mine* as well as the location of the planned Harrier vent rise. She gave an explanation on the purpose and impact of the vent. Ian Holland, Production Manager gave an update on *exploration activities planned for 2010*. Much of the drilling activity will take place on the current Mining Licence (at drill sites above and below the surface) as well as some imaging activities on the exploration licence area to the north and south of the mine. (see Exploration notes on this page)

Residents who travel along the Huntly Fosterville Road will notice some changes to mine access opposite our Coreshed area (near the creek). A special access gate will be made for the B-Double petrol tankers to pull safely off the roadway prior to entering the mine. This special access will be constructed on the mine's private land and will only provide access for the petrol tankers and no other vehicles.

Community update meetings provide an opportunity for residents to ask questions about planned activities and have any particular interests discussed. If you were unable to attend the meeting and would like more details on any aspect of our operation please call Sandra on 54399013 and a meeting time can be arranged to suit.



## Exploration Update

Exploration activity at Fosterville is set to increase over the year as Northgate have allocated \$12million to the exploration department for 2010. Much of the work will involve drilling for the Harrier Underground and Phoenix reserves and other targets within the current Mining Licence area.

The Company also plans to move off into the exploration licence area, particularly to the south of the mine to carry out work which will assist in the overall understanding of the geology of the area. In recent times some drilling has taken place between the mine and Axedale but the initial work planned for 2010 is very low impact and does not involve drilling. The result of such work will assist in identifying in more detail the geology and will assist the mine in releasing areas of little or no mineral value and to focus on areas which may have potential.

There will be two types of low impact surveys carried out:

### Induced Polarisation Surveys:

This method uses a small generator to transmit electrical current into the ground. Electrical measurements are taken from ground connected stations at regular intervals and are fed into a computer. This method was carried out to the north



of the mine approximately two years ago with no adverse affect to landholders. Small shallow holes are dug and electrodes imbedded in the ground. (only a few cm deep) As the survey moves on the holes are filled in. The survey moves across an area at about 2km per day. Pastoral fences can impact negatively on the IP survey and so, where possible, insulation of wires with small plastic spacers are used.

### Gravity Surveys:

This method is used to map the strength of the earth's gravity field. It shows up changes in rock types and structures (faults). It helps to detail the geology that we cannot see. The equipment used is light enough for a person to carry from site to site and includes a hand carried gravity meter and surveying instruments. There is no disturbance to the ground and requires little time to collect the data.



The Company will seek permission from land holders prior to carrying out this work.

## Environment Update

The rehabilitation program for 2010 plans to cover the following areas: in-fill planting near the underground workshop, McCormick waste dump—some infill planting on the western side and new rehabilitation on the lower east side, east of Ellesmere pit—screen planting, and some infill planting at Daley's Hill—east side. Seed collection took place over the summer period.

Fox baiting has commenced on the mine licence area and will continue for several months. The Company is also investigating rabbit numbers to see if a baiting program needs to be implemented.

Clean Up Australia Day will be held at the Mine and surrounding public roads on **Wednesday 10th March** from early morning until 12 noon. Community members are welcome to join our teams in the clean up and a light lunch back at the mine.

