

“PRE-WORKS” MELBOURNE METRO RAIL PASS

The Company has been advised that its tender for the management in late CY 2017 of the PASS in the north CBD excavations for the “Pre-Works” part of the Melbourne Metro Rail Project was unsuccessful.

FUTURE PASS TENDERS

Nagambie Resources remains very confident of being awarded large tonnages of PASS management in the tenders to come for major infrastructure projects in Melbourne, as compared to the relatively low tonnage in the “Pre-Works” part of the MMRP. Total underwater PASS storage capacity at the Nagambie Mine is approximately 6.0 million tonnes, of which 2.5 million tonnes in the West Pit is already fully developed. Actual developed PASS storage at alternative sites in Melbourne appears to be small by comparison.

MELBOURNE METRO RAIL PROJECT

The three construction consortiums bidding for the main MMRP submitted their tenders in April 2017 and it was expected that the winning consortium would be announced around June/July 2017. Information obtained by Nagambie Resources indicates that the winner will now be announced later in CY 2017.

The Environmental Effects Statement (EES) for the MMRP indicates total PASS to be managed will be approximately 1.4 million tonnes, with the great majority being “hard” PASS consisting of Melbourne Formation sandstones and siltstones containing pyrite (iron sulphide).

WEST GATE TUNNEL PROJECT

The EES for the WGTP was released in June 2017 and estimated total PASS requiring management at 85,000 bank cubic metres or approximately 0.2 million tonnes, all of it being “soft” PASS consisting of Coode Island Silt and other silts.

NORTH EAST LINK PROJECT

The Victorian Government allocated \$100 million in its May 2017 budget for the planning and tendering of the NELP to enable construction to commence in early CY 2019. The Link will be a 100,000 vehicle per day freeway connection from the Metropolitan Ring Road at Greensborough to either the Eastern Freeway at Bulleen or alternatively to the EastLink junction at Ringwood.

The alternative routes being considered will all involve significant tunnelling under urban and environmentally-sensitive areas, with the predominant basement rocks being the Andersons Creek Formation. This formation is related to the Melbourne Formation and, likewise, consists of marine sandstones and siltstones. Nagambie Resources consider that the quantity of “hard” PASS in the road tunnels selected could be in excess of 2.0 million tonnes, as was the case for the cancelled East West Link Project.

EAST WEST LINK PROJECT

The Victorian Opposition are supportive of the NELP but also plan to restart the EWLP if they win the next election. Both Infrastructure Australia and Infrastructure Victoria recognise that the EWLP will be required to unblock the worsening traffic congestion in and around the Melbourne CBD. The Federal Government has continued to offer \$3.0 billion towards the construction of the EWLP.



James Earle
Chief Executive Officer

NAGAMBIE RESOURCES

Underwater storage of sulphidic excavation material (PASS) in the two legacy gold pits at the Nagambie Mine represents an excellent environmental fit with the construction of CBD high-rise towers and major projects proposed for Melbourne such as Metro Rail and North East Link.

The discovery and development of shallow, open-pit and heap-leachable gold deposits is being methodically advanced. The Company has tenements encompassing historic Victorian goldfields at Nagambie and Clonbinane.

Quarrying, washing and screening of sand deposits at the mine to produce various sand and quartz aggregate products is planned.

Recycling of the overburden and tailings dumps can produce aggregates for concrete, road base material and road gravel for local roads.

The first landfill site is planned to take advantage of the 17 Ha of engineered black plastic under the mine tailings pad.

SHARES ON ISSUE

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