



**Economic and Social Impact Statement
Toms Gully Mine Project
July 2015**

Trevor Bradley B(App)Sc. Hons; LL.M, M.A.I.G



Executive Summary

The purpose of this report is to provide an independent assessment of the potential positive and negative economic and social impacts that may occur within the regional and local area in response to the Toms Gully Mine Re-development project.

This report has been prepared in accordance with Section 5.8 of the NT EPA Terms of Reference for the Preparation of an Environmental Impact Statement and the NT EPA Guidelines for the Preparation of an Economic and Social Impact Assessment (ESIA) and incorporates the findings of qualitative, quantitative and risk-based assessments. The latter uses a methodology based on risk matrix assessment adapted from AS/NZS ISO 3100:2009 wherein the key risks are identified and a probability of occurrence determined in conjunction with a range of consequence factors to determine the overall risk scale.

The author has reviewed PGO's Toms Gully feasibility study financial model with a view to assessing the financial capacity of the Project, and considers that; subject to the project gaining the necessary authorisation(s) to commence mining: a condition essential to activate the finance agreement(s) required to undertake the Project. PGO will have the capacity to allocate sufficient resources to implement the Project (including mitigation and contingency measures), maintain its obligations should the Project be temporarily closed and meet all closure requirements.

Primary Gold Limited (PGO) proposes the redevelopment and recommencement of underground mining and gold ore processing at the old Toms Gully Mine located approximately 100 Km southeast of Darwin and 63 Km southeast of the regional town of Humpty Doo. Toms Gully is a brownfield site with open cut and underground mining having been conducted in multiple phases since 1988 and last operated in 2011.

The project area lies within the boundaries of perpetual Pastoral Lease 1163 (Old Mount Bundy Station) and surface infrastructure is wholly contained within mining lease MLN 1058. The existing mining property was acquired by PGO following its acquisition of the Mt Bundy Gold project from Crocodile Gold Australia in March 2013.

When operational the underground mine is expected to achieve a production rate of 250,000 tonnes of ore per annum in the first year and then increase to a production rate of 350,000 tonnes per annum. Based on the current Ore Reserve at Toms Gully, PGO is confident that it will achieve an operational life of a little over three years and considers that there is reasonable potential to increase the projects life span through exploration.

Positive economic attributes of the project include:

- Gold production available for export approximately 145,000 ounces gold, equivalent to approximately 10% annual sales for the NT
- Capital expenditure A\$24-A\$27 million
- Total revenue A\$220-A\$225million
- Project cash flow A\$47-A\$52 million
- Negligible import costs

- A\$195-A\$202 million contribution to GDP over 3 year life, including A\$156-A\$162 million to GSP via new opportunities for local service and supply businesses
- Income tax in the order of A\$6-A\$6.5 million
- State royalty in the order of A\$11-A\$12 million
- 104 new jobs, equivalent to an 18.6% increase in mining sector jobs in the combined Humpty Doo and Alligator statistical areas

Economic risks identified include a normal array of financial, technical and safety risks attributable to most mining projects. Four issues have been identified as having medium risk (post mitigation measures), including:

- commodity price
- exchange rate
- fuel price, and
- ground conditions

The first three issues represent normal corporate risks to be addressed in PGO's hedging strategy. Ground conditions are a technical risk and addressed separately in PGO's Geotechnical assessment and strategy which is incorporated within the mine design and standard operating procedures.

No negative residual economic impacts were identified. The estimated economic impacts are summarised in Table 1 below.

Table 1 Estimated Economic Impact of Toms Gully Project

Criteria	Value
Project Title	Toms Gully Mine project
Project Type	Gold mine & process plant re-
Project Duration	40 months from commencement
Estimated employment	104 persons
Estimated total project revenue	\$220 - \$225 million
Estimated Tax contribution	\$6.0 – \$6.5 million
Estimated royalty contribution	\$11 - \$12 million
Estimated total capital expenditure	\$24 - \$27 million
Estimated operating expenditure	\$92 - \$93 million
Estimated GDP contribution	\$195 - \$207 million
Estimated proportion of GSP	80%
Estimated contribution to GSP	\$156 - \$162 million

Source: PGO

The project site is situated in the central part of the NT's Top End Region. This region of the NT is comprised of small widely dispersed communities and as such is sparsely populated with a population density of 0.1 persons per Km² (ABS702031057 ABS_NRP9 2008-2012). The nearest community to the project is the rural subdivision of Marrakai. This community located 17.5 Km northwest of the project area is comprised predominantly of small dwellings owned by weekend recreational fishers and holiday makers. The next nearest town is Humpty Doo some 63 Km to the northwest.

Tourism, mining and horticulture are the principal contributors to the region's economy. Subsequently land use in the region includes agriculture (pastoral stations and orchards) and mining. Active mining operations include ERA's Ranger uranium mine near Jabiru and Crocodile Gold Australia's gold operations near Pine Creek and granite quarries near Mount Bundy. The principle tourist attractions in the region are the Litchfield, Kakadu and Mary River National Parks with the, Adelaide River and Mary River systems being popular locations for recreational fishing. The local area is serviced by a limited number of food and accommodation services (two roadhouses and two tourist villages).

Positive social attributes of the project include:

- negligible increase to traffic volumes (0.2%-0.3%)
- compatibility with regions existing land use and economy
- supports existing mining related labour force
- PGO intends majority employment from local labour force providing up to 1.7% boost to employment and negligible impact on housing availability and affordability
- negligible impact on community and Government infrastructure and services
- project is not visible from Arnhem Highway
- PGO has an active access agreement with the landowner
- no identified indigenous communities within general area of the Project
- no nominated, provisional or declared heritage places
- no previously recorded Aboriginal archaeological sites
- paucity of residential communities in proximity to the Project provides a natural social impact barrier
- no known disaffected community groups arising from this Project or previous episodes of mining

Given the paucity of local communities, this affords PGO the opportunity to consult on a one-on-one basis with individuals and organisations comprising the local community. Identified stakeholders include;

- Pastoral station lease holders
- Road house proprietors
- Tourist village operators
- Point Stewart Volunteer Bush Fire Brigade
- Orchardists, and
- Amateur Fisherman's Association NT

Mining lease MLN 1058 which hosts the Toms Gully Project was granted prior to January 1, 1994 and is regarded as a past act for the purposes of the Native Title Act (NTA). PGO is not required to satisfy any of the “future act” procedures including the “right to negotiate procedures”. However, PGO has consulted with The Department of Lands, Planning and the Environment, conducted a search of the NT Heritage Register, commissioned a sacred site survey with the Aboriginal Areas Protection Authority and initiated consultation with the Northern Land Council with respect to ongoing cooperation and employment opportunities.

The potential economic and social risks associated with the project have been assessed. These risks include; safety concerns related to increased traffic flow, impacts on housing availability and affordability, increased demand on existing services, other local industries and land users. It is considered, subject to implementation of the mitigation strategies identified in the risk analysis, that the identified social and economic risks associated with the project have a low probability of occurrence and furthermore in the unlikely event that they do occur, are likely to have negligible impact on the social and economic fabric of the Top End Region, Alligator SA2 or broader Northern Territory.

As analysis indicates that there is no significant economic or social impact risk associated with the proposed Toms Gully Mine re-development project, it is subsequently considered that there is no further requirement to prepare a management plan to deal with economic or social impact risk.

Table of Contents

Executive Summary	2
1 Introduction	12
1.1 Project Overview.....	12
1.2 Statutory Requirement	13
1.3 Scope of Report.....	13
1.4 Methodology.....	14
1.5 Independence	14
2 History of the Project.....	15
3 Contribution to the NT and Australian Economy.....	16
3.1 Expected project duration	16
3.2 Estimated total project revenue	17
3.3 Value-adding in the NT and Australia	17
3.4 Estimated overall tax and royalty payments	17
3.4.1 Tax.....	17
3.4.2 Royalties.....	17
3.5 Expected value of exports and imports	18
3.5.1 Exports	18
3.5.2 Imports.....	18
3.6 Estimated capital expenditure for the whole project.....	18
3.7 Expected annual operational expenditure	18
3.8 Impacts of neighbouring businesses or projects	19
4 Overall direct and indirect economic impact data	20
4.1 Regional resources, constraints and opportunities	22
4.2 Historical and current economic trends in the Territory/regional economy	23

4.3	Population growth trend.....	23
5	Current Regional Demographic profiles.....	23
5.1	Humpty Doo SA2 demographic profile	23
5.1.1	Population	23
5.1.2	Housing	24
5.1.3	Education	25
5.1.4	Labour market.....	25
5.1.5	Income profile	28
5.1.6	Indigenous Population	28
5.2	Alligator SA2 demographic profile	28
5.2.1	Population	28
5.2.2	Housing	29
5.2.3	Labour Market.....	29
5.2.4	Income profile	32
5.2.5	Indigenous Population	32
6	Projects being developed or to be developed in the near future	32
7	Previous resources or other major development in the region	35
8	Contribution to Business development	36
8.1	Expected value of NT/Australian business supply and service participation	36
8.2	Contribution to Employment and Training	36
8.2.1	Expected direct and indirect employment	36
8.2.2	Estimated workforce/contractor numbers	36
8.2.3	Overall employment training	37
8.2.4	Planned indigenous employment, training and project participation.....	37
8.2.5	Expected level of overseas recruitment	38

9	Contribution to Regional Development.....	38
9.1	Value of the proposed community benefit arrangements.....	38
9.2	Estimated overall regional economic benefits.....	38
9.3	Community value of residual infrastructure.....	38
10	Benefits and costs of economic impacts.....	39
10.1	Economic performance risk.....	40
11	Residual impacts on the Territory and regional economies.....	43
12	Economic Impact Summary.....	43
12.1	Financial Capacity.....	44
13	Social Impact Statement.....	45
13.1	Description of local & regional social environment.....	45
13.2	Population density and distribution.....	45
13.3	Demography and social characteristics.....	46
13.4	Native / Traditional title holders.....	46
13.5	Other landholders.....	47
13.6	Local Government.....	47
13.7	Towns and residential communities.....	47
13.8	Transience.....	47
13.9	Community Infrastructure and services.....	49
13.10	Housing availability and affordability.....	49
13.11	Community cohesion and inclusion.....	50
13.12	Places used for cultural recreational and aesthetic reasons.....	50
13.13	Attitudes to the project held by various socio-economic groups.....	51
14	The Development Proposal.....	52
14.1	Recruitment policy.....	52

14.2	Likely additions to the population	52
14.3	Demographic characteristics of the additional population	52
14.4	Accommodation arrangements for the additional population.....	53
14.5	Services to be provided to the additional population by the proponent	53
15	Potential Social Impacts	53
15.1	Introduction	53
15.2	Identification of community groups	54
15.3	Community stakeholder consultation.....	54
15.4	Identified impacts	56
15.5	Cumulative impacts.....	57
16	Management of potential risks and impacts	57
16.1	Safety	57
16.2	Employment opportunities	57
16.3	Service provision	58
16.4	Recreational and cultural opportunities	58
17	Benefits and costs of social impacts	58
17.1	Summary of the Social Impact Assessment	58
17.2	Stakeholder engagement strategies	60
17.3	Priorities	60
17.4	Mitigation and management strategies.....	61
17.5	Monitoring reporting and review mechanisms	64
17.6	Mechanisms to resolve new and emerging issues and to amend the risk register	64
17.7	Communications strategy	64
18	References	66

Table of Tables

Table 1	Estimated Economic Impact of Toms Gully Project	3
Table 2	Toms Gully Forecast V actual realised sales of NT Dore and metallic mineral production ..	16
Table 3	Toms Gully project forecast Opex costs.....	19
Table 4	Accommodation profile	24
Table 5	Profile of persons actively engaged in education	25
Table 6	Labour force profile Humpty Doo SA2	25
Table 7	Educational profile of the labour force.....	26
Table 8	Industry of employment	26
Table 9	Occupation profile of employed persons Humpty Doo SA2	27
Table 10	Household Characteristics	29
Table 11	Labour Force Profile.....	30
Table 12	Educational Profile Labour Force	30
Table 13	Employment profile by industry of employment.....	30
Table 14	Occupation profile of employed persons Alligator SA2	31
Table 15	Recent projects approved for development in the last two years	33
Table 16	Projects where development approval is pending	33
Table 17	Projects with the potential to advance to development stage	33
Table 18	Mineral projects in application in the NT	34
Table 19	Mineral projects in development in the NT.....	35
Table 20	Planned composition of workforce.....	37
Table 21	Risk matrix.....	39
Table 22	Definition of probability of occurrence.....	39
Table 23	Key Risk Factors with potential to impact economic performance of project	41
Table 24	Economic impact summary.....	43

Table 25	Community, government and local business stakeholder consultation.....	55
Table 26	Social Risk matrix	61
Table 27	Definitions of probability of occurrence	61
Table 28	Toms Gully Mine Re-development Project Social Risk Matrix.....	63

Table of Figures

Figure 1	Location of Toms Gully project	12
Figure 2	Alligator SA2 part of Daly-Tiwi-Arnhem SA3.....	21
Figure 3	Humpty Doo SA2 part of Litchfield SA3	21
Figure 4	Humpty Doo SA2 population growth and rate of change	24
Figure 5	Industry of employment Humpty Doo SA2.....	27
Figure 6	Average income profile Humpty Doo SA2	28
Figure 7	Population Trend and growth rate Alligator SA2.....	29
Figure 8	Industry of Employment Alligator SA2.....	31
Figure 9	Average income profile Alligator SA2	32
Figure 10	Population and growth trend Alligator SA2 2012	45
Figure 11	Traffic Count Stations on the Arnhem Highway	48
Figure 12	Location of National Parks, Rivers and Tourism Sites.....	50

1 Introduction

1.1 Project Overview

Primary Gold Pty Ltd (PGO) proposes to re-develop and re-commence underground mining and gold ore processing at the Toms Gully Mine in the Northern Territory (NT). The brownfield gold mining site is located approximately 100 Km southeast of Darwin and 63 Km southeast of the regional town of Humpty Doo along the Arnhem Highway. Approximately 2 Km of unsealed station road provides access to the site from the western side of the Arnhem Highway (Figure 1).

Figure 1 Location of Toms Gully project



Source: PGO

Land use in the region includes agriculture (orchards and pastoral operations) and mining, with historic iron ore mining at Mount Bundey and gold mining at Toms Gully, Quest 29 and Rustlers Roost mines. Granite quarrying is currently conducted by three companies approximately 5 km east of the Toms Gully project site.

The project area lies within the boundaries of perpetual Pastoral Lease 1163 (Old Mount Bundy Station) and surface infrastructure is wholly contained within mining lease MLN 1058. The existing mining property was acquired by PGO following its acquisition of the Mt Bundy Gold project from Crocodile Gold Australia in March 2013.

Once operational the underground mine is expected to achieve a production rate of 250,000 tonnes of ore per annum in the first year and then increase to a production rate of 350,000 tonnes per annum. ML29812 and ML29814 adjoin MLN 1058 to the north and south and may be used if the operation is successful in its endeavours to extend operational life.

Based on the current Ore Reserve at Toms Gully, PGO is confident that it will achieve an operational life of a little over three years and considers that there is reasonable potential to increase the projects life span through exploration.

This report concerns itself only with the currently estimated project life of 3 years and 4 months as represented in PGO's financial model and feasibility study upon which this report is predicated.

1.2 Statutory Requirement

The Northern Territory Environmental Protection Authority (NTEPA) has determined that there is no potential for significant impact on matters of National Environmental Significance. It has therefore determined that a project assessment under the NT Environmental Assessment Act (EA Act) at the level of an Environmental Impact Statement (EIS) is appropriate.

This economic and social assessment has been prepared in accordance with section 5.8 of the NT EPA Terms of Reference for the Preparation of an Environmental Impact Statement and NT EPA Guidelines for the Preparation of an Economic and Social Impact Assessment.

1.3 Scope of Report

The purpose of this report is to provide an independent overview and assessment of the potential positive and negative economic and social impacts that may be anticipated to occur within the regional and local area in response to the Toms Gully Mine Re-development project.

This report:

- Describes how potential local and regional business and employment opportunities related to the Project will be identified and managed
- Identifies how any economic, social, cultural or tourism risks arising from the Project, or the presence of its associated workforce will be managed
- Describes measures to mitigate negative economic and social impacts locally and within the region

- Provides outcome and assessment criteria that will give early warning that management and mitigation measures are not achieving the outcomes and benefits expected and identified by PGO
- Provides a stakeholder communications strategy including identification of and ongoing consultation and negotiation with all relevant stakeholders, ensuring the full range of community viewpoints are sought.

1.4 Methodology

Any project with the potential to add economic benefit also has the potential to impose demands on resources such as housing availability, schools and medical services. In order to determine whether the overall impact of a project is positive or negative it is therefore necessary to examine the predicted impacts of the project in its economic and demographic context to determine whether the impacts overall will be positive or negative.

In this report the economic and social impact of the proposed project is assessed by first establishing the revenues predicted to flow to various potential beneficiaries. Examples of such entities include the NT government which may benefit from mineral royalties flowing from the project and businesses resident in the NT which may have the opportunity to supply goods and services required by the project.

In order to establish a baseline from which to determine the relative impact of the proposed mine re-development the current demographic characteristics of the region are established by reference to the latest information from the Australian Bureau of Statistics (ABS).

Use of ABS data provides an independent, transparent, publically accessible and statistically valid basis upon which to establish the current demographic baseline characteristics of the region. As ABS data is produced on a periodic basis it is possible to identify trends in socio-economic conditions such as population drift, employment and housing stocks and costs and therefore to model within the limitations of the data available the likely future benefits and imposts generated by the project over its economic life. This information can then be used in determining if the impacts likely to arise as a consequence of the proposed project are positive or negative overall.

The information gained from this analysis can then be used to devise mitigation and management strategies in order to maximise economic benefits flowing from the project and minimise any economic and social costs.

1.5 Independence

PGO has requested Mr Trevor Bradley B(App)Sc; LL.M, M.A.I.G an independent consultant in mineral law and policy; who has more than 15 years' experience in the economic and social aspects of international mining development to prepare an Economic and Social Impact Statement pertaining to PGO's Toms Gully Mine re-development proposal. The author understands that this report will be used in support of an application to develop the Toms Gully project.

The author has based his report on studies undertaken by PGO and provided to the author for the purposes of undertaking a review of the potential economic and social impacts that may be expected

should the project be approved. The author has endeavoured by making reasonable enquiry of PGO, to ensure that all material information in the possession of PGO has been fully disclosed to him. However, the author has not carried out any type of audit of the records of PGO to verify that all material documentation has been provided. PGO has agreed to indemnify the author from any liability arising from his reliance on information provided or not provided to him by PGO.

A draft version of this report was provided to the directors of PGO along with a request to confirm that there are no material errors or omissions in the report and that the information in the report is factually accurate. Confirmation in those terms has been provided in writing to the author and has been relied on by the author. The report is provided subject to the following qualifications;

It is assumed that all reports and other provided data received by the author, correctly and accurately record the result of studies undertaken and work conducted in relation to the project and includes any and all disclosed advice from relevant experts;

It is assumed that all factual information disclosed and provided by PGO, in respect of its mineral project, history, future intentions, financial forecasting or the effect of relevant agreements is correct and accurate in all material respects.

The author did not undertake any independent enquiries or audits to verify that these assumptions are correct and gives no representation that the assumptions are correct.

This economic and social impact statement has been developed as a snapshot in time and draws on 2011 census data and subsequent reports published by the ABS. While all reasonable effort has been made to provide up to date and relevant data, socioeconomic conditions exist within an environment of dynamic change and the information contained within this report can change rapidly.

Data in this report has been drawn from publically available sources and whilst care has been taken in using data from third parties, the author accepts no responsibility for its accuracy.

The author of this report has no material interest in PGO, the parties to the various agreements or the mineral properties considered in this report. The author is remunerated for this report by way of a professional fee determined according to a standard schedule of rates, which is not contingent on the outcome of this report.

2 History of the Project

Gold was originally discovered at Toms Gully in 1986 by Carpentaria Exploration Company Pty Ltd (Carpentaria), a subsidiary of Mount Isa Mines Limited. The initial phase of open cut mining and processing was conducted by Carpentaria between 1988 and 1991, with the processing plant sold and removed from the site in 1992.

Carpentaria's open cut mine extended to a depth of 90 m and yielded 330 000 tonnes of ore at an average grade of 9.35 g/t gold (Au) with a strip ratio in excess of 40 to 1. Carpentaria commenced underground development to access deeper ore, however subsequently abandoned their efforts approximately 15 m below the base of the pit.

Kakadu Resources NL bought the project and built a Carbon in Leach tailings retreatment plant on the site. This was commissioned in 1995 but only treated about 75,000 tonnes of tailings before the project was suspended.

Sirocco Resources NL (later named Renison Consolidated Mines NL) acquired the project in 1996. The processing facility at Toms Gully periodically treated ores from surrounding deposits (notably the Quest 29 deposit) during the period 1999-2005.

Between 2006 and 2007 Renison developed a new portal and decline at the base of the Toms Gully open pit and refurbished / upgraded the treatment plant, however, subsequently abandoned the mine in 2007.

Since that time the mine has been owned and operated by GBS Gold Australia Pty Ltd and Crocodile Gold Australia Pty Ltd. Crocodile Gold upgraded the treatment facility and dewatered the underground workings prior to extending the decline and primary ventilation network. The proponent acquired Toms Gully in 2013.

3 Contribution to the NT and Australian Economy

3.1 Expected project duration

The currently expected duration of the Toms Gully underground mine re-development project is approximately 40 months. This estimate is based upon a current Ore Reserve reported in accordance with the Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2012) and a Feasibility Study undertaken by PGO with contributions from respected Australian technical consultants on matters of key and critical importance.

The Toms Gully mine project while having a short life span is nonetheless significant in terms of value of mineral production when compared to the realised value of total gold Dore and total metallic mineral product sold from production in the NT during the 2013 -2014 financial year (Australian Bureau of Statistics, Australian National Accounts, 2013-14, ABS 5220.0).

Using the average realised value of gold sales in that year of \$1,383.94 per Au Oz. The value of the forecast production from the Toms Gully project in terms of gold Dore production in the NT is significant as is its contribution to total value of metallic mineral sales displayed in Table 2.

Table 2 Toms Gully Forecast V actual realised sales of NT Dore and metallic mineral production

Toms Gully Forecast v NT total sales 2013 -14	NT Sales Financial 2013 -14	Toms Gully Forecast Year 1	Toms Gully Forecast Year 2	Toms Gully Forecast Year 3	Averaged Annual Contribution V's NT total sales 2013-14
Gold Dore Sales	471,232 Oz	52,745 Oz	63,736 Oz	26,471 Oz	
Comparative % of NT production (2013-14)	100%	11.2%	13.5%	5.6%	10.1%
Total Metallic Mineral Sales	\$3,055,896,705	\$72,995,915	\$88,192,960	\$36,674,275	
Comparative % of NT mineral sales (2013-14)	100%	2.4%	2.9%	1.2%	2.2%

Source: ABS and PGO

* Note Toms Gully production forecast year 1 to year 3 equals 142,942 Au Oz, an additional 1,867 Au Oz produced during the 4 months of project life not included in this table brings total production to 144,809 Au Oz.

3.2 Estimated total project revenue

The total project revenue directly attributable to the Toms Gully re-development project is estimated to be within a range of \$220 million to \$225 million dollars. This estimate is based on extracting the currently defined Ore Reserve to produce approximately 144,000 troy ounces (Oz) of gold.

The financial model assumes a gold price of US \$1,240 per Oz of gold and an exchange rate of \$AUD to \$US of \$0.80 resulting in a forecast gold price of AUD \$1,550 per Oz at time of sale.

3.3 Value-adding in the NT and Australia

In the normal course of operation Australian gold mines produce bullion at a processing facility on site and then securely transport the bullion to a gold refinery in Australia. The options for value-adding are therefore limited to the final processing of bullion into gold bars of standard purity at the refinery.

The Perth Mint in Western Australia (WA) refines the total annual gold bullion output of Australia. It is therefore envisaged that any and all value adding to the gold bullion produced at the Toms Gully project will be undertaken in WA.

PGO estimate that the refining costs for the entirety of its product over the 40 months of production will be approximately \$98,500 based on the forecast production of 144,809 Oz of gold bullion.

3.4 Estimated overall tax and royalty payments

3.4.1 Tax

The fiscal proceeds flowing to the NT and Federal government from the successful operation of the Toms Gully project is subject to a great number of future variables which cannot be precisely forecast. Examples of such variables are the future gold price, fuel costs and foreign exchange rates all of which impact earnings and therefore profit and ultimately the amount of tax to be paid.

As a consequence the exact amount of tax to be paid by the project cannot be accurately forecast however, current financial modelling of the project indicates that ceteris parabus the tax payable over the project life will be approximately \$6.3 million dollars.

3.4.2 Royalties

Royalty payments pertaining to mineral production in the NT are collected under the Mineral Royalty Act 1982 NT (MRA), Agreement Ratification Acts or Agreement Acts. The royalties for the Toms Gully project are most likely to be collected under the MRA and are therefore profit based royalties. As such the actual amount of royalty received by the NT government will be subject to the same variables as those mentioned in section 3.4.1

As a consequence the exact amount of mineral royalty collected by the NT government cannot be accurately forecast however, current financial modelling by PGO suggests that ceteris parabus mineral royalties payable to the NT government flowing from the Toms Gully project will be approximately \$11.6 million dollars

3.5 Expected value of exports and imports

3.5.1 Exports

The Toms Gully project is a small scale project in terms of mining projects within Australia and the NT. As discussed in section 3.3, refined gold bars which are the final product of the project will be produced at the Perth Mint. In the normal course of things the Perth Mint will also be the purchaser of the gold.

The Perth mint sells its gold into the global market. Gold production in Australia in 2013-14 was 274 tonnes and gold exports were 277 tonnes (Minerals Council of Australia). The total volume of gold produced from the Toms Gully Mine project is therefore most likely to be exported.

3.5.2 Imports

There are a number of consumable products used in the gold mining industry which are commonly sourced overseas and imported into Australia. The most commonly imported products are chemicals such as cyanide, caustic soda, flocculants and activated carbon which are used in ore processing. Specialised mining machinery and ground engaging tools are also commonly imported.

The Australian mining industry is one of the largest in the world and very well supported by specialist suppliers and distribution agents. Typically most of the chemicals, machinery and components used within Australia are sourced from these specialist industrial suppliers and distributors.

Given the small scale of the Toms Gully project the volume of imported goods likely to be used at the project is not material with respect to the stock inventories of the suppliers and distributors active within Australian market, and therefore insignificant in terms of value to the volume of imports within the NT or Australia.

3.6 Estimated capital expenditure for the whole project

The Toms Gully project is based on a plan to refurbish and re-commence operations at the old Toms Gully gold mine. The gold processing facility at the project site is in working order but requires refurbishment. Extensive underground development was conducted during the projects previous operational life and albeit currently flooded will be dewatered and refurbished. Consequentially capital expenditure (Capex) associated with construction is limited to project set up and refurbishment costs.

PGO define the estimate of capital expenditure for the project as the maximum negative cash position for the project and on this basis state that the estimated total capital expenditure for the Toms Gully project is approximately \$24 - \$27 million dollars.

3.7 Expected annual operational expenditure

Current practice in the Australian mining industry for the reporting of annual operational expenditure (Opex) is to use the Brook Hunt C1, C2 and C3 cash cost classification system where;

- C1 is the **Net Direct Cash Cost** which comprises of the sum of the cash costs incurred at each processing stage from mining through to recovered metal delivered to market minus any by-product credits.
- C2 is the **Production Cost** which comprises **Net Direct Cash Cost (C1)** plus depreciation and amortization allowances.
- C3 is the **Fully Allocated Cost** which comprises **Production Cost (C2)** plus indirect costs and net interest charges. Examples of indirect costs include such things as exploration costs attributable to the operation as well as items such as interest charges on loans and royalties.

The expected annual operational expenditure (Opex) for the Toms Gully project is presented in Table 3.

Table 3 Toms Gully project forecast Opex costs

Life of Mine (LOM) Plan	Units	2016	2017	2018	Total
Gold produced (Au)	Ounces (Oz)	52,745	63,726	26,471	144,809*
C2 Cost	\$/Au Oz	669.50	884.70	570.40	737.40
Opex	\$ Millions	35.3	56.4	15.1	106.8

* Note production schedule 2016 – 2018 equals 142,942 Au Oz an additional 1,867 Au Oz produced during the 4 months of project life not included in this table brings total production to 144,809 Au Oz.

Prior to entering into commercial contracts for the supply of goods and materials required for the successful operation of the project, it is not possible to estimate what proportion of Opex will be spent in the NT. It is assumed that suppliers and distributors within the NT will be as competitive as any other and therefore a large but currently unquantifiable proportion of project Opex will be spent in the NT. For the purpose of estimating contribution to gross state product it has been assumed that approximately 80% of Opex will be spent in the NT.

3.8 Impacts of neighbouring businesses or projects

Local industry in the region comprises orchards, pastoral stations, granite quarries and a limited number of food and accommodation services. There is no plan to establish any form of residential camp facility at the project site. PGO only intend to use existing accommodation facilities in the region to accommodate short term visitors and potentially a limited number of specialist staff if it eventuates that they cannot be recruited from within the local region.

This approach provides a responsible level of positive economic stimulus to the local economy as it creates an opportunity for food and accommodation service providers to increase the utilization of existing services without distorting the current supply and demand balance.

Sections 5.1.4 and 5.2.3 (p25 & p29 this report) discuss the labour profile demographics of the local area. It is noted that the mining industry comprises respectively 5.2% and 16.7% of the employment in the Humpty Doo and Alligator SA2 regions respectively (Section 4). Given the compatible employment demographics, PGO will seek to employ locally and provide bus services to transport employees to and from work.

This approach offers a number of advantages for the project as it;

- Alleviates the need for capital expenditure on camp accommodation and catering facilities.

- Provides a mild stimulus for local bus transport service providers
- Minimises traffic volumes on the road
- Directly addresses matters of road safety for employees as it circumvents issues such as driver fatigue, speeding and affiliated road safety concerns

The presence of operating granite quarries in the area is also considered conducive to project development as quarrying is a closely related type of industry with similar yet non-competing requirements. PGO have recently commenced discussions with local quarries with regard to purchasing inert granite materials as part of its acid mine drainage mitigation strategy. If successful the inert granite will be used in the construction of a proposed lift to the walls of the tailings storage facility and construction of a new process water storage facility.

Given the close physical proximity of the granite quarries (approx. 5 Km) to the project site there may be opportunities for co-operation and resource sharing. Shared fuel and lubricant storage, as well as shared explosive and detonator magazine facilities are examples of potential mutual benefits that may be explored.

4 Overall direct and indirect economic impact data

The ABS divides states and territories into a number of statistical areas (SA's) for the purposes of data analysis, comparison and reporting.

Statistical Area Level 4 (SA4) is a geographical area used for the output of a variety of regional data, including the Labour Force Survey and 2011 Census Data. There are 106 SA4's covering the whole of Australia. They are built up from whole SA3's. The SA4 regions are the largest sub-state regions used for statistical reporting. Whole SA4's aggregate to Greater Capital City Statistical Areas, States and Territories.

Statistical Area Level 3 (SA3) is a geographical area used for analysis of statistical data at a regional level. They generally have a population of between 30,000 and 130,000 people. In major cities they represent the area serviced by major transport and commercial hubs. In regional areas they represent the area serviced by regional cities with a population above 20,000. In outer regional areas they represent areas which are widely recognised as having a distinct identity and have similar social and economic characteristics.

Statistical Area Level 2's (SA2's) are medium-sized general purpose areas comprised of an aggregation of whole SA1's. They are designed to represent a community that interacts together socially and economically.

Statistical Area Level 1's (SA1's) are the smallest area of output for the ABS Census of Population and Housing. Typically they represent single postcodes or suburbs. On average they have a population of approximately 400 people, and most are designed to be within the population range 200 - 800 people. SA1s in rural and remote areas generally have lower populations than in urban areas. SA1s are designed to have either a predominantly rural or predominantly urban character.

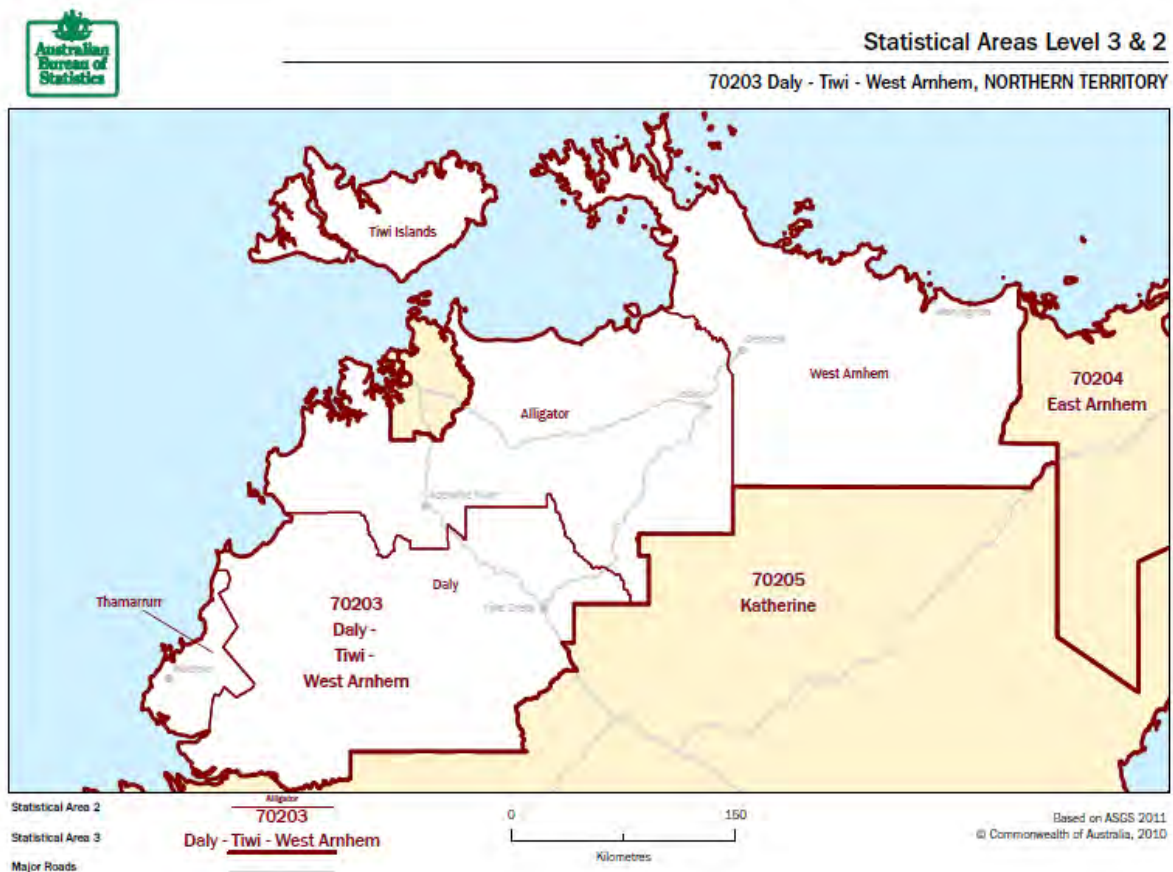
In reviewing the regional demographic profile as a basis upon which to consider the potential economic and social impacts of the proposed project, this report adopts the ABS's Statistical Area geographic boundary system.

The SA boundaries are specifically designed to demarcate geographic boundaries of communities that have a distinct character and interact socially and economically. They provide a cohesive internal architecture allowing users of data to undertake direct comparison of regions in different parts of the nation. As such it provides an ideal foundation of baseline social and economic parameters from which to consider potential economic and social impacts.

The Toms Gully project falls within the Alligator (SA2) geographic area (Figure 2). The nearest regional population centre to the Toms Gully project is Humpty Doo an SA2 (

Figure 3) which falls within the Litchfield SA3 which makes up part of the greater Darwin statistical area. Any direct or indirect economic and social impacts resulting from the development of the proposed project are likely to be most observable within these two SA2's.

Figure 2 Alligator SA2 part of Daly-Tiwi-Arnhem SA3



Source :ABS

Figure 3 Humpty Doo SA2 part of Litchfield SA3



Source ABS

4.1 Regional resources, constraints and opportunities

Within the Alligator SA2 area PGO has rights to the Rustler's Roost gold mine (currently on care and maintenance), and the Quest gold deposits (Figure 1 p12). These deposits are within a viable haulage distance from the Toms Gully process plant and represent exploration opportunities for extension of the project life.

In addition to the PGO tenured gold tenements within the Alligator SA2 area there are active mining projects at Jabiluka where the Ranger Uranium deposit is owned and operated by Energy Resources Australia (ERA).

4.2 Historical and current economic trends in the Territory/regional economy

Gross State Product (GSP) increased in all states during 2013-2014 the Northern Territory (NT) experienced the strongest growth in the nation at 6.5%. The NT and Western Australia were the only states whose GSP exceeded Australia's GDP growth rate of 2.5% (ABS 5220.0 2013-14).

Gross Value Added (GVA) volume growth in the NT was also the strongest in the country at 6.7%, driven by Construction (9.5%), Mining (11.4%), and Professional, scientific and technical services (18.4%) ((ABS 5220.0 2013-14).

State final demand (SFD) recorded growth in seven out of 8 states and territories with the strongest growth again being recorded in the NT (4.5%). Growth in SFD in the NT was driven by strong Private gross fixed capital formation (PGFCF). PGFCF in the NT was 8% driven in turn by machinery and equipment (ABS 5220.0 2013-14).

Total Factor Income (TFI) was again strongest in the NT (10%) with Compensation of Employees (COE) in the NT showing 12.5% growth (ABS 5220.0 2013-14).

4.3 Population growth trend

In June 2013, the estimated resident population of the NT was 240,800 people, which represented 1.0% of the total Australian population. The population increased by 4,900 people from June 2012. The NT's growth rate of 2.1%, during this period was higher than the national figure of 1.8%.

At this time the population of Greater Darwin was 136,200 people, representing 57% of the NT's total population. Between 2012 and 2013, the population of greater Darwin increased by 3.0% (3,900 people) which made it the second-fastest growing capital city in Australia behind greater Perth. Greater Darwin consists of four SA3's defined as Darwin City, Darwin Suburbs, Litchfield and Palmerston. Of the SA3's, Palmerston grew the most (up by 1,500 people) during 2012-13.

During the same time period Litchfield's population increased by 560 people to reach 20,900. This SA3 is predominately a rural residential area located on the outskirts of Darwin and Palmerston. The largest growth within Litchfield was recorded in the SA2 of Humpty Doo which saw a population increase of 2.8% in 2013 (ABS 3218.0 2013).

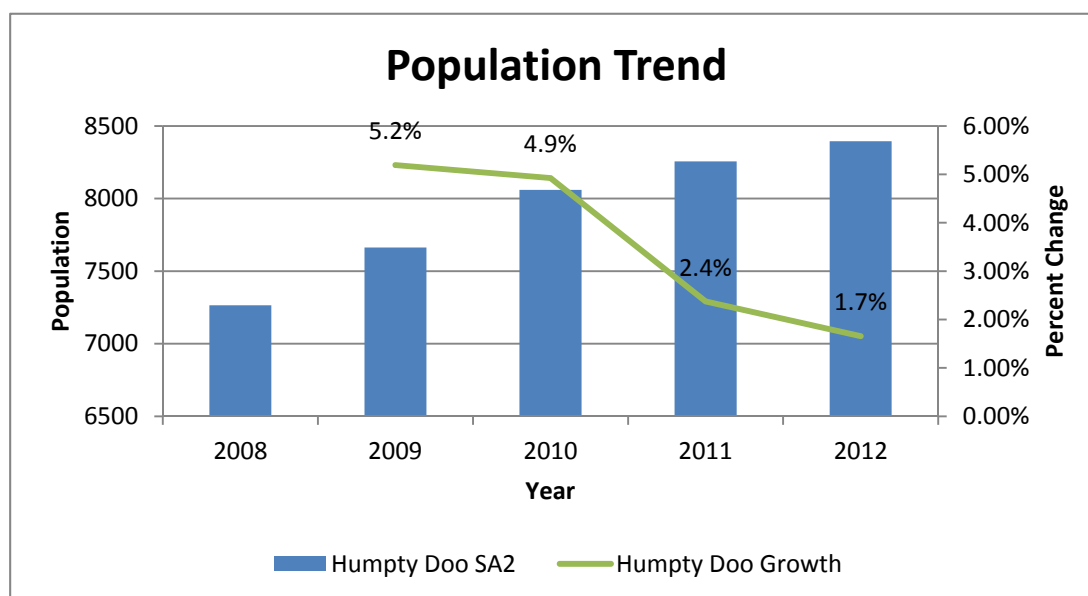
5 Current Regional Demographic profiles

5.1 Humpty Doo SA2 demographic profile

5.1.1 Population

In 2012 Humpty Doo had a population of 8,395 comprising 4,329 males (51.6% of the population) and 4,066 females. The population density of the area was 53.3 persons per Km². The median age of the population was reported to be 37 years and people of working age comprised 70.4% of the resident population (ABS701031032 ABS_NRP9 2008-2012) (Figure 4).

Figure 4 Humpty Doo SA2 population growth and rate of change



The rate of growth of population slowed significantly from 5.2% in 2009 to 1.7% in 2012 (ABS701031032 ABS_NRP9 2008-2012) and then recovered somewhat to 2.8% in 2013 (ABS 3218.0 2013).

5.1.2 Housing

Humpty Doo is comprised of 2,458 households. There were 2,660 privately owned dwellings at the date of the 2011 census. The housing stock comprised 554 properties which were owned outright and 1,430 held under mortgage with an average mortgage repayment of \$2,474 per month (ABS 701031032 ABS_NRP9 2008- 2012).

There were 414 rental properties, and 60 properties falling under a classification of other tenure or tenure not stated. The average monthly household rent was \$1,465 per month and the average household size was 2.9 persons (ABS701031032 ABS_NRP9 2008-2012). The accommodation profile of Humpty Doo is presented in Table 4 below.

Table 4 Accommodation profile

Dwelling Type	Nº
Separate house	2,224
Terrace or townhouse (1 storey)	7
Flat unit or apartment	56
Other (Cabin, tent, improvised home)	162
Unoccupied private dwelling	203

Source: ABS

5.1.3 Education

The number of persons pursuing education in 2012 was 1,849 some 23.7% of the population of which 342 or 4.4% of the population were engaged in post-secondary school education (ABS701031032 ABS_NRP9 2008-2012). Table 5 presents the breakdown by gender of the numbers of people actively pursuing education.

Table 5 Profile of persons actively engaged in education

Education Facility	N° Males	N° Females	Total
Pre-school	55	69	124
Infant/ primary	420	371	791
Secondary	310	282	592
TAFE	58	43	101
University / tertiary	47	146	193
Other education Institution	10	38	48

Source: ABS

5.1.4 Labour market

The labour market is comprised of people between the ages of 15 and 64 who are not engaged in fulltime education, attending high school, TAFE or tertiary education facilities (ABS701031032 ABS_NRP9 2008-2012). The labour force profile of Humpty Doo SA2 as is presented in Table 6.

Table 6 Labour force profile Humpty Doo SA2

Labour Force Status	N° Male	N° Female	Total
Total labour force	2,228	1,972	4,200
Not in labour force	486	612	1,098
Employed Full-time	1,676	1,185	2,861
Employed Part-time	280	601	881
Employed away from work	175	133	308
Unemployed looking for work	97	53	150
Unemployment	4.4%	2.7%	3.6%
Labour force participation	73.0%	69.0%	71.1%

Source: ABS

The educational profile of labour force participants resident in Humpty Doo SA2 (ABS701031032 ABS_NRP9 2008-2012) is presented in Table 7 and the employment profile by industry of employment is presented in Table 8.

Table 7 Educational profile of the labour force

Level of Education	% Labour Force
Persons with post school qualifications 15 years and over	59.2%
Post Graduate Degree	1.2%
Graduate Diploma/ Certificate	1.6%
Bachelor Degree	7.2%
Advanced Diploma and Diploma	7.0%
Certificate level IV,III,II and I	27.5%
Education Inadequately described or not stated	14.7%

Source: ABS

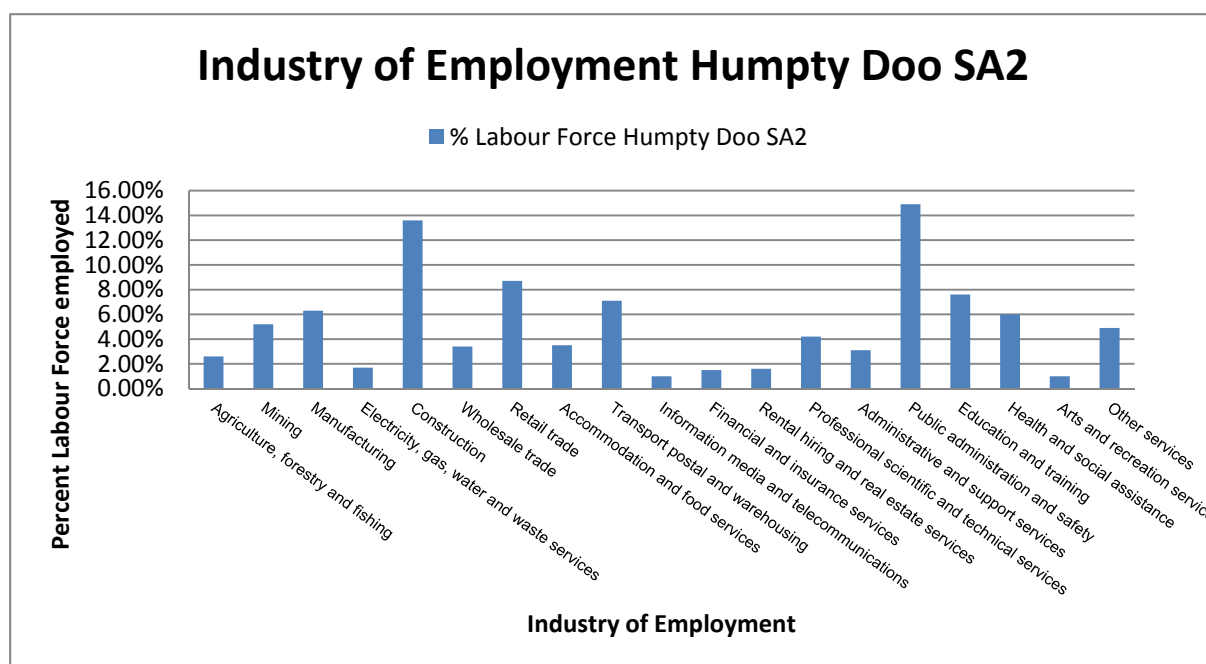
Table 8 Industry of employment

Source: ABS

Industry of Employment	% Labour Force	Industry of Employment	% Labour Force
Agriculture, forestry and fishing	2.6%	Financial and insurance services	1.5%
Mining	5.2%	Rental hiring and real estate services	1.6%
Manufacturing	6.3%	Professional scientific & technical	4.2%
Electricity, gas, water and waste	1.7%	Administrative and support services	3.1%
Construction	13.6%	Public administration and safety	14.9%
Wholesale trade	3.4%	Education and training	7.6%
Retail trade	8.7%	Health and social assistance	6.0%
Accommodation and food services	3.5%	Arts and recreation services	1.0%
Transport postal and warehousing	7.1%	Other services	4.9%
Information/ media	1.0%	Inadequately described/ not stated	1.9%

A graphical representation of the industry of employment profile of Humpty Doo SA2 is presented in Figure 5.

Figure 5 Industry of employment Humpty Doo SA2



Source: ABS

Public administration and safety, construction and retail trade are the three largest employment sectors in the Humpty Doo SA2 area. Mining employs 5.2% of the labour force. Supporting the notion that a large proportion of the skill sets required at the Toms Gully project will be available within local areas, the occupation profile of employed persons is presented in Table 9.

Table 9 Occupation profile of employed persons Humpty Doo SA2

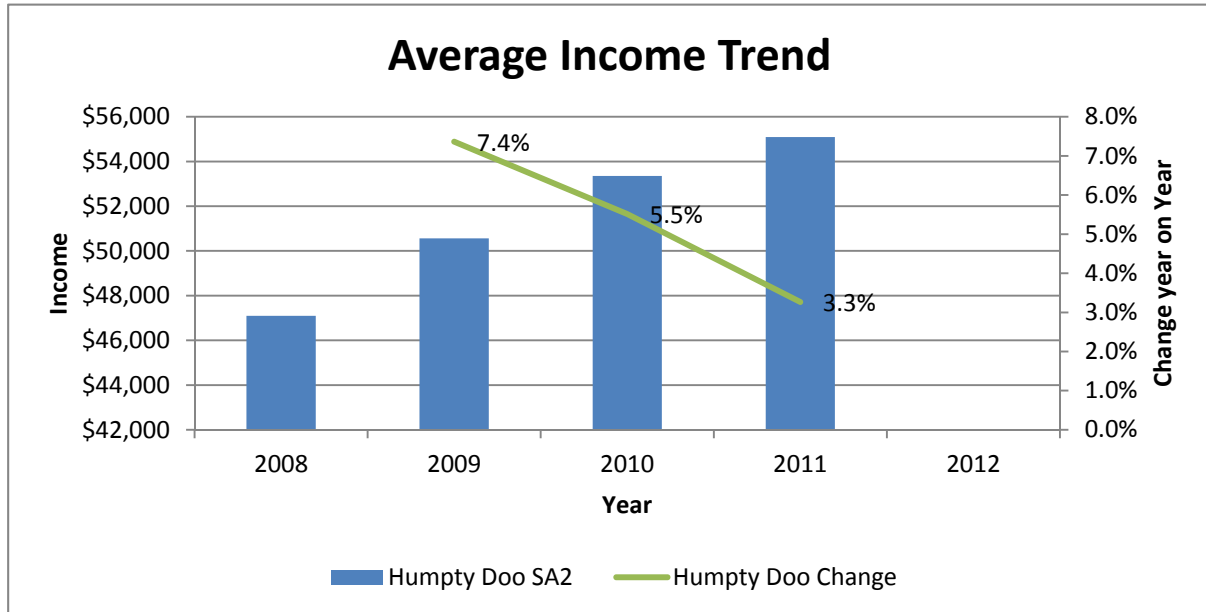
Occupation of employed persons per 2011 census	Percentage of workforce
Managers	12.8%
Professionals	13.7%
Technicians and trades persons	20.9%
Community and personal service workers	8.5%
Clerical and administrative workers	17.6%
Sales workers	7.3%
Machinery operators and drivers	9.3%
Labourers	8.3%
Inadequately described / not stated	1.8%

Source: ABS

5.1.5 Income profile

The average income in Humpty Doo SA2 in 2011 was reported to be \$55,094 per annum (ABS 701031032 ABS_NRP9 2008-2012). The year on year rate of change in average income has been displaying a slowing trend since 2008 (Figure 6).

Figure 6 Average income profile Humpty Doo SA2



Source: ABS

5.1.6 Indigenous Population

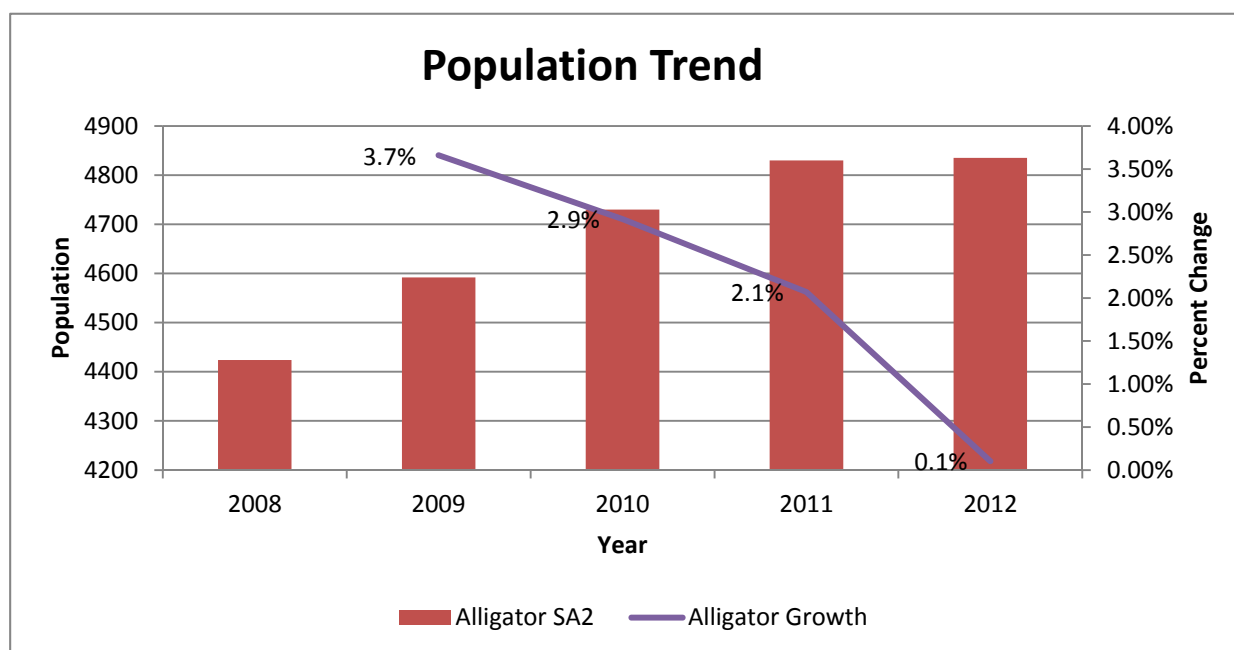
Within Humpty Doo SA2 the number of persons identifying as being of Aboriginal or Torres Strait Islander origin was 541 people or 6.9% of the population. Those that identify as being of Aboriginal or Torres Strait Islander origin comprise 260 males and 281 females (ABS 701031032 ABS_NRP9 2008-2012).

5.2 Alligator SA2 demographic profile

5.2.1 Population

In 2012 Alligator SA2 had a population of 4,835 (Figure 7) comprised of 2,791 (57.7%) males and 2,044 females. The median age of the population was 40 years and working age people comprised 74.3% of the resident population. The population density is 0.1 persons per Km² (ABS702031057 ABS_NRP9 2008-2012). Figure 7 shows the population growth and rate of population growth year on year from 2008 to 2012.

Figure 7 Population Trend and growth rate Alligator SA2



Source: ABS

5.2.2 Housing

The Alligator area is comprised 1,394 households with an average of 2.4 persons per household (ABS702031057 ABS_NRP9 2008-2012). The total number of households is comprised as presented in Table 10. Lone households represent approximately 33% of all households which is likely to include a high proportion of single person accommodation units at mine sites.

The average monthly household rent in 2011 was reported to be \$571 compared to an average monthly mortgage payment of \$1,793 (ABS702031057 ABS_NRP9 2008-2012).

Table 10 Household Characteristics

Household Type	Number
Lone person households	458
Group households	50
Family households	886
Total	1,394

Source ABS

5.2.3 Labour Market

The labour force profile in the Alligator SA2 region (ABS702031057 ABS_NRP9 2008-2012) is presented in Table 11.

Table 11 Labour Force Profile

Labour Force	Data
Labour force	2,044
Unemployed	108
Unemployment rate	5.3%
Labour force Participation rate	59.8%

Source: ABS

The educational profile of the labour force participants (ABS701031032 ABS_NRP9 2008-2012) is presented in Table 12.

Table 12 Educational Profile Labour Force

Level of Education	% Labour Force
Persons with post school qualifications 15 years and over	56.9%
Post Graduate Degree	1.8%
Graduate Diploma/ Certificate	1.5%
Bachelor Degree	8.4%
Advanced Diploma and Diploma	6.0%
Certificate level IV,III,II and I	20.8%
Education Inadequately described or not stated	18.4%

Source: ABS

The employment profile by industry of employment is presented in Table 13 below.

Table 13 Employment profile by industry of employment

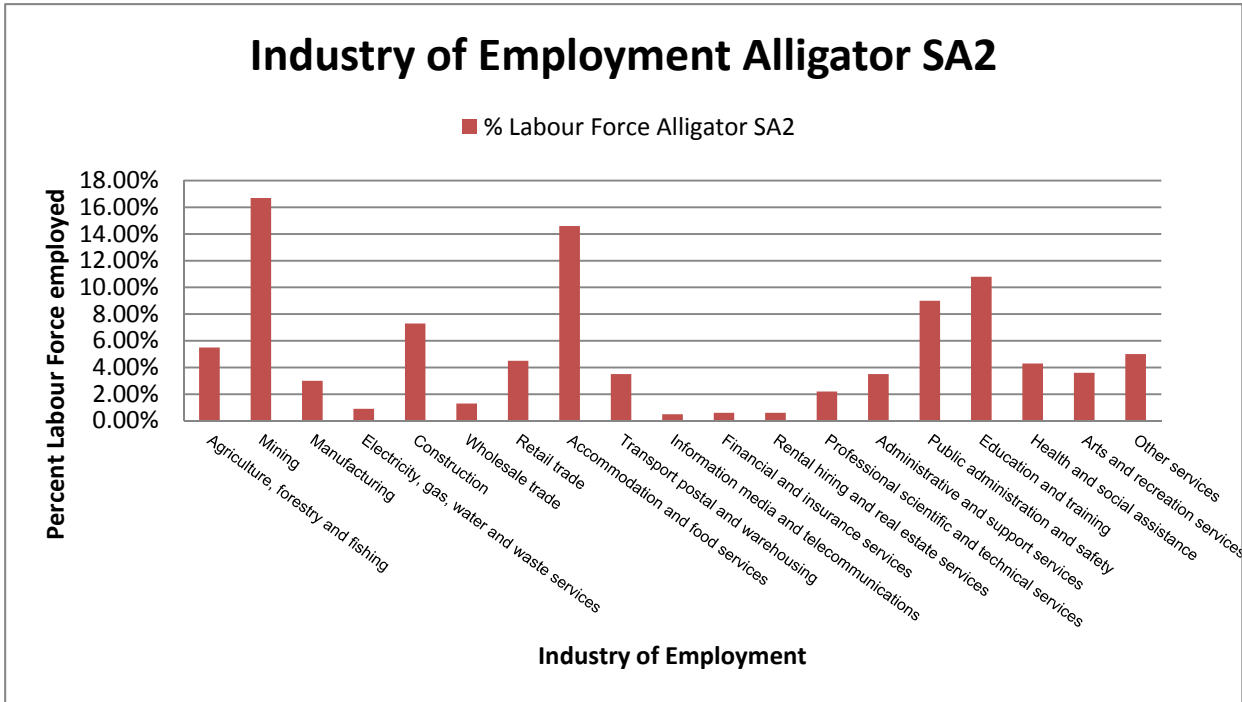
Industry of Employment	% Labour Force	Industry of Employment	% Labour Force
Agriculture, forestry and fishing	5.5%	Financial and insurance services	0.6%
Mining	16.7%	Rental hiring and real estate services	0.6%
Manufacturing	3.0%	Professional scientific and technical services	2.2%
Electricity, gas, water and waste services	0.9%	Administrative and support services	3.5%
Construction	7.3%	Public administration and safety	9.0%
Wholesale trade	1.3%	Education and training	10.8%
Retail trade	4.5%	Health and social assistance	4.3%

Accommodation and food services	14.6%	Arts and recreation services	3.6%
Transport postal and warehousing	3.5%	Other services	5.0%
Information media and telecommunications	0.5%		

Source: ABS

Figure 8 presents a graphical image of the Industry of Employment data for Alligator SA2.

Figure 8 Industry of Employment Alligator SA2



Source: ABS

Mining is the largest employment sector in the Alligator SA2 area employing approximately 341 persons or 16.7% of the labour force. This supports the notion that the skill sets required at the Toms Gully project will be available within its region. Accommodation and food services and education and training comprise the next three largest employment sectors. **Table 14 Error! Reference source not found.** below shows the occupation profile of employed persons in the AlligatorSA2 area.

Table 14 Occupation profile of employed persons Alligator SA2

Occupation of employed persons	Persons employed
Managers	15.1%
Professionals	16.4%
Technicians and trades persons	15.6%
Community and personal service	10.7%
Clerical and administrative workers	10.3%

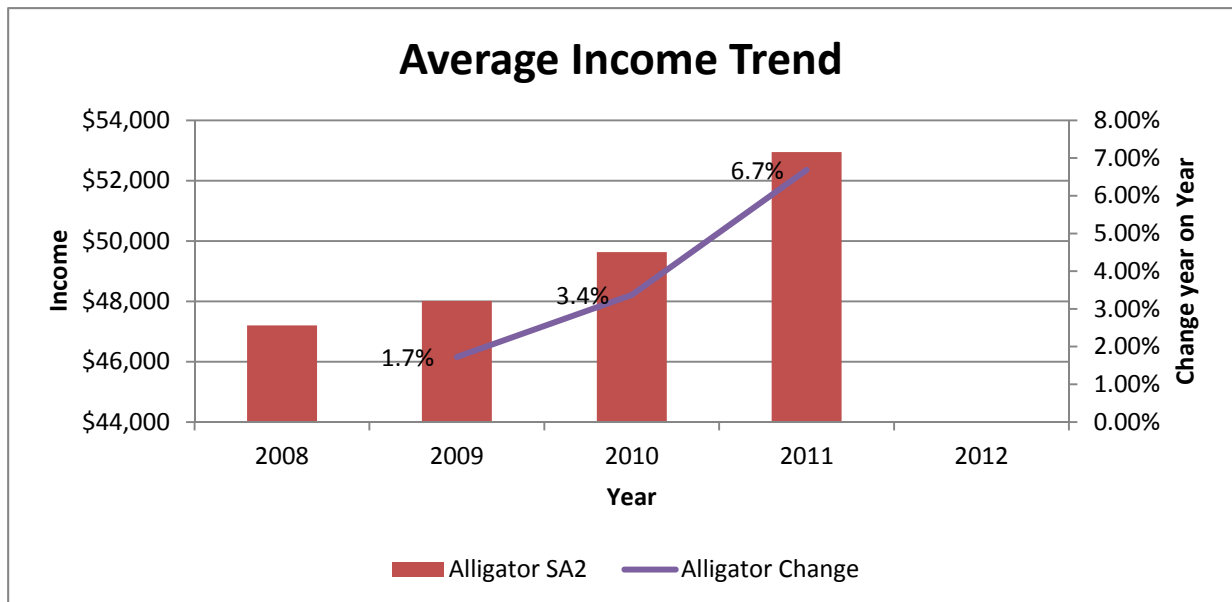
Sales workers	3.1%
Machinery operators and drivers	11.1%
Labourers	15.2%
Inadequately described / not stated	2.6%

Source: ABS

5.2.4 Income profile

In the Alligator SA2 area the average income in 2011 was estimated to be \$52,951 (ABS702031057 ABS_NRP9 2008-2012). Income has shown an accelerating trend from 2008 to 2011. The growth in average income year on year was 6.7% from 2010 (Figure 9).

Figure 9 Average income profile Alligator SA2



Source: ABS

5.2.5 Indigenous Population

The number of persons identifying as being of aboriginal or Torres Strait Islander origin was 1,180 or 24.4% of the total population (ABS702031057 ABS_NRP9 2008-2012).

6 Projects being developed or to be developed in the near future

In March 2015 the NT Department of Mines and Energy reported that in the last two years four projects had been developed as follows (Table 15);

Table 15 Recent projects approved for development in the last two years

Company	Project	Location	Product	Development
Crocodile Gold	Cosmo Deeps	Pine Creek	Gold	Underground
Xstrata	McArthur River	Gulf	Zinc & Lead	Phase 3 Expansion
Western Desert Resources*	Roper Bar	Roper River	Iron Ore	New Mine
Australian Ilmenite Resources*	SILL 80	Roper River	Ilmenite (Ti, V)	New Mine

Source: NT Department Mines and Energy

*NB Western Desert Resources and Australian Ilmenite Resources are now in administration and or receivership

The NT Department of Mines and Energy reports that during the next 12 months there are four projects where development is pending as follows (Table 16);

Table 16 Projects where development approval is pending

Company	Project	Location	Product	Development
AAM	Spinifex Bore	Alice Springs	Garnet sands	New Mine
ABM Resources	Twin Bonanza	Tanami	Gold	New Mine
ERA Limited	Ranger 3 Deeps	Jabiru	Uranium	U/G Expansion
TNG Limited	Mt Peake	Alice Springs	V, Ti, Fe	New Mine

Source: NT Department Mines and Energy

The NT Department of Mines and Energy also reported that there was potential over the next 12 to 48 months for the following 18 projects to advance to development (Table 17).

Table 17 Projects with the potential to advance to development stage

Company	Project	Location	Product	Development
Arafura Resources	Nolans	Alice Springs	Rare Earths	New Mine
Aard Metals	Warrego Tails	Tennant Creek	Magnetite, Gold	Re-processing
Crocodile Gold	Maud Creek	Katherine	Gold	New Mine
Crossland	Charlie Creek	Alice Springs	Rare Earths	New Mine
Energy Metals	Biglyi	Alice Region	U,V	New Mine
Gemco (BHP Billiton)	Eastern leases	Groote Eylandt	Manganese	Mine Expansion
KGL Resources	Jervois	Alice Springs	Copper Silver	Re-open Mine
Metals X (Westgold)	Rover	Tenant Creek	Gold Copper	New Mine

Minemakers	Wonorah	Tennant Creek	Phosphate	New Mine
MZI Resources	Kilimiraka	Bathurst Island	Zircon	New Mine
Newmont	Tanami Exploration	Tanami	Gold	Mine Expansion
Primary Gold	Toms Gully	Darwin	Gold	Re-open Mine
Rum Jungle Resources	Ammaroo	Tenant Creek	Phosphate	New Mine
Sherwin Iron*	Sherwin Creek	Roper River	Iron Ore	New Mine
Territory Iron	Frances Creek	Pine Creek	Iron Ore	Mine Extension
Thor Mining	Molyhill	Alice Springs	Mo,W	Re-open Mine
Tellus Holdings	Chandler	Alice Springs	Salt	New Mine
Vista Gold	Mt Todd	Katherine	Gold	Re-open Mine

Source: NT Department Mines and Energy

Of the projects listed in the three tables above, there are currently ten mineral resource projects in application that have been referred to the NTEPA for assessment and 2 projects in the development phase (NTEPA 2015). Of the projects currently in application only the Toms Gully Project is a gold mining project (Table 18).

Table 18 Mineral projects in application in the NT

Project	Proponent
Ammaroo Phosphate Project	Rum Jungle Resources Ltd
Toms Gully Mine Project	Primary Gold Ltd
McArthur River Mine–Overburden Management Project	McArthur River Mining Pty Ltd
GEMCO Eastern Leases Project	Groote Eylandt Mining Company Pty Ltd
Jervois Bay Metal Project	KGL Resources
Mount Peake Project	TNG Limited
Chandler Salt Mine	Tellus Holdings Ltd
Kilimiraka Mineral Sands Project	MZI Resources Ltd
Nolans Mine Project	Arafura Resources Ltd
Ranger 3 Deeps Underground Mine	Energy Resources of Australia Pty Ltd

Source: NTEPA

Two projects have recently been approved for development they being Vista’s Mount Todd and ABM’s Twin Bonanza project both of which are gold projects (Table 19).

Table 19 Mineral projects in development in the NT

Project	Proponent
Mount Todd Gold Mine Project	Vista Gold Australia Pty Ltd
Twin Bonanza Gold Project	ABM Resources NL

Source: NTEPA

7 Previous resources or other major development in the region

The Toms Gully mine project is consistent with the major industry of employment within the Alligator SA2 region. Its relatively short economic life if approved is expected to boost short term (3 years) income growth within both the Alligator and Humpty Doo SA2 areas. This boost to short term income will be delivered at a time when growth in the mining industry both nationally and within the NT is in a period of abatement. Although the positive stimulus for mining employment offered by the project is of a potentially limited duration it will, nonetheless aid in providing employment growth in the mining sector of the NT. The project over three years offers up to 104 job opportunities (Section 8.2.2) representing a potential boost of up to 18.6% jobs within the combined Alligator SA2 and Humpty Doo SA2 mining sector of employment. This represents a boost of up to 1.7% employment growth over the three year period within the current combined total labour forces of the Alligator and Humpty Doo SA2’s.

The positions that will become available at the project are consistent with the occupation profile of employment within the both the Alligator and Humpty Doo SA2 areas.

Business development opportunities potentially offered by the project are most likely to be in the fields of contract mining and ore processing, supply of mining and processing consumables, motor vehicle supply, mechanical maintenance services, fuel and lubricant supply and distribution, contract road transport (buses), general goods transport, laboratory and analytical services and administration, (including accounting, bookkeeping, HR, OH&S). These services are available in the region as well as within the broader NT and as such it is expected that NT domiciled business will gain more than 80% of the available opportunities.

The business development potential arising from the proposed project is consistent with services that are already available in the region and as such will provide positive stimulus for positive business growth over the next three years. Potential suppliers of the services required for the project will be identified from a number of sources including business directories and business and supplier matching services supported financially by Australian, New Zealand, State and Territory governments such as Industry Capability Network (ICN).

8 Contribution to Business development

8.1 Expected value of NT/Australian business supply and service participation

The total revenue (excluding costs) generated by the Toms Gully Mine project based on extracting the currently defined Ore Reserve to produce approximately 144,000 troy ounces (Oz) of gold is forecast to be within a range of \$220 million to \$225 million dollars (section 3.2).

The financial forecast assumes a gold price of US \$1,240 per Oz of gold and an exchange rate of \$AUD to \$US of \$0.80 resulting in a forecast gold price of AUD \$1,550 per Oz at time of sale (Section 3.2).

It is PGO's intention to use Australian contract service companies and suppliers wherever possible. There may however be circumstances where for practical or commercial reasons it is necessary to use overseas suppliers. An assumed 20% contingency to allow for such situations results in a forecast contribution to GDP in the range of \$176 million to \$180 million.

It is also PGO's intention to use Australian contract service companies and suppliers to undertake the initial set-up and site refurbishment at a forecast cost of approximately \$24 - \$27 million (Section 3.6). Allowing an assumed 20% contingency for the use of overseas suppliers in the unlikely circumstance that required materials or services cannot be sourced in Australia results in a further forecast contribution to GDP of approximately \$19 - \$22 million from Capex.

The resulting estimated forecast of the Toms Gully Mine Project contribution to GDP is therefore in the range of \$195 million to \$207 million dollars. Of this contribution to GDP it is assumed that approximately 80% of the expenditure will contribute to GSP resulting in a forecast contribution to NT GSP of \$156 - \$162 million dollars over the next three years. This equates to approximately 0.86% of the NT's GSP in 2011-12 which was \$18.5 billion (Northern Territory Government Budget 2013-14).

8.2 Contribution to Employment and Training

8.2.1 Expected direct and indirect employment

PGO intends to source supplies and services from within the NT. The projects proximity to the town of Humpty Doo and the city of Darwin will likely result in the majority of services being sourced from these urban centres. Supplies and services that will be required by the project and which will support employment within the local region include;

- Fuel supplies
- Motor vehicles
- Light vehicle maintenance services
- Laboratory and analytical services
- Chemical reagents and consumables
- Electrical power
- Hardware, tools and construction material

8.2.2 Estimated workforce/contractor numbers

The planned composition of the Toms Gully project workforce is presented in Table 20.

Table 20 Planned composition of workforce

Department	N° Employees
General & Administration	6
Geology	3
Surveying	2
OHS & Environment	5
Stores	3
Mining Supervision	8
Mining Operators	52
Milling/Maintenance	25
Total	104

Source: PGO

During commissioning and operations the project will provide employment for up to 104 personnel. Peak employment is expected to coincide with peak production in year two of the project. The duration for which the peak employment level can be maintained is highly dependent upon the success of PGO's endeavours to extend the life of the project through exploration.

The total number of employees includes mining and processing contractor staff in addition to PGO's management and administration staff. Use of contract service companies allows the project to respond to fluctuations in demand for skilled labour whilst providing as much likelihood of continuity of employment as possible by allowing the contractor the opportunity to redeploy staff to other projects should demand for skilled labour at Toms Gully decline in year 3 of the project.

8.2.3 Overall employment training

Given the short project life of the Toms Gully Mine project PGO does not envisage establishing employment training except for low skill tasks, but will seek to contribute to and utilise existing employment programmes operating regionally.

8.2.4 Planned indigenous employment, training and project participation

The mining tenement was granted prior to January 1, 1994 and as such the tenement is regarded as a past act under the native Title Act (NTA) and subsequently there is no requirement for a Native Title Agreement. There are no local indigenous communities in the project area however, PGO is in communication with the NLC and where possible, will seek to utilise local indigenous employment agencies and work programmes.

8.2.5 Expected level of overseas recruitment

No overseas recruitment will be undertaken, given that 16.7% of the population of Alligator SA2 and 5.2% of the population of Humpty Doo SA2 are employed in the mining sector (Section 5.2.3 and Section 5.1.4). PGO will endeavour to recruit from local areas.

Should it not be possible to recruit all the skilled staff required from the local area PGO will then attempt to source the required skill sets from the greater Darwin and broader regional NT prior to expanding its efforts to the other states within Australia.

9 Contribution to Regional Development

9.1 Value of the proposed community benefit arrangements

The community in the area of the project is predominantly a business community serving the agricultural, quarrying and tourism sectors of the economy rather than an anthropomorphic societal community as such. The benefits flowing to the business community in the area are therefore likely to be in the form of services provided by the NT government from the re-distribution of a proportion of its fiscal take from the project. As such the value and form of community benefit will be determined by government.

PGO has an established and co-operative relationship with the owner of the pastoral property upon which the project is located and has an operating service agreement in place and an executed land use agreement for when mining operations re-commence.

9.2 Estimated overall regional economic benefits

The economic benefits flowing to the region are derived from direct and indirect employment and the contracts entered into for the supply of goods and services by local companies (Section 8.2.1). These benefits are in addition to the mandatory fiscal contributions through tax and royalty payments (Section 3.4).

9.3 Community value of residual infrastructure

Section 9.1 above documents the paucity of local communities within the area of the Toms Gully Mine project. It is considered unlikely that there will be any community based requests for transfer of residual infrastructure however should they arise each will be considered on an individual basis.

Should PGO's endeavours to extend project life prove successful, the operating life of the infrastructure will also be extended. At completion of the project, the site infrastructure shall be sold and removed as part of the site rehabilitation works.

Access to any water bores maybe of interest to the pastoral property owner and negotiations' concerning the disposal of these assets subject to agreement with the relevant authorities maybe entered into once the project life is definitively determined.

10 Benefits and costs of economic impacts

The risk factors pertaining to the potential economic performance of the project is based on a risk matrix assessment adapted from AS/NZS ISO 3100:2009 (Table 21). Descriptions of the probability of occurrence classifications that are used in conjunction with a range of risk consequences to determine the overall risk scale are presented in Table 22.

Table 21 Risk matrix

Probability of Occurrence	Likely Consequence				
	Insignificant	Minor	Serious	Major	Catastrophic
	1	2	3	4	5
A (almost certain)	Medium	High	High	Very High	Very High
B (likely)	Medium	Medium	High	High	Very High
C (possible)	Low	Medium	High	High	High
D (unlikely)	Low	Low	Medium	Medium	High
E (rare)	Low	Low	Medium	Medium	High

Adapted from Australian Standards/New Zealand Standards International Organisation of Standardisation (AS/NZS ISO 3100:2009)

Table 22 Definition of probability of occurrence

Level	Descriptor	Description	Indicative Forecast
A	Almost Certain	Impact will happen regularly	Annually or more frequently
B	Likely	The impact has been recorded before	Annually
C	Possible	The impact has been recorded from time to time.	Every 1-2 years
D	Unlikely	Impact recorded somewhere but don't know where	Every 5 – 10 years
E	Rare	Not aware of any such impact.	Every 50 -100 years

Source: Adapted from Australian Standards/New Zealand Standards International Organisation of Standardisation (AS/NZS ISO 3100:2009)

10.1 Economic performance risk

Economic performance risks include risks such as changes in commodity prices, \$USD: \$AUD exchange rate fluctuations, and changes in fuel prices. Such risks tend to be global and systemic risks for which there are a limited number of diversification strategies which can be implemented. The primary risk diversification strategy for these types of risk involves hedging strategies.

Other key risks tend to be technical risks such as Ore Reserve estimation error, adverse changes in the metallurgical recovery characteristics of the mineralisation, and geotechnical risks such as encountering adverse ground conditions. These types of risks along with climatic risks (high rainfall events) tend to be partially diversifiable and mitigation strategies can be formulated to minimise the potential impact of such risks. Yet other risks such as mechanical failure of critical plant may be fully diversifiable and mitigation strategies planned and managed to prevent serious financial impacts.

Table 23 presents the key economic performance risks and mitigation strategies for the Toms Gully mine project. Of the economic performance risks identified two have the potential to also manifest as safety risks.

- a) encountering unstable ground, and
- b) occurrence of adverse rainfall events,

Of these risks a) is primarily a geotechnical risk, and b) is primarily a climatic risk. The safety aspects of these risks are not dealt with in this report as it confines itself to analysis of the economic and social impacts of the project. For details of how safety risks will be managed the reader should refer to PGO's submissions pertaining to climatic risk and geotechnical risk.

None of the risks identified as solely economic risks pose a threat to the environment or the safety of employees and contractors.

Table 23 Key Risk Factors with potential to impact economic performance of project

Event	Probability of Occurrence	Likely Consequence	Potential Impact	Mitigation Strategy	Post Mitigation Impact
Adverse Change in Au price	Possible (C)	Serious (3)	High	Target Opex costs in lower quartile of Australian production costs combined with a forward gold price hedging strategy (Section17.2, Toms Gully Feasibility Study)	Medium
Adverse change in US\$ FX rate	Possible (C)	Serious (3)	High	Target Opex costs in lower quartile of Australian production costs consider FX hedge	Medium
Adverse change in fuel prices	Possible (C)	Serious (3)	High	Target Opex costs in lower quartile of Australian production costs consider and review any potential advantages of a diesel fuel price hedging strategy	Medium
Adverse Ground stability	Possible (C)	Serious (3)	High	Implement a ground monitoring programme that effectively captures changes in ground conditions and stress	Medium
Adverse rainfall event	Possible (C)	Major (4)	High	Ensure adequate pumping capacity available at all times. Ensure availability of effective drainage which can be used during high rainfall events. Install and maintain effective water drainage control bunds around potential water ingress channels	Low
Adverse change in metallurgical recoveries of ore	Possible (C)	Serious (3)	High	Metallurgical recovery testing of exploration samples on an appropriate density to undertake recovery modelling, monitor in production reconciliation studies	Low
Major mechanical failure (plant)	Unlikely (D)	Serious (3)	Medium	Ensure appropriate warranties in place and maintain appropriate critical mechanical spares inventory (Section17.6 Toms Gully Feasibility Study)	Low

Ore Reserve modelling estimation error	Unlikely (D)	Minor (2)	Low	Grade control and mapping programmes combined with effective production reconciliation studies both present and historical	Low
Serious Contractual Dispute	Unlikely (D)	Minor (2)	Low	Use of Australian Standards for preparation of applicable and appropriate contract conditions; Conduct appropriate legal and commercial due diligence; Use only reputable established contract companies with record of successful completion (Section17.3 Toms Gully Feasibility Study)	Low
Skilled labour shortages	Unlikely (D)	Minor (2)	Low	Slowdown in Australian Mining industry relieving labour shortages major industry of employment in local area is mining (Section17.5 Toms Gully Feasibility Study)	Low

11 Residual impacts on the Territory and regional economies

The Toms Gully Mine has had several active operational periods under various ownership (Section 2). As the project still has demonstrated economic viability final environmental rehabilitation of the site remains yet to be completed. The successful operation of the project to identify and extract all remaining ore from the mine would advance the project towards final completion facilitating environmental rehabilitation to be completed. Successful completion of the project will therefore contribute to minimising potential for residual environmental impact.

Completion of the project will provide a short term boost (approx. 3 years) to the local and regional economies which otherwise may not be realised. The plan to employ locally minimises distortion to the current levels of demand for housing and tourist accommodation in the local and regional area.

The plan to transport workers to and from the site by bus on a daily basis minimises impact on road use and addresses matters of road safety in an efficient and effective manner. It is envisaged that increased road freight requirements will largely be met by increased productivity in freight logistics by companies already servicing the regions mining industry.

It is considered therefore that the positive short term (3 year) boost to GSP and fiscal take in the region will be achieved with minimal negative environmental social and economic impact with no residual impact on the NT or its regional economies.

12 Economic Impact Summary

The Toms Gully mine re-development project is a small scale underground mining project with a 40 month project life. Despite the projects short life span it is expected to generate up to 104 job opportunities. The total available labour force of Humpty Doo SA2 and Alligator SA2 reported in the 2011 census is 6,244 persons. The addition of 104 jobs represents a 1.7% growth in employment opportunities within the Humpty Doo and Alligator SA2 areas. The positions that will become available at the project are consistent with the occupation profiles of employment within these two areas. Table 24 presents a summary of the salient economic impact data for the project

Table 24 Economic impact summary

Criteria	Value
Project Title	Toms Gully Mine project
Project Type	Gold mine & process plant re-development
Project Duration	40 months from commencement
Estimated employment	104 persons
Estimated total project revenue	\$220 - \$225 million
Estimated Tax contribution	\$6.0 – \$6.5 million
Estimated royalty contribution	\$11 - \$12 million

Estimated total capital expenditure	\$24 - \$27 million
Estimated operating expenditure	\$92 - \$93 million
Estimated GDP contribution	\$195 - \$207 million
Estimated proportion of GSP	80%
Estimated contribution to GSP	\$156 - \$162 million

12.1 Financial Capacity

Primary Gold has analysed all costs associated with the Project via a financial model. This model includes all costs associated with the Project including implementation, mitigation and contingencies and is kept up-to-date to reflect any changes to the Project (for example Resources/Reserves or implementation strategy as determined in the assessment process) or to reflect changes to the operating environment (such as gold price, interest rates or wages).

The financial model is used internally by PGO as a planning, budgeting and management tool and is verified independently by various financial institutions and their technical advisors to determine the size and style of debt the Project can sustain.

However, discussion of financial capacity is to a large degree circular, as Project Authorisation, debt finance and start-up are inextricably linked via a fundamental condition which stipulates all government authorisations must first be attained before debt draw-down can commence.

Assuming the above condition is satisfied, allocation of sufficient resources for implementation, mitigation and contingency will be dictated by the verified financial model and monitored by PGO as well as the lending institution to ensure that monies are attributed according to the model.

Primary Gold has operated the Toms Gully mine site under a Care and Maintenance plan since 2012 and hence fully understands the activities and associated costs of its environmental obligations during temporary closure.

PGO is duty-bound to consider such costs, as failure to do so in decisions regarding the status of the Project could present unacceptable corporate risks to PGO including risks relating to solvency.

The costs associated with closure including stabilisation and rehabilitation will be addressed as part of ongoing submissions of the Toms Gully Mining Management Plan (MMP). The MMP is required to contain such items as a summary of the closure activities and costs and the progressive rehabilitation that is completed and planned.

These closure costs provide the basis for the security bond, which covers 100% of calculated costs plus a 5% contingency and is payable once authorisation is attained and before the commencement of planned mining activities. PGO states that it currently has cash-backed bank guarantees for all security bonds for its Northern Territory mine sites, including Toms Gully.

13 Social Impact Statement

Any economic development has the potential to bring with it social impacts. The following sections of this report analyse and discuss the potential for social impact associated with the projects development and present a social risk analysis matrix and plans intended to mitigate identified risks.

13.1 Description of local & regional social environment

The Toms Gully Mine re-development project is situated in the central part of the Top End Region (TER). The TER comprises many small and widely dispersed communities and includes areas south of Palmerston and Litchfield, the Tiwi Islands and extends east to Arnhem Land and south to the Katherine region (Northern Territory Government Regional Highlights Budget 2015-16).

Approximately 18,900 people live in the TER the majority of which are of indigenous descent. The population is relatively young with approximately 43% aged 24 years and under, and approximately 5% being 65 years or older (Northern Territory Government Regional Highlights Budget 2015-16).

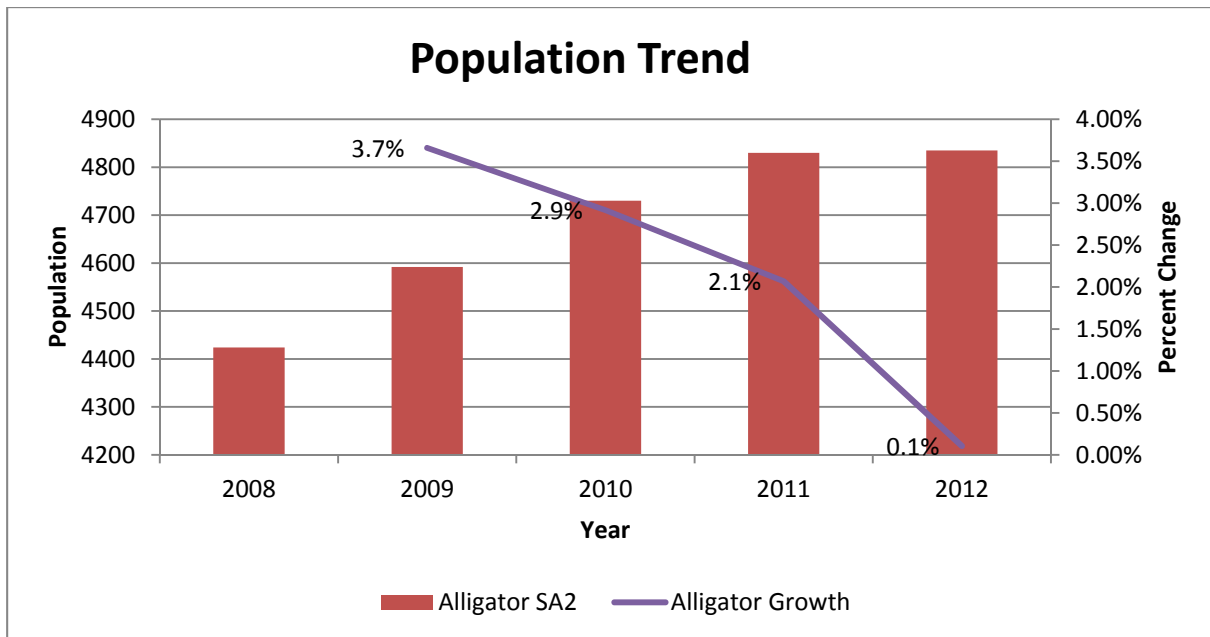
Tourism, mining and horticulture are the principal contributors to the region's economy. Subsequently land use in the region includes agriculture (pastoral stations and orchards) and mining. Active mining operations include ERA's Ranger uranium mine near Jabiru and Crocodile Gold Australia's gold operations near Pine Creek and granite quarries near Mount Bundy.

The principle tourist attractions in the region are the Litchfield, Kakadu and Mary River National Parks with the Adelaide River and Mary River systems being popular locations for recreational fishing. The local area is serviced by a limited number of food and accommodation services (two roadhouses and two tourist villages).

13.2 Population density and distribution

The ABS's Alligator SA2 falls within the TER and is the statistical area that the project site is situated within. Mining is the largest employment sector within Alligator SA2 employing approximately 341 people or 16.7% of the available labour force (ABS702031057 ABS_NRP9 2008-2012). In 2012 Alligator had a population of 4,835 comprised of 2,791 (57.7%) males and 2,044 females. The median age of the population was 40 years and working age people comprised 74.3% of the resident population.

The rate of population growth in Alligator has declined dramatically from 3.7% in 2009 to 0.1% in 2012 (Figure 10). The area is sparsely populated with a population density of 0.1 persons per Km² (ABS702031057 ABS_NRP9 2008-2012). The number of persons identifying as being of aboriginal or Torres Strait Islander origin within the area was 1,180 or 24.4% of the total population (ABS702031057 ABS_NRP9 2008-2012) in 2012.



Source: ABS

13.3 Demography and social characteristics

The demography of the Alligator SA2 region is documented in Section 5.2 on p28 of this report.

13.4 Native / Traditional title holders

The Toms Gully Mine is located within mining tenement MLN 1058 which was granted on 3 August 1989 and renewed on 18 August 2014.

A native title determination application (NTD 6033/2000) under the NTA 1993 (Cth), which was filed on 22 December 2000 and registered on 15 February 2001, covers an area of land which includes MLN 1058.

MLN 1058 is located on land subject of Perpetual Pastoral lease 1163 (Old Mount Bunday Station) held under the Pastoral Land Act (NT). Pastoral leases in the NT, including Old Mount Bunday Station, admit the ongoing existence of non-exclusive native title rights.

Since MLN 1058 was granted prior to January 1, 1994 it is regarded as a past act for the purposes of the Native Title Act (NTA) and therefore is not required to satisfy any of the “future act” procedures (including the “right to negotiate procedures”) set out in Division 3 of Part 2 of the NTA.

MLN 1058 provides the holder of the lease the rights specified in the Mineral Titles Act (NT), which include the rights to carry out the activities comprising the proposed action (including recommencing mining and expanding operations at Toms Gully Mine). Therefore no additional tenure rights need to be obtained in order to carry out the proposed action where it is carried out within MLN 1058 as the proposed actions do not trigger any procedures or other obligations under the NTA.

In response to PGO’s request to undertake a heritage search for Toms Gully Mine (MLN 1058), located on Portion 4937 (Old Mount Bunday Station). The Department of Lands, Planning and the Environment

after searching the NT Heritage Register, in a letter dated 10 March 2015, have notified PGO that there are no nominated, provisional or declared heritage places located within the area of NT Portion 4937.

Within the same letter the Department also notified PGO that following a search of the NT Archaeological Sites Database that there are no previously recorded Aboriginal archaeological sites located within the former Toms Gully Mine footprint

13.5 Other landholders

Primary Gold Limited (PGO) has an established and co-operative relationship with the owner of the pastoral property upon which the project is located. There is an operating service agreement and an executed land use agreement currently in place for when mining operations re-commence.

Other landholders in the immediate area is limited to other pastoral lease holders, two roadhouses, two tourist villages and three quarrying companies.

13.6 Local Government

The project lies within the unincorporated top end region and as such does not fall into a local government area. The functions that would normally be undertaken by a council or similar administrative body are in this case undertaken by the NT government.

13.7 Towns and residential communities

The nearest town to the project area lies outside the Alligator SA2 and is Humpty Doo some 63 Km northwest of the project site and an SA2 in its own right. Humpty Doo SA2 is a constituent part of Litchfield SA3 and part of the greater Darwin statistical area.

The nearest community to the project is the rural subdivision of Marrakai 17.5 Km northwest of the project area. Marrakai is predominantly comprised of small dwellings occupied mostly by recreational fishers and holiday makers on weekends and during holiday periods.

13.8 Transience

For the year ending September 2014 the combined international and domestic visitor numbers were up by 7.7% across the Top End to 406,000. Tourism from the Darwin gateway into the Arnhem Kakadu area was up 17% to approximately 93,000 overnight visitors (Tourism NT 2014).

The seasonality effect of tourism in the Kakadu Arnhem area is quite pronounced with 55% of visitors arriving in the September quarter. The September quarter coincides with the winter season in southern Australia. The March quarter is the low season with only 5% of tourist numbers choosing to visit at this time of year. The shoulder seasons of June and December account for 27% and 20% of the tourist season respectively (Tourism NT 2014).

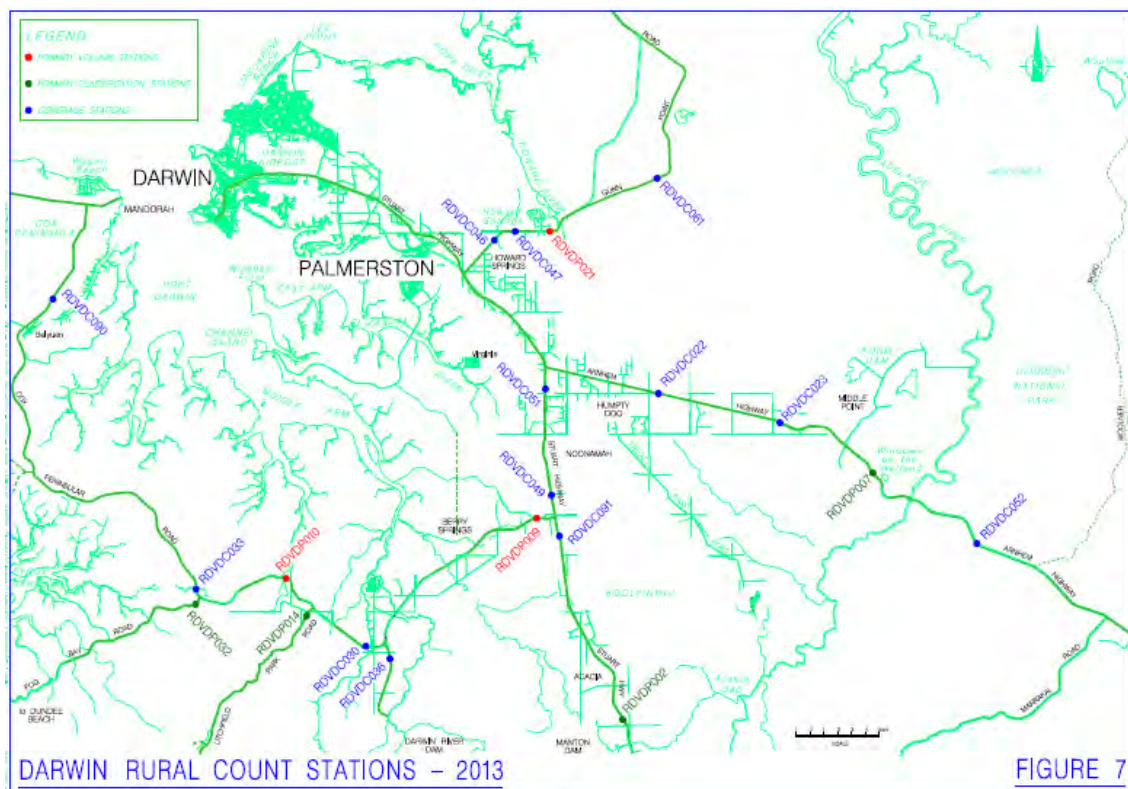
All visitors to the area use a high proportion of road transport. There is a trend for international visitors to use bus/coach tours (40%) or hire cars (40%), interstate visitors tend to prefer hire car services

(60%) over bus/coach services (22%), whereas intrastate visitors are most likely to self-drive (93%) (Tourism NT 2014).

PGO only intend to use existing accommodation facilities in the region to accommodate short term visitors and potentially a limited number of specialist staff if it eventuates that they cannot be recruited from within the local region. The project is therefore not expected to place any additional material demand on food and accommodation services or to impact the level of room availability for tourism.

Figure 11 displays the traffic count stations on the Arnhem Highway between Humpty Doo and the project site. The closest traffic count station to the project is RDVDC052. At this station the NT Department of Transport estimate in its 2013 annual traffic report that the annual average daily traffic passing this point in both directions was 862 vehicles per day. During the height of the tourist season (July and August) the peak traffic estimate was 1061 and 1114 vehicles per day respectively.

Figure 11 Traffic Count Stations on the Arnhem Highway



Source: NT Department of Transport

Closer to the Stuart highway at station RDVDC022 the annual average daily traffic passing the station is 2,579 vehicles per day and at RDVDC023 the annual average daily traffic passing the station was 1,718 vehicles per day.

PGO estimate that the volume of traffic that will be required to service the project will be approximately 4 heavy vehicles per week and two busses per day representing an average daily increase in road traffic of between 0.2% and 0.3%.

The use of buses minimises the amount of additional traffic that will be generated, integrates with current road usage patterns and directly addresses matters of road safety. The plan circumvents employee driving fatigue, speeding and affiliated road safety concerns to form part of the companies' road and transport management plan which PGO confirm is in preparation at the time of writing of this report.

Although the Arnhem highway is the major road artery into Kakadu National Park and tourism related traffic will pass by the project site. The project area is not visible from the highway and therefore will have no impact on the visual amenity of passing tourist traffic.

13.9 Community Infrastructure and services

The project site is isolated from any community and consequently does not impact on any community infrastructure or services. Government provided services to the site which are already in place include electrical power from the NT grid system, telephony and internet services. The project will not present any further impost on government provided services.

13.10 Housing availability and affordability

The Toms Gully Mine project does not include plans to establish a residential camp facility at the project site and therefore relies on recruiting from within the greater Darwin, Humpty Doo and Alligator SA2 areas (see Section 14.1). PGO consider that implementing a policy of local recruitment in order to source the 104 people that it requires will assist in minimising any resultant impact on the availability and affordability of housing.

Mining is the largest industry in the NT accounting for 19.8% of GSP. The demographic character of both the Alligator and Humpty Doo SA2 areas (Sections 5.1.4 & 5.2.3) indicates that the mining industry is a significant local employer and implies that the skill sets required by the project are likely to be locally available. While it is not possible at this time to predetermine what percentage of the workforce PGO will be able to source locally, the greater the proportion of local recruitment that can be achieved, the lesser the impact attributable to the project is likely to be. Any net demand on housing attributable to the project is therefore unlikely to be material in comparison to the oil and gas and industrial projects currently underway in the greater Darwin region.

The Northern Territory Budget 2013-14 states that *"Employment growth in the NT is forecast to slow to 1.5% in 2015-16 as the Ichthys project is completed and non-resident workforce disperses, including a large proportion to other jurisdictions outside the Territory."*

The NT Budget 2013-14 forecasts population growth to increase at 2.5% during 2014-15 driven by construction related to the Ichthys and gas to Gove projects. The budget goes on to state *"growth is forecast to slow to 1.0% in 2016 as the construction phase of these projects is completed and economic activity slows."*(The Northern Territory Budget 2013-14).

In regard to prices, the budget forecasts the Consumer Price Index (CPI) slowing to 3.5% in 2014 and 3.0% in 2015 as *"inflationary pressures are expected to be offset by a substantial increase in the number of new dwelling completions in the Darwin region."* By 2016 when the Toms Gully project is

likely to commence the bulk of its recruiting, CPI is forecast to have moderated to 2.5% (The Northern Territory Budget 2013-14).

In April 2015 an independent property research house reported *“that from March 2014 to March 2015 vacancy rates in Darwin increased by 2.2 percentage points to a vacancy rate of 3.5% based on a total of 935 vacancies (SQM Research)”*.

PGO considers that the abatement in employment growth, population growth, and CPI, forecast to occur in 2015-16 and beyond by the NT Government, will act to offset any impact on housing availability and affordability which may be attributable to the project if PGO is faced with an inability to recruit some employees locally.

13.11 Community cohesion and inclusion

Given the limited number of people comprising the local community PGO intend to consult on a one on one basis with the individuals who comprise the local community. This includes local business owners, and The Amateur Fisherman’s Association NT (AFANT) representatives. PGO also intend to consult in a one on one manner with representatives of the various government authorities with responsibility for the region including the Parks and Wild Life Commission of the NT (PWL CNT), and other statutory authorities.

13.12 Places used for cultural recreational and aesthetic reasons

The closest tourist destination to the project site is the Mary River national park and its environs which is popular with recreational fisherman campers and hikers (Figure 12).

The project site is set well away from the areas predominantly visited by tourists and will not materially impact the holiday and tourist traffic visiting for cultural and aesthetic reasons.

Due to the project sites proximity to the Mary River, it is likely that groups visiting the area for recreational fishing and other riparian activities will wish to be informed of and engage in discussion with PGO in regard to the projects water management plans. This is discussed further in section 13.13 below.

Figure 12 Location of National Parks, Rivers and Tourism Sites



Source: PGO

13.13 Attitudes to the project held by various socio-economic groups

The NTEPA have circulated a draft terms of reference (ToR) for the Toms Gully Mine project to various government and non-government bodies for comment. The Amateur Fisherman’s Association NT

(AFANT) has made comment on the ToR and represents one of the community groups that PGO will consult with as part of its broader community consultation strategy.

As AFANT's concerns at this stage are primarily to do with water quality and water management PGO will enter into consultation with AFANT and any other groups concerned with water management once the requisite draft of PGO's water management plan is sufficiently complete to be circulated for public comment. At the time of writing of this report PGO's water management plan is still in preparation.

Similarly PGO will consult with other groups whom may have concerns over other aspects of the projects impact once its various environmental, economic, and social management plans have reached a sufficiently advanced stage of completion at which time a draft will be made available for public review and comment.

14 The Development Proposal

14.1 Recruitment policy

PGO intend to recruit locally from within the Alligator SA2, Humpty Doo SA2 and greater Darwin area (Section 13.10). From PGO's perspective recruiting locally offers significant cost advantages over alternatives such as relocating staff from other parts of Australia or operating in a fly-in fly-out configuration.

Recruiting locally also offers significant advantages in terms of minimising the social and economic impacts of the project especially in regard to its impact on the cost and availability of housing. If successful the local recruitment policy will result in minimal increase in demand for housing and maximal boost to local employment.

Demographic indicators (Sections 5.1.4 & 5.2.3) show that the mining industry is a significant local employer and implies that a labour pool with the requisite skill sets is available to draw from.

14.2 Likely additions to the population

PGO anticipates being able to recruit a majority of required employees from within the region. As such there is likely to be limited additions to the population. The only exceptions to PGO's local recruitment policy will by necessity be only where it cannot source staff with the necessary skill sets from the local region. If this occurs then PGO will likely be forced to source staff from the broader NT or possibly interstate.

Given the costs associated with housing and servicing fly in fly out workers or relocating staff either intrastate or interstate it is in PGO's interests to maximise the number of employees hired from the local region.

14.3 Demographic characteristics of the additional population

As no material change to the population is envisaged there is likely to be little change in the demographic characteristics of the population attributable to the proposed projects approval.

14.4 Accommodation arrangements for the additional population

If it does prove necessary to recruit from interstate then the individuals concerned will be accommodated at currently operating accommodation service premises in the local area. Similarly if there are occasional overnight visitors to the project they will be accommodated in the same manner. The low level of additional demand that is envisioned to be created for food and accommodation services is considered to be within the regions current capacity and if it does occur will only contribute to the utilisation rate of existing services without distorting the current supply and demand balance for tourist accommodation.

14.5 Services to be provided to the additional population by the proponent

As there is no intention to introduce any additional population to the area subsequently there is no requirement to provide any additional services other than a bus service to and from a place in proximity to their current place of residence.

15 Potential Social Impacts

15.1 Introduction

Projects with the capacity to have economic impact within a society also have the potential to create a social impact. Whether the economic and social impact is beneficial or deleterious to the existing society depends to a great degree on;

- the size of the project
- the duration of the project
- the footprint of the impact zone
- the pre-existing economic fabric of the societies impacted
- how impacts are anticipated, identified, monitored and managed
- the skill sets resident within an impacted societies labour force
- the economic diversity of the society being impacted
- a communities ability to identify and capture potential positive outcomes

In undertaking a social impact risk assessment there are three key components which are critical to identify, they being;

- what event may occur (the event)
- the probability of such an event occurring (probability of occurrence)
- the likely consequence of the event

Once these key inputs have been identified a risk assessment matrix can be used to determine the social risk profile. This report adopts a risk matrix assessment adapted from Australian Standards/New Zealand Standards International Organisation of Standardisation (AS/NZS ISO 3100:2009).

15.2 Identification of community groups

The Toms Gully Mine project albeit located adjacent a major highway and only about 100km from the capital city of Darwin is in an isolated location. Section 13.6 of this report documents that the project is situated within the unincorporated top end region, within this region there is insufficient population to form any local administrative body or council. There is no specific population centre other than Marrakai (Section 13.7) and subsequently whilst the land holders and business operators in the region are a community of stake holders they have no collective representative body.

There are no identified indigenous communities within the general area of the project. The community group is comprised of pastoral lease holders, local business owners (two roadhouses, two tourist villages) and three quarry operating companies.

As there is a very small group of stakeholders comprising the community within the vicinity of the project there is an opportunity for PGO to engage directly on a one-on-one basis with the stakeholders.

PGO will engage in discussion with individuals and community groups in order to document the issues / concerns arising from the discussions. Thereby identifying and recording the specific concerns of communities / individuals who feel they may be impacted upon by the project.

PGO will seek the support of the local community and endeavour to facilitate a periodic series of updates and meetings in order to provide all stake holders with a means of direct contact with the proponent and its management.

15.3 Community stakeholder consultation

Given the small number of people likely to be impacted upon by the project PGO anticipates being able to deal with any issues arising on a consultative and co-operative basis. There are currently no known activist or disaffected community groups with issues arising from the previous operational period of project. Therefore PGO does not anticipate any particularly vexatious issues arising and considers that periodic community consultation via face to face meetings is the most effective and efficient means of community stakeholder consultation.

Table 25 on the following page presents a summary of the consultation conducted to date with the community, government and local business stakeholders along with broad descriptions of the matters discussed.

Table 25 Community, government and local business stakeholder consultation

Stakeholder	Description of matters for discussion
Environmental Protection Agency	<ul style="list-style-type: none"> • EIS Approach & process • Clarifications w.r.t EIS requirements
Department of Mines and Energy	<ul style="list-style-type: none"> • MMP process w.r.t EIS assessment • MMP requirements
Amateur Fishers Association of NT	<ul style="list-style-type: none"> • General Company and site information • EIS process
Department Lands and Planning and Environment	<ul style="list-style-type: none"> • NT Heritage register search
Northern Land Council	<ul style="list-style-type: none"> • General Company and site information • Establish cooperation (including employment opportunities)
NT Worksafe	<ul style="list-style-type: none"> • Covering letter and Risk Management Plan submission explanation • Primary Gold H&S Policy certified March 2015 • Primary Gold Risk Management Plan certified 1'5'15 • Primary Gold H&S Management System certified March 15 • Primary Gold Whole of Project Risk Assessment Report certified 1'5'15
Department of Business	<ul style="list-style-type: none"> • As above
Government Ministers and Advisors	<ul style="list-style-type: none"> • Chief Minister and various Ministers responsible for Environment, Mines and Energy, Treasury, and Lands and Planning • General Company and site information • Authorisation process
Old Mount Bundy Station	<ul style="list-style-type: none"> • Access agreement • Location of new infrastructure • Fire management • Water sampling • General pastoral operations
Neighbouring Pastoralists	<ul style="list-style-type: none"> • Marrakai Station • General Company and site information • EIS process
AAPA	<ul style="list-style-type: none"> • Sacred site survey and certificate
Bushfire NT (Arafura region) & Point Stuart Volunteer Bushfire Brigade	<ul style="list-style-type: none"> • General site information • donations

Local businesses	<ul style="list-style-type: none"> • H&R Quarry, Boral Quarry and, Ostoic Quarry • Bark Hut Inn, Corroboree Park and Mary River Retreat • General site and company information • Provision of accommodation services • Provision of quarry products
------------------	--

Source: PGO

15.4 Identified impacts

The paucity of residential communities in proximity to the project provides a natural and effective social impact barrier. A key design factor of the project has been to enhance this natural social isolation characteristic by deciding not to construct any form of residential camp facility at the project site.

The decision to recruit locally from within the Alligator SA2, Humpty Doo SA2 and greater Darwin area and transport them to site from residential hubs contributes greatly to limiting the potential for negative social impact. As potential employees will be already resident within established communities it is expected that their employment at the project site will not distort the current prevalent social fabric of the communities in which they currently live and economically interact. This approach is favoured as it does not introduce any new demand for housing or services and will therefore have a minimal social footprint. This approach will therefore assist in minimising the impact on house prices, availability and residential rents attributable to the development of the project (Section 13.10).

The projects proximity to the Arnhem highway and the decision to transport the work force by bus on a shift basis from their current residential centres addresses matters related to road usage. Section 13.8 of this report explains how this approach minimises the amount of additional traffic, integrates with current road usage patterns and directly addresses matters of road safety such as driver fatigue, speeding and affiliated road safety issues.

The second component of road usage that needs to be considered is the increase in general freight haulage demand created by the project and what likely impacts on current road usage profiles will be. The Arnhem highway is the major service corridor for the mining projects in the Alligator SA2 region including ERA's Ranger Uranium project. The general freight logistics needs of the Toms Gully project will be similar to any other mine project in the NT albeit the volumes of materials required generally lower than the average sized operation in the region.

The economies of scale already operating in the transport logistic sector of the NT economy should ensure that only nominal increases in overall traffic volumes on the Arnhem Highway are attributable to the Toms Gully Mine project. As general freight logistics companies servicing the general freight sector compete for contracts there is a high likelihood that demand for general freight transport arising from the project will be accommodated by increased utilisation of current services by operators on the Arnhem Highway freight routes. This will tend to minimise any distortion to the levels of supply and demand for general freight services along the delivery route.

The proposed Toms Gully Mine project is consistent with the major industry of employment within Alligator SA2 therefore any wages that flow from the mining project into the Alligator SA2 area will be consistent with the current income profile of the area (Section 13.3). Similarly mining comprises 5.2% of the employment profile of Humpty Doo and wages flowing into this area from the mining project can again be seen to be consistent with the prevailing income profile of Humpty Doo SA2. The greater Darwin area has a diverse and comparatively large economy. Wages inflow from the proposed small resources project into the large and diversified economy of greater Darwin is unlikely to create any negative distortion to the economic fabric of the NT.

15.5 Cumulative impacts

Cumulative impacts by their very nature require a period of time to develop. The short project life of the project (40 months) combined with its inherent low social impact footprint will militate against the development of cumulative impacts.

While the NT has experienced massive investment in natural resource projects over the last decade that investment cycle is currently experiencing a period of abatement as large construction projects approach completion (see section 13.10). The small scale of the proposed Toms Gully mine project with an estimated contribution to GSP of \$156-\$162 million over three years is not material (approx 1.4% per annum) with respect to the scale of the NT mining and petroleum sector which accounted for \$3.68 billion dollars of NT GSP in the 2012-13 financial year, and will not materially distort the supply and demand balance for goods and services in the NT.

16 Management of potential risks and impacts

16.1 Safety

Safety is PGO's overriding primary concern and one of the key reasons it has elected to run bus services from population hubs to the project site. The use of chartered bus services and professional bus drivers to transport site staff to and from site reduces the potential for road traffic related accidents. It effectively replaces up to 100 to 150 vehicle movements per day with up to six bus trips per day.

The use of existing contract freight logistics companies to transport the sites freight requirements will also act to minimise the amount of additional trucks using the Arnhem highway on any given day. Freight companies with established routes to the mines of the Alligator SA2 area will use increases in utilisation of existing fleet wherever possible in order to maximise profitability.

16.2 Employment opportunities

During commissioning and operations the project will provide employment for up to 104 personnel. Peak employment is expected to coincide with peak production in year two of the project. The duration for which the peak employment level can be maintained is highly dependent upon the success of PGO's endeavours to extend the life of the project through exploration.

The total number of employees includes mining and processing contractor staff in addition to PGO's management and administration staff. Use of contract service companies allows the project to respond to fluctuations in demand for skilled labour whilst providing as much likelihood of continuity

of employment as possible by allowing the contractor the opportunity to redeploy staff to other projects should demand for skilled labour at Toms Gully decline in year 3 of the project.

16.3 Service provision

There is unlikely to be any overloading of NT government provided services such as health, education and police services as the labour force for the project is to be recruited from within already established and serviced residential communities.

As the project site is located adjacent to the Arnhem highway and in an area characterised by a paucity of residential communities. PGO does not envisage that its project will impose any material imposts on government services such as public transport and road networks.

Government provided services already available at the site include mains grid electricity, and telephony services. It is considered unlikely that these services will need to be enhanced however should this assumption be incorrect it is further assumed that enhanced services will be provided on normal commercial terms by the relevant utilities providers.

16.4 Recreational and cultural opportunities

There is limited scope for recreational and cultural opportunities as there will be no residential community at site due to employees being transported to and from their current residential locations. It is envisaged that employees will engage as they currently do in their local recreational and cultural pursuits.

The low level of demand for support of recreational and cultural events is a consequence of the paucity of residential communities. Opportunities to support local recreational and cultural initiatives will be assessed on an individual basis as they arise.

17 Benefits and costs of social impacts

17.1 Summary of the Social Impact Assessment

The Toms Gully Mine project is a brownfield gold mining site within the ABS Alligator SA2 region of the NT. It is located approximately 100 Km southeast of Darwin and 63 Km southeast of the regional town of Humpty Doo which in turn is part of Litchfield SA3 and the greater Darwin statistical area.

In terms of local government jurisdiction the project falls within the unincorporated top end region and as such does not comprise a local government area. The functions that would normally be undertaken by a council or similar administrative body are in this case undertaken by the NT government. Government provided services to the site which are already in place include electrical power from the NT grid system, telephony and internet services.

The region is sparsely populated with a population density of 0.1 persons per Km² (ABS702031057 ABS_NRP9 2008-2012). Land use in the region includes agriculture (pastoral stations and orchards) and mining (granite quarries and a number of inactive gold mines). The local area is serviced by a limited number of food and accommodation services (two roadhouses and two tourist villages).

The project is located within perpetual Pastoral Lease 1163 (Old Mount Bundy Station) and its surface infrastructure is wholly contained within mining lease MLN 1058. The mining tenement was granted prior to January 1, 1994 and as such it is regarded as a past act under the Native Title Act (NTA). There is no known local indigenous community and there are no aboriginal heritage sites registered within the project area.

Mining is the largest employment sector within the Alligator SA2 region employing approximately 341 people or 16.7% of the labour force (ABS702031057 ABS_NRP9 2008-2012). The Toms Gully Mine project proposal does not include plans to establish any form of residential camp facility at the project site. Rather PGO intend to recruit entirely from within the Alligator SA2, Humpty Doo SA2 and greater Darwin area (Section 14.1) and use contract bus/coach services to transport workers to and from work on a shift by shift basis.

This approach does not create any new demand or supply of housing and it is therefore expected that there will be no material change in availability or affordability of housing attributable to the project. Recruiting from within the current regional labour force is also a strategy which does not distort the current demographic character of the region and assists in minimising the social impact of the project.

The Arnhem highway is the major road artery into Kakadu National Park and tourism related traffic will pass by the project site. For the year ending September 2014 tourism from the Darwin gateway into the Arnhem Kakadu area was approximately 93,000 overnight visitors (Tourism NT 2014). PGO plans to bus employees from their point of hire on a daily basis thereby minimising the amount of additional traffic that will be generated and directly addressing matters of traffic congestion and road safety further minimising the social impact of the project.

The seasonality effect of tourism in the Kakadu Arnhem area is quite pronounced with 55% of visitors arriving in the September quarter which coincides with the winter season in southern Australia. The March quarter is the low season with only 5% of tourist numbers choosing to visit at that time of year and the shoulder seasons of June and December account for 27% and 20% of the tourist season respectively (Tourism NT 2014). The closest tourist destination to the project site is the Mary River national park and its environs which is popular with recreational fisherman campers and hikers. The holiday and tourist traffic visiting the Mary River National Park for cultural, recreational or aesthetic reasons will not be impacted upon by the project. The project site is set well away from these areas and will have no impact on current cultural, recreational or aesthetic use of the area. There are no reports of adverse social impact occurring as a consequence of previous operational mining periods.

PGO intend to only use existing accommodation facilities in the region to accommodate short term (overnight) visitors and possibly a limited number of specialist staff if it eventuates that they cannot be recruited from within the local region. The project is therefore not expected to place any additional material demand on food and accommodation services or to impact the level of room availability for tourism.

The proposed Toms Gully Mine re-development project has a very small social impact footprint. Partly this is attributable to its relatively isolated location, very low population density and the paucity of residential communities within the vicinity of the project. However, it is also partly a function of the project being compatible with the regions current demographic character. As mining is already a

significant feature of the local economy, the income generated by the project which flows through to local economies is not disproportionate with the existing income profiles of the regions and will therefore have a minimal distortion impact upon the prevailing demographic character.

The Toms Gully Mine project has the potential to provide a 1.7% boost to employment growth within the region providing employment for up to 104 personnel with peak employment expected to coincide with peak production in year two of the project. Approval of the Toms Gully Mine re-development project proposal will facilitate delivery of the economic benefits offered by the project while incurring negligible levels of adverse social impact.

17.2 Stakeholder engagement strategies

The foundation upon which the economic and social management plans are to be constructed is community consultation and communication. All stakeholders will be identified either directly in the case of those resident in the vicinity of the project site and in response to published requests for comment. The stakeholders already identified include;

- Pastoral station lease holders
- Road house proprietors
- Tourist village operators
- Point Stewart Volunteer Bush Fire Brigade
- Orchardists, and
- Amateur Fisherman's Association NT

As noted in previous sections of this report, given the paucity of local communities PGO intends to consult on a one on one basis with the individuals and organisations that comprise the local community.

17.3 Priorities

The current priorities of the project are as follows;

1. Consultation with PGO's lawyers and the Northern Land Council in order to confirm there have been no changes in relation to native title status.
2. Consultation with the Aboriginal Areas Protection Authority (AAPA) in order to confirm there have been no changes in relation to the status of Aboriginal sacred sites on areas to be affected or the heritage status of the project site.
3. Completion of submissions to the NT EPA and consultation with it in order to facilitate the timely approval of the project.
4. Identification of local suppliers of materials and services required by the project and initial discussions around tendering for contracts (e.g. Contract bus/coach services, general freight haulage, contact mining companies and contract ore processing companies).

5. Consultation with local employment agencies, suppliers and contractors to identify and ensure access to the skill sets required within the region.
6. Establishment of the role of community engagement and communications officer to coordinate and respond to community enquiries in regard to any concerns raised.

17.4 Mitigation and management strategies

Mitigation and management strategies will be based around a social risk analysis based on a risk matrix assessment adapted from AS/NZS ISO 3100:2009 (Table 26). Table 27 presents descriptions of the probability of occurrence classifications that are used in conjunction with a range of risk consequences to determine the overall risk scale.

Table 26 Social Risk matrix

Probability of Occurrence	Likely Consequence				
	Insignificant	Minor	Serious	Major	Catastrophic
	1	2	3	4	5
A (almost certain)	Medium	High	High	Very High	Very High
B (likely)	Medium	Medium	High	High	Very High
C (possible)	Low	Medium	High	High	High
D (unlikely)	Low	Low	Medium	Medium	High
E (rare)	Low	Low	Medium	Medium	High

Adapted from Australian Standards/New Zealand Standards International Organisation of Standardisation (AS/NZS ISO 3100:2009)

Table 27 Definitions of probability of occurrence

Level	Descriptor	Description	Indicative Forecast
A	Almost Certain	Impact will happen regularly	Annually or more frequently
B	Likely	The impact has been recorded before	Annually
C	Possible	The impact has been recorded from time to time.	Every 1-2 years

D	Unlikely	Impact recorded somewhere but don't know where	Every 5 – 10 years
E	Rare	Not aware of any such impact.	Every 50 -100 years

Source: Adapted from Australian Standards/New Zealand Standards International Organisation of Standardisation (AS/NZS ISO 3100:2009)

Table 28 on the following page presents the Social Risk matrix for the Toms Gully Mine re-development project along with mitigation strategies for each identified risk and a post mitigation impact assessment.

Table 28 Toms Gully Mine Re-development Project Social Risk Matrix

Event	Probability of Occurrence	Likely Consequence	Potential Impact	Mitigation Strategy	Post Mitigation Impact
Additional highway commuter traffic and associated road safety concerns	Possible(C)	Serious (3)	High	Implement bus/coach transport on shift by shift basis to transport employees to work and home	Low
Additional general freight haulage traffic impacts and associated road safety concerns	Possible(C)	Minor (2)	Medium	Engage with general freight haulage companies with established routes on Arnhem Highway and utilise any excess capacity	Low
Negative impact on housing availability and affordability	Possible(C)	Minor (2)	Medium	Recruit locally from within existing labour pool	Low
Negative impact on tourism	Unlikely (D)	Minor (2)	Low	Lower visual impact of project site from highway using vegetation placement and good design	Low
Negative impact on demand for NT provided services	Unlikely (D)	Minor (2)	Low	Required services already in place acquire any additional services on commercial terms	Low
Negative impact on community cohesion and inclusion	Unlikely (D)	Minor (2)	Low	Recruit locally from a demographic where mining is already significant proportion of industry of employment	Low
Negative impact on other land users	Unlikely (D)	Minor (2)	Low	Operating service agreement and executed land use agreement in place	Low

17.5 Monitoring reporting and review mechanisms

The identified economic and social risks will comprise part of the project risk register which will be created by drawing together all risk matrices for each aspect of the project as a live document and will form the basis for monitoring, reporting and risk mitigation implementation. The overall responsibility for risk management will reside with the general manager operations and be incorporated into day to day management of the operation.

There will be a review of the risk register on a periodic basis as needs dictate. A permanent risk register will be maintained and regularly updated. The risk register will contain mitigation strategies and detailed risk mitigation implementation plans and reporting metrics. Reporting of risk metrics will form a standard part of management reporting on a monthly basis and more frequently if required.

Risk management whilst remaining the responsibility of the general manager will be monitored, implemented and reported as part of the site risk management committee (RMC) duties. The RMC will comprise representatives from each area of responsibility on site and will include contractor's representatives and the general manager operations.

The RMC and general manager operations will be jointly responsible for ensuring that all risk mitigation works and activities are carried out and completed in a timely and cost effective manner. The completion status of mitigation works will be recorded in the risk register, monitored and reported upon as part of the regular management reporting system.

17.6 Mechanisms to resolve new and emerging issues and to amend the risk register

The risk register elements pertaining to economic and social impact will form part of the overall project risk register. Should new issues emerge they will be entered into the site risk register and mitigation strategies in conjunction with the RMC. The risk register will then be updated to include any new issues arising along with the risk mitigation strategy and works implementation plan created to manage the emerging risk.

17.7 Communications strategy

Open and transparent communication is fundamental to good project management and key to rectifying any issues which arise as an unintended consequence of the projects operation. Communications with the broader community and any persons whom feel impacted upon by the project will in the first instance be dealt with on-on-one meetings which will be implemented to introduce the project to the wider community and to solicit public comments and statements of concerns.

PGO intend as part of its communications strategy to consult with the public to determine what the preferred method of communication with the community may be. Once the communities preferred method(s) of communication are established PGO will then implement an integrated communications strategy based on these preferences. In the interim communication with the community will be

managed through, public announcements, press releases and one-on-one meetings where face to face discussions will be held.

A web page including an email address specifically provided for the purpose of community engagement and a site telephone number will be made available to the public and communications will be managed through these media until such time as the integrated communications strategy has been co-defined with the broader community.

18 References

Australian Bureau of Statistics 2008- 2012 National Regional Profile 701031032 ABS_NRP9
http://stat.abs.gov.au/itt/r.jsp?RegionSummary®ion=701031032&dataset=ABS_NRP9_ASGS&ge oconcept=REGION&measure=MEASURE&datasetASGS=ABS_NRP9_ASGS&datasetLGA=ABS_NRP9_L GA®ionLGA=REGION®ionASGS=REGION last accessed 1/04/2015.

Australian Bureau of Statistics - Regional Population Growth, Australia, 2012-13
<http://www.abs.gov.au/ausstats/abs@.nsf/mf/3218.0> last accessed 1/04/2015.

Australian Bureau of Statistics, Australian National Accounts, State Accounts, ABS 5220.0 2013-14
<http://www.abs.gov.au/AusStats/ABS@.nsf/MF/5220.0> released 21/11/2014 last accessed 5/04/2015

Australian Bureau of Statistics, Australian National Accounts, 2013-14, ABS 5220.0
<http://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/5220.02013-14?OpenDocument> last accessed 5/06/2015

Australian Bureau of Statistics,
[http://www.abs.gov.au/ausstats/abs@.nsf/mf/5220.0.55.0025220.0.55.002-Information paper: Gross State Product using the Production approach GSP\(P\), 2007](http://www.abs.gov.au/ausstats/abs@.nsf/mf/5220.0.55.0025220.0.55.002-Information%20paper%20Gross%20State%20Product%20using%20the%20Production%20approach%20GSP(P),2007) last accessed 24/06/2015

Mineral Council of Australia (MCA)
http://www.minerals.org.au/file_upload/files/resources/gold/Australia's_Gold_Industry_a_valuable_asset.pdf) last accessed 8/04/2015

Mineral Council of Australia (MCA) <http://www.minerals.org.au/resources/gold/exports/> last accessed 8/04/2015

Northern Territory Environmental Protection Authority (NTEPA) Current Projects
<http://www.ntepa.nt.gov.au/environmental-assessments/projects-current-2015> last accessed 5/04/2015

Northern Territory Environmental Protection Authority (NTEPA) Guidelines for the Preparation of an Economic and Social Impact Assessment November 2013 Version 2
http://www.ntepa.nt.gov.au/_data/assets/pdf_file/0007/349936/guideline_assessment_economic_social_impact.pdf last accessed 4/05/2015

NT Department of Mines and Energy, Mining Development Summary 2015 update
<http://www.nt.gov.au/d/core/Content/File/InvestmentAlert/MiningDevelopmentsInTheNT.pdf> last accessed 2/06/2015

Northern Territory Department of Transport, Annual Traffic Report 2013
http://www.transport.nt.gov.au/_data/assets/pdf_file/0020/42365/2013_traffic_report.pdf last accessed 2/06/2015

Northern Territory Government Budget 2013-14
http://www.google.com.au/url?sa=t&rct=j&q=&esrc=s&source=web&cd=1&ved=0CB8QFjAA&url=http%3A%2F%2Fwww.treasury.nt.gov.au%2F_layouts%2Fdownload.aspx%3FSourceUrl%3D%2FPMS%2FPublications%2FBudgetFinance%2FBudgetPapers%2FI-BP06-

[1314.docx&ei=HNpKVd6CLYXmwX384GgCw&usg=AFQjCNHn2pchruiJK1KIB2CpFKOoswBSQ&bvm=bv.92291466,bs.1,d.dGY](#) last accessed 7/05/2015.

Northern Territory Government Regional Highlights Budget 2015-16

http://www.budget.nt.gov.au/wp-content/uploads/2015/04/Budget-2015-16_Regional-Highlights_NEW.pdf last accessed 7/05/2015

Primary Gold Limited, Toms Gully Feasibility Study, Re-commencement of Underground Mining and Processing Operations October 2013.

SQM Research Vacancy Rates and Asking Rents Media Release 14/04/2015

<http://sqmresearch.com.au/VacancyRatesinDarwinandPerthContinuetorise-SQMResearchVacancyRatesandAskingRentsMediaRelease.pdf> last accessed 26/06/2015

Tourism NT 2014 <http://www.tourismnt.com.au/en/research/nt-snapshot> last accessed 15/04/2015

World Bank Indicators <http://data.worldbank.org/indicator/NE.GDI.FTOT.ZS> last accessed 5/04/2015