

9 October 2023

Ms Roslyn Vulcano  
Executive Director Mining Operations  
Mines Branch, Department of Industry, Tourism and Trade  
Northern Territory Government of Australia

Via email: [Roslyn.vulcano@nt.gov.au](mailto:Roslyn.vulcano@nt.gov.au), CC: [Angela.Estbergs@nt.gov.au](mailto:Angela.Estbergs@nt.gov.au)

Dear Roslyn,

**Re: Request for additional drill 53 holes to be amended to current Variation of Authorisation 0731-01 and Mining Management Plan (2023 MMP)**

Under the current 2023 MMP (Authorisation 0731-01), DevEx has planned for 197 drill holes and drill pad clearing (14.3ha) with associated track establishment totalling 38km (12.0ha). Following recent positive uranium intercepts at several Prospects, DevEx wishes to continue drilling up to the commencement of the 2023 wet season in mid-November and for this reason requests an amendment to the 2023 MMP to add an additional 53 holes (Table 1) to the programme within the current work areas, increasing the total quantity to 250 holes (225 Reverse Circulation and 25 Diamond Holes). These additional holes lie within the current work areas approved under the current 2023 MMP and would see drill pad clearing increase from 14.3ha to 18.8ha. Revision of proposed and actual access track clearances has seen a reduction from the planned 38km (12.0ha) in the 2023 MMP to a revised 20km (7.5ha). This results in no material change to the proposed total disturbed areas of 26.3ha for the 2023 work program.

Importantly, DevEx are also progressively remediating the 2023 drilling on an ongoing basis and at the date of this letter have already remediating 39 holes with remediation ongoing and in tandem with the drilling so as not to be caught short by the start of the 2023 wet season – see Attachment C Drill Hole Rehabilitation Register.

As part of the Variation of Authorisation 0731-01, Mining Management Plan Approval and Security Request letter on 4 May 2023, DevEx have addressed comments raised by DITT and the Supervising Scientist (Department of Climate Change, Energy, the Environment and Water) provided in Attachment A. DevEx plans to include these comments into the subsequent a revised MMP for 2024 which it plans to lodge at the end of the year.

DevEx include an updated security calculation in Attachment B which accounts for the additional requested holes, additional pad clearing and reduced proposed track clearances.

Yours sincerely

Brendan Bradley  
MANAGING DIRECTOR



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- Table 1. Additional drilling requested, estimated by Prospect.
- Table 2. Updated Summary of 2023 DPIR Financial Security Calculation for MMP comprising EL10176, EL23700 & EL24371 of additional 53 proposed drillholes and track reduction.
- Figure 1. Map of Arnhem exploration work areas for 2023.
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- Attachment A: Reply to comments raised by DITT and the Supervising Scientist (Department of Climate Change, Energy, the Environment and Water)
- Attachment B: Updated Security calculation
- Attachment C: West Arnhem Drillhole Rehabilitation Register (inclusive of 39 holes rehabilitated to date this year).
- Attachment D: GIS Files including Nabarlek tracks 2023 and Work Program Areas 2023
- Attachment E: Amended pre-clearance procedure (Appendix 7)
- Attachment F: COOE ThreatenedSpeciesAss\_V4.0\_20230208 (Appendix 9)

**Table 1: Additional drilling requested, estimated by Prospect**

Prospect	Tenement	RC Drilling (RC)	Diamond Drilling (DD)
Nabarlek North (SMLB)	EL 10176	5 Holes	7 Holes
Nabarlek	EL 10176	2 Holes	5 Holes
U40	EL 10176	16 Holes	8 Holes
U42	EL 10176	5 Holes	5 Holes
<b>Total</b>	<b>EL 10176</b>	<b>28</b>	<b>25</b>

**Table 2: Updated Summary of 2023 DPIR Financial Security Calculation for MMP comprising EL10176, EL23700 & EL24371 of additional 53 proposed drillholes and track reduction**

Domains	Calculated Cost
Site Infrastructure	
Exploration	
Post Closure Management	
<b>Sub-Total - All Domains</b>	
<b>CONTINGENCY @15%</b>	
<b>TOTAL COST</b>	

<b>Departmental Assessment (to nearest \$)</b>	
<b>10% Discount</b>	
<b>Amended amount</b>	
<b>1% levy</b>	

Operator Assessment (as per MMP - remove cents)	
Current held	
Top up required	



**Figure 1:** *Map of Arnhem exploration work areas for 2023*

## **Attachment A**

Response to Variation to Authorisation 0731-01 - Attachment A comments raised by DITT and the Supervising Scientist (Department of Climate Change, Energy, the Environment and Water)

### **General**

Please find attached with this letter digital shape files for

- Proposed Activities of Work (by Prospect) approved under Variation of Authorization 0731-01 Mining Management Plan Approval and Security Request 4 May 2023
- Tracks established and remediated for 2023 Activities.

Regarding the provision of the No Go Areas, DevEx request time to consider its confidential obligations to the Northern Land Council and the Traditional Owners which restrict the distribution of such sensitive information.

Planned exploration drilling activities lie within the approved Proposed Activities of Work (by Prospect). These Proposed Activities of Work polygons have been specifically designed to avoid mapped significant vegetation and sandstone escarpments and polygons, including the southern edge of Overload, the northern part of KP, the southern half of Big Radon and also Little Radon were excised from the polygons.

### **General / 2,5.7, 6.4**

DevEx will change the references for Department of Primary Industry and Resources (DPIR) to the Department of Industry, Tourism and Trade (DITT) when lodging the new MMP for 2024.

### **General / 2**

DevEx will amend current tense references to Department of Land Resources Management (DLRM) to Department of Environment, Parks and Water Security (DEPWS) when lodging the new MMP for 2024 DevEx will amend current tense references to Department of Environment and Energy – Supervising Scientist Branch (DEE) to Department of Climate Change, Energy, the Environment and Water (DCCEE) when lodging the new MMP for 2024

### **Section 3.1.8**

Section 3.1.8 lists a total of 57 holes drilling in 2022 which is consistent with the Rehabilitation Register. However, the list of drilling by Prospect in Section 3.1.8 totalled 56 Holes, DevEx will update this break down of drilling in the new MMP for 2024 to reflect the corrected break down below (specifically Overload).

Exploration during 2022 consisted of a total of 57 holes for 8,707.9m, comprising 23 DD holes for 4,690.9m , and 34 RC holes for 4,017m. The breakdown of drilling per prospect is as follows:

- Nabarlek South Area 22 holes for 3,678.1m
- Overload 9 holes for 1,807.8m
- U40 2 holes for 244m
- U42 15 holes for 1,458m
- U40 South 8 holes for 1,320m

- Zeus 1 hole for 200m

The 2022 holes have been rehabilitated and their detailed are provided in the updated Drill Hole Rehabilitation Register.

### Section 3.1.8 2022 Exploration Programme

DevEx will present the drilling summary table for the 2022 Drilling in a similar method to previous years (eg Table 6 of 2023 MMP) in the new 2024 MMP which will appear as the table below. This will also apply to the Final 2023 Drilling Table also.

Table 7: Drilling summary for 2022

Mining Interests (i.e. titles)	EL10176	EL23700	EL24371
Number of holes drilled	57	Nil	Nil
Maximum depth of holes	347.2	Nil	Nil
Number of drill pads cleared (Length: x Width: m)	57 (25x30m)	Nil	Nil
Number of sumps cleared (Length: x Width: x Depth: m)	80 (6x3x1.5m)	Nil	Nil
Length of line / track cleared (Kilometres: x Width: m)	10,000m x 2.5m	Nil	Nil
Number of costeans excavated (Length: x Width: x Depth: m)	0	Nil	Nil
Total bulk sample pits excavated (Length: x Width: Depth: m)	0	Nil	Nil
Camp area/s cleared	0 (existing camp at historic Nabarlek mine site)	Nil	Nil
Total area disturbed (hectares)	6.68	Nil	Nil
Drill holes capped/plugged	57	Nil	Nil
Total area rehabilitated (hectares)	4.23	Nil	Nil

### Section 4.4

Likelihood assessments on impact to flora and fauna are provided in Appendix 9 (also attached to this letter). In carrying out these assessments DevEx identifies the general areas where its activities will take place and creates polygons for these areas. These areas and the type of activities Devex plans to undertake are assessed for their potential impact to flora and fauna, and where there is the potential of sensitive/high value flora and fauna types, such as mentioned for Overload, KP, Little Radon and Big Radon, the polygons of planned activities have been modified (excised) to exclude such areas. The

modified polygons with these areas excluded are presented as the Proposed Activities of Work polygons as provided in the 2023 MMP and Figure 9 of the document.

For further clarity, no drilling will take place in Little Radon and Big Radon and these are excluded from the MMP Approval for 2023 and also from this letter of request.

### **Appendix 1 Rehabilitation Register**

DevEx have updated the ongoing West Arnhem Drillhole Rehabilitation Register for 2023 and added a prospect column (see attachment C to this letter).

### **Appendix 9 Flora Fauna Survey**

The document provided in Appendix 9, “2023 Exploration Program threatened Species Assessment”, refers to previous documents provided to the Mines Branch – Mining Operations of the Department of Industry, Tourism and Trade (DITT), including document titled “Assessment of Rare and Endangered Flora and Fauna (COOE, 2021). This document comments on the usage of both databases provided under the Environmental Protection and Biodiversity Conservation Act (EPBC Act) and Territory Parks and Wildlife Conservation Act 1976 (TPWC Act) administered by the NT Department of Environment, Parks and Water Security (EPWS). To identify ecological values that may be at risk to proposed exploration activities, a desktop search of the relevant databases under both the EPBC Act and TPWC Act was completed.

Further modification of the documentation into the 2023 MMP, provided in Appendix 9, address the category of both species in Table 3 of the report.

To assist with clarity and completeness of the process of assessment DevEx will address the wording and procedures for future assessment reports when completing the 2024 MMP.

### **Excerpt of SSB Feedback re. West Arnhem Project Mining Management Plan**

#### **Proposed Activities**

Drilling will dominantly be RC drilling, with approximately 190 proposed drill holes planned to be RC holes, with 7 Holes planned to be diamond drillholes. The modification submitted with this letter requests additional RC and Diamond drilling.

DevEx intends to update the 2024 MMP submission to reflect the following commentary “surface geochemical sampling entails a team of two Devex staff, contractors traversing the surface taking soil samples ( < 0.5kg) from shallow hand dug holes over a pre-defined gridded area. Once sampling is completed the shallow pits < 30cm deep, that are backfilled, and any surface cover removed is replaced. Work areas will be accessed on foot from the nearest existing tracks. No clearing is required. Surface sampling may be undertaken at any point during the work schedule depending on the Company’s requirements.”

#### **Cultural Monitors**

For the 2023 Exploration Activities, Cultural Monitors are required at the following work areas: Overload, K-Eye, Big Radon, Little Radon, KP, U42, Zeus and Far East.

#### **No Go areas and proposed exploration areas**

Obligations on DevEx to not publicly disclose or distribute No Go Zones weighed against the public disclosure of Figure 9 when lodging the Company's MMPs online and on its website. The outcome was the removal of the No Go Zones from Figure 9 in the 2023 MMP.

DevEx has updated Figure 9 of the 2023 MMP, which now reincludes the No-Go areas and is provided in Figure 1 of this letter and are clearly marked in red hatch.

When posting the 2024 MMP online DevEx will need to exclude the equivalent of Figure 9.

### **Cross aquifer groundwater contamination**

Item 6 Wording of 'significant' to be changed to 'confined' in the next MMP (2024) submitted in the coming wet season months.

Item 7: DevEx has modified its practice to take into account the risk of ground water aquifers contaminating both upwards or downwards which involve the following process "any deep diamond holes with demonstrating high water flow which would likely either cause downward cross contamination of deeper ground water aquifers, or upward cross contamination of the deeper ground water into the shallow aquifer, will be grouted at depths below the upper aquifer and comply with advice contained within the Construction and Rehabilitation of Exploration Drill Sites (nt.gov.au)". This will be addressed the new wording of the 2024 MMP.

### **Hazardous materials management**

Item 9: Contaminated soils will be dug up, with the contaminated material double bagged, sealed and buried below 300mm of soil at the site rubbish tip.

Item 10. Drilling fluid additives used will be non-toxic, relevant SDS forms will be provided by the drill contractor and assessed prior to use, ensuring no additives will be used that could leave residual toxicity. The next MMP (2024) will be updated to include this.

### **Clearance procedures**

Item 11. Following correspondence between DIIT and DevEx, the COOE (2021) document in Appendix 7 was superseded and COOE (2023) in Appendix 9 is the current review and assessment. In addition, procedures associated with the Pre-drilling Clearance Forms and Data collection have been subsequently modified to reflect recommendations made between DevEx and regulators during the site audit on the 29<sup>th</sup> August 2023 (e.g. pre-clearance search check list for Partridge Pigeon nests by a suitably trained person) in Appendix 7 to reflect advice following the 2023 site audit and in line with the Appendix 9 2023 Exploration Program Threatened Species Assessment (2023). These procedures include a site-by-site modification of the DevEx Pre Drilling Checklist which also includes the following:

- Complete a 20m radius search for Partridge Pigeon nests by a suitably trained person (refer to Partridge Pigeon Information Sheet)
  - Nests/eggs present Y / N Photograph, record GPS location and DO NOT DISTURB
- Identify large trees (trunk >40cm diameter at chest height) or hollow-bearing stags present within the proposed clearance area
  - Can the proposed clearance area be relocated to avoid large trees and stags? Y / N Report back to Project Geologist



In addition, following a first-time incident involving a native bird caught in the mud of an RC drill sumps, DevEx have adopted a check list to record the presence (if any) of native fauna species that become trapped in drill sump muds. The purpose is to measure the frequency of this occurrence and gauge the materiality of this incident.

In addition to its current adoption, the amended procedures will be submitted with the 2024 MMP.

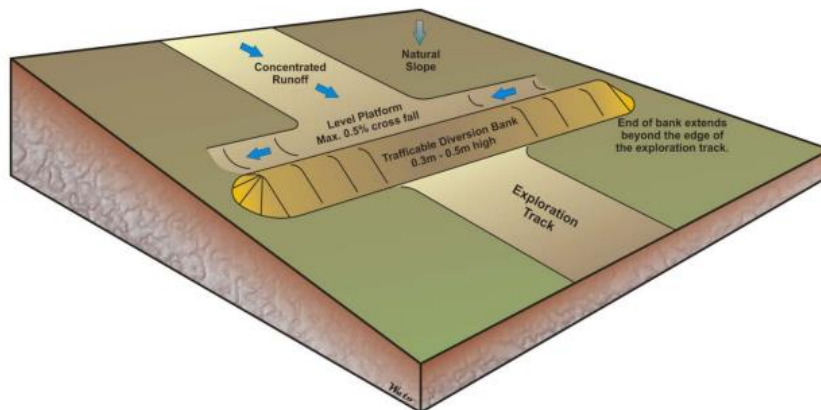
### Drill site rehabilitation

**Item 12.** The company has already initiated rehabilitation of 2023 drill sites and tracks in the current season. At the date of writing this letter, 39 disturbed sites have been rehabilitated from the current season, with rehabilitation ongoing. The company will continue to action drill site rehabilitation at the earliest practicable opportunity after completion of the drillhole to ensure all rehabilitation is completed prior to the onset of the wet season.

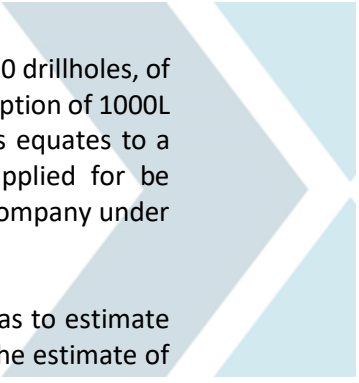
**Item 13.** Progressive rehabilitation has been implemented to ensure all rehabilitation is completed prior to the onset of the wet season. Rehabilitation at low lying prospect areas (such as U42 Prospect) that are susceptible to early loss of access during the wet season are prioritised accordingly.

**Item 14 and 15.** Tracks where drilling was unsuccessful will be rehabilitated. Where drilling has been successful tracks will be retained for the following season. To mitigate the risk of erosion and the loss of knowledge with time DevEx will adopt the following practices

1. Similar to the Drill Hole Rehabilitation Register, DevEx will create and Exploration Track Register which identifies tracks establishes during the year by name.
2. The name of these tracks will be recorded as a GIS file for reference.
3. Rehabilitated track will be recorded in a similar way to the Drill Hole Rehabilitation Register
4. Tracks not rehabilitated on account of them being required for the following year will be noted on the Track Rehabilitation Register. To minimise the risk of soil erosion by implementing erosion control techniques, such as erosion control structures including diversion banks or whoa-boys (Figure below), placed at suitable intervals.



**Item 16:** DevEx currently holds 2 surface water extraction licences over MLN962 and EL10176. Licence 8211003 granted in 2020 which covers extraction points on Coopers Creek adjacent to the Nabarlek Mine site, and newly granted License 8211041 (2023) which covers the eastern portion of the EL. Both licenses include a maximum volume of extraction 0.5ML/year each across designated extraction points. This brings a total volume of 1 ML/year permitted accessible surface water.



Under the proposed variation to MMP 0731-01 Devex are seeking approval for up to 250 drillholes, of which up to 25 will be diamond drillholes. Using the maximum estimated water consumption of 1000L per RC drillhole for required for dust suppression and 15,000L per diamond hole this equates to a maximum total water consumption of 0.6ML for the year, should all drillholes applied for be completed. This totals 60% of the maximum surface water allocation available to the Company under approved surface water extraction licenses 8211003 and 8211041.

**Item 17:** The recommendation previously made by DITT, during the 2019 site audit was to estimate the volume of water within the pond and place a marker stick into the pond marking the estimate of where the 20% draw down point lies.

**Item 18:** DevEx will review all Table and Figure references ensuring correct cross referencing is applied when lodging the new MMP for 2024.

**Item 19:** The company's objective is to prevent contamination and drawdown of aquifers. Devex will update the wording in Section 5.4.7 of the next MMP (2024) to 'The objective for ground water management is to prevent contamination and minimise drawdown'.