

What is today about?

- Providing information on the proposed Bowdens Silver mine development
- Sharing preliminary findings of the Environmental Impact Statement studies
- Providing information on how community input / feedback has influenced Project design and planning
- Outlining proposed mitigation and enhancement strategies
- Providing information on Bowdens Silver's involvement in the community
- Receiving feedback from community members
- Answering your questions about the Project







Our Company

- Bowdens Silver is a wholly owned subsidiary of Silver Mines Limited which is a public company listed on the ASX
- Bowdens Silver Pty Ltd purchased the Project from Kingsgate Consolidated Limited in 2016
- Bowdens Silver currently employs 18 staff, over 20 consultants and has utilised over 130 local businesses and suppliers



Our objective:

To develop and operate an environmentally, socially and financially responsible mine that employs local people and which adds to the economic resilience and skills base of the Lue, Rylstone, Kandos and Mudgee region

What is Silver used for?



Silver Bars- investment

Photography

Air-conditioners

Burns Treatment and Wound Dressing

Mobile Phones

Batteries

Washing
Machines

Highest electrical and thermal conductivity of any element

Mirrors

Aeronautical and space technology

Thermal Windows

Solar Panels

Switches–light switches, microwaves, toys, telephones, ovens & computers. If it's got an on/off switch it's probably got silver.

Refrigerators

CARS – more than 40 silver-tipped switches are found in cars.

Jewellery Dentistry

Water purification – silver ions are replacing chlorine in water filtration in hospitals, schools and public pools.

Aircraft navigation equipment

Silver ions can kill up to 650 types of bacteria, algae and fungi

Pre-paid road toll passes

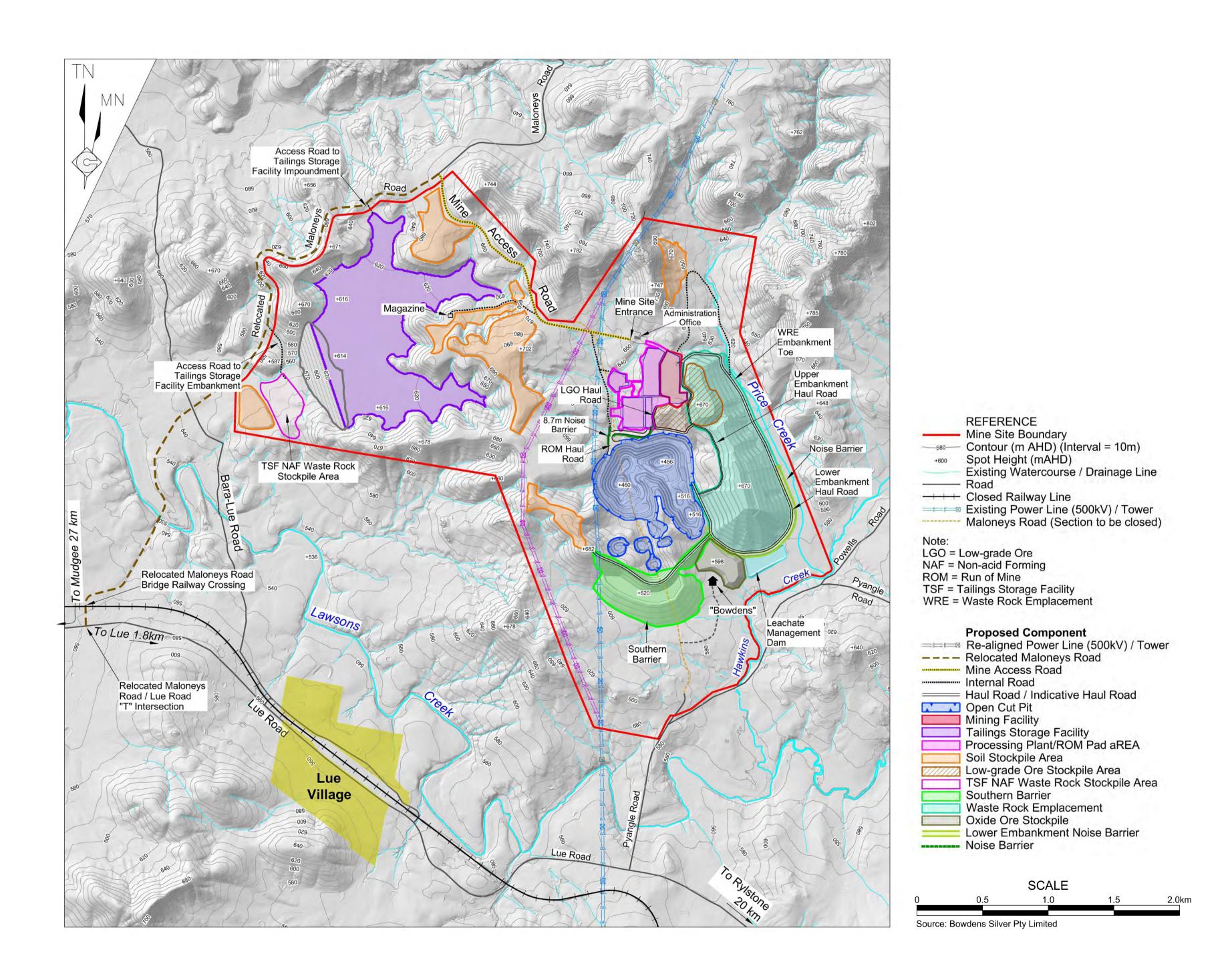
Nano Technology – silver is added to fabrics, appliances, carpets and air-purifiers killing harmful bacteria.

Key features of our Project



What is being proposed

- Open cut mine
- Processing of up to 2.0 million tonnes of ore per year to produce silver/lead and zinc concentrates for sale
- No smelting on site
- Project life of 17 years
- Initial capital investment ~\$250 million
- Peak workforce of up to 320 during construction and 230 during operations
- A water supply pipeline, processing plant, tailings storage facility and waste rock emplacement
- All administration and office facilities on site
- A new public road to provide vehicle access to the Mine Site, west of Lue
- Progressive rehabilitation over the life of mine



Changes to Mine Design



Previous Design	Current Design
Extraction of 53 million tonnes of ore and 79 million tonnes of waste rock	Mining of 30 million tonnes of ore and 47 million tonnes of waste rock
Processing of 4 million tonnes per annum of ore	Processing of 2 million tonnes per annum of ore
Water requirements averaging 3.5 GL per year	Lower water requirements averaging 2.0 GL per year
Water sourced from local groundwater, surface water capture and other sources (including Cudgegong River)	New water supply pipeline from Ulan and/or Moolarben Coal mines
Large water storage dams for water capture	No major water storage required
Infrastructure located closer to Lue village	Relocation of processing plant further north
Construction workers accommodation on site	No worker accommodation on site
Tailings Storage Facility located to the east, capacity 46 million tonnes	Tailings Storage Facility located to the west, capacity 30 million tonnes
Use of existing site access to east of Lue village via Pyangle Road	New road access to the west of Lue village, no product transport through Lue or Rylstone



Engagement mechanisms have included:

- Personal interviews, meetings, phone calls and emails, mailouts
- Telephone and online Surveys
- Community Information Sessions / Open Days / Displays
- Community Consultative Committee Meetings
- Project Briefings
- Regional Town Forums
- Community investment initiatives
- Community Information Sheets and Newsletters

Over **400** stakeholders engaged and project materials distributed to approximately **1600** households

Key Stakeholder Groups:

Community & Environmental

Regional & Environmental Landcare Groups

Environmental Heritage Groups
Groups

Lue Residents

Indigenous Stakeholders
Local Businesses

State & Federal Government Agencies

State & Federal Elected Representatives

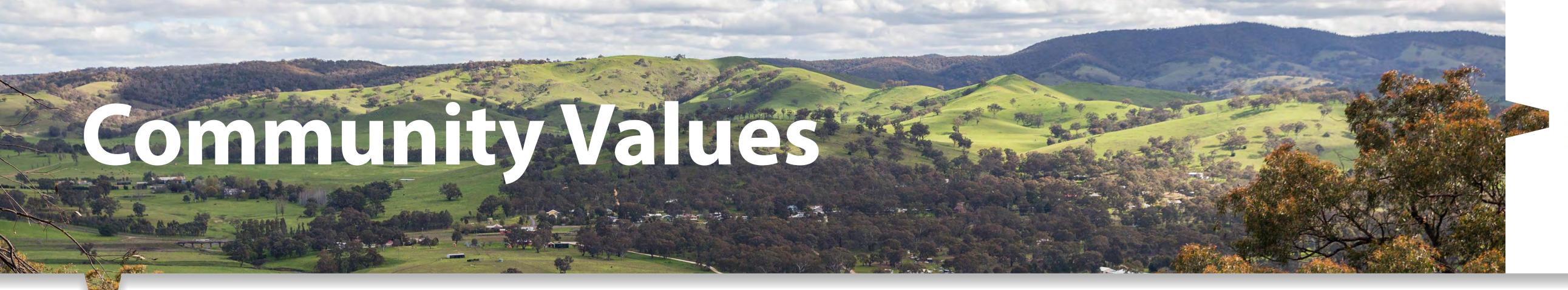
CCC Members

Local & State Government
Representatives

Service Providers

Regional Community -

Kandos, Rylstone and Mudgee Residents





There is a strong sense of community

"If push comes to shove you can rely on people"

"We pull together when we need to. We can call anyone if we need a chat or help"

"A good community where everyone pitches in to help people. Although we're close, I also enjoy that we mind our own business"

More employment would be good for the region

"In general we need, employment opportunities for people and for our students who may be leaving and not heading off to university"

"Anything that is bringing jobs to the area is a good thing"

"Small towns tend to die off quickly when we lose people, so bringing in mining families, not just the worker, is beneficial"

People value the rural, peaceful lifestyle in Lue

"It's quiet and peaceful"

"Tranquility - A good lifestyle, fresh air, and natural beauty"

"We enjoy the tranquility and privacy of Lue. It's a good community and it's good knowing everyone"

Opportunities for local business and service providers

"People coming to the area and spending their money in the town - Economic for the town"

"More people in the community is going to help small businesses, more people will strengthen the whole community."

"Economic benefits for the town and the flow-on effects that come from that. It secures other industries"

What would you like to see in Lue?



Pub and Local Businesses

Attract new business e.g. coffee shop, groceries, fuel

"The pub is a key gathering point of the community"

"[Project will mean] business for the Hotel"

"Tourists could easily stop and spend money if they had a chance"

"A shop for bread and milk would be nice"

"Great to see business in the area evolve organically"

Town Beautification

- "Upkeep of public areas e.g. mowing near the railway line and planting trees"
- "Improved signage / entry statements"
- "Recreation areas"
- "Tourist information"

Sense of Community

- "We would love to see more activities in the Hall"
- "There is a diverse mix of agricultural types in the area"
- "RFS Community BBQs"
- "The Project is good for the school as more people will move here"

Maintenance of railway and historical buildings

- Restoration of Heritage buildings
- "Reconnect the region again"
- Local History Project in the railway building

Employment and Industry Development

- Tourism development
- Motor Bike Track "it brings tourists to the area"
- Local Employment "Look at employing locally first"
- Use of local businesses and services
- Support for local community groups

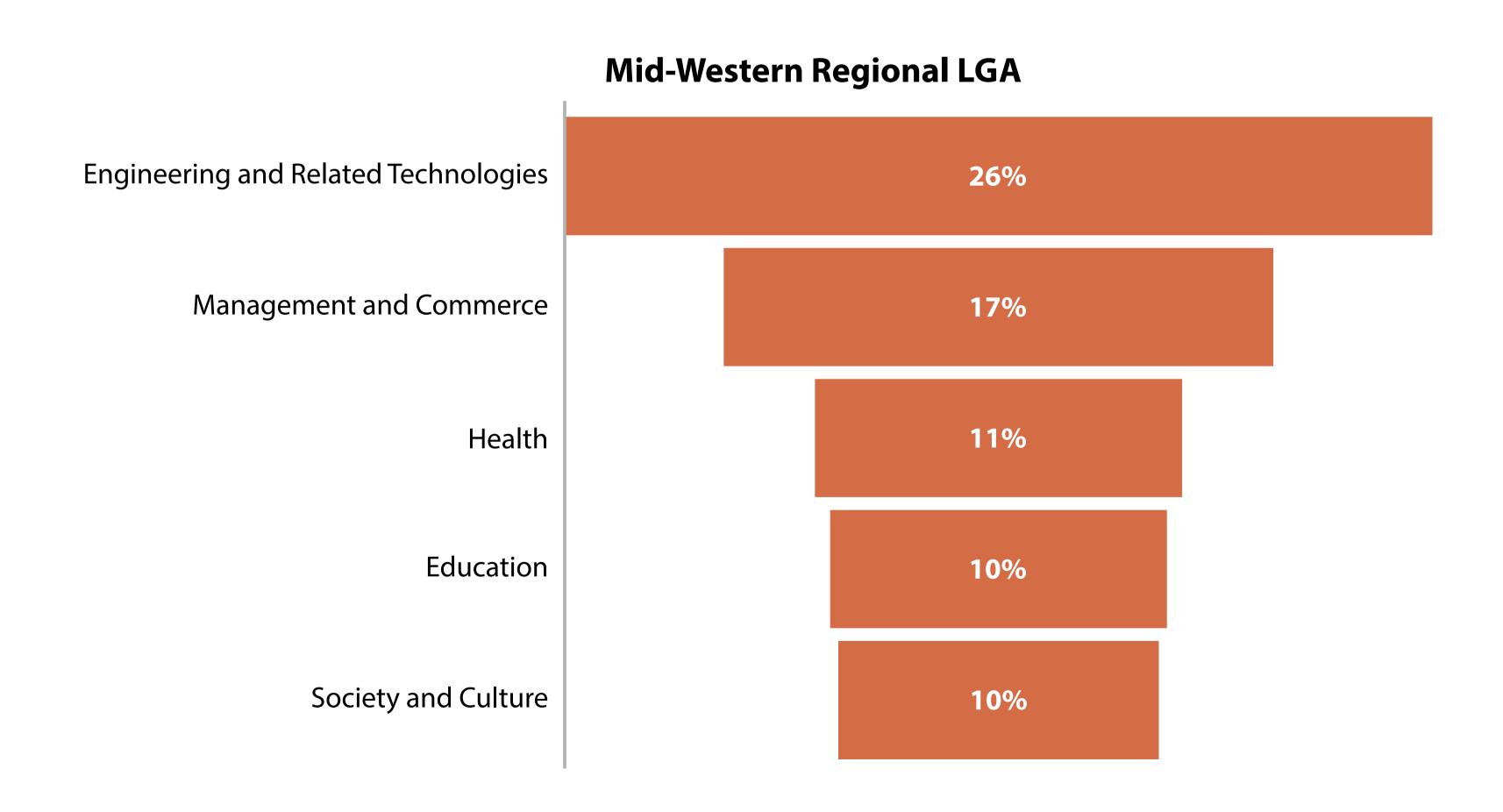
Maintenance of Infrastructure

- Upgrade of roads
- School "Central to the community, if we lose it we lose the town"
- Upgrade of the Lue Hall "It is in dire need of restoration"

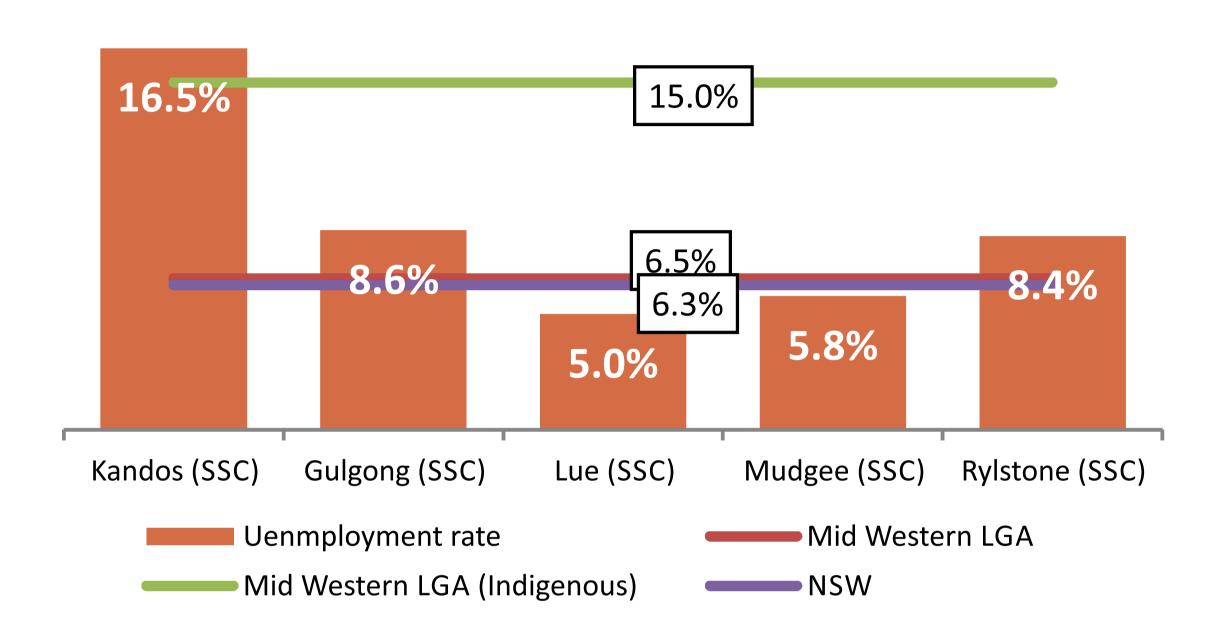
Regional Statistics

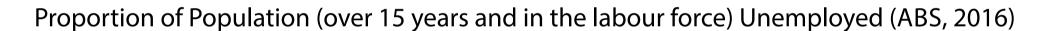


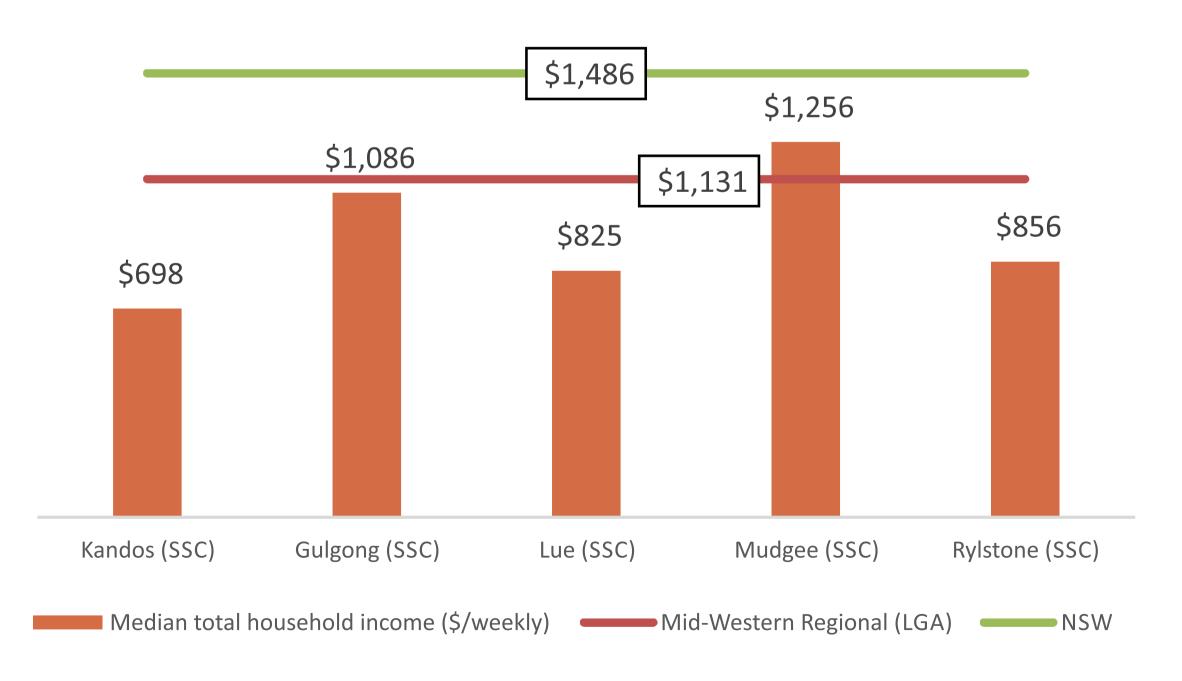
- High unemployment- critical issue
- Weekly median incomes, well below the NSW state average
- Key industries of employment include mining, retail trade, health care and social assistance, agriculture, forestry and construction









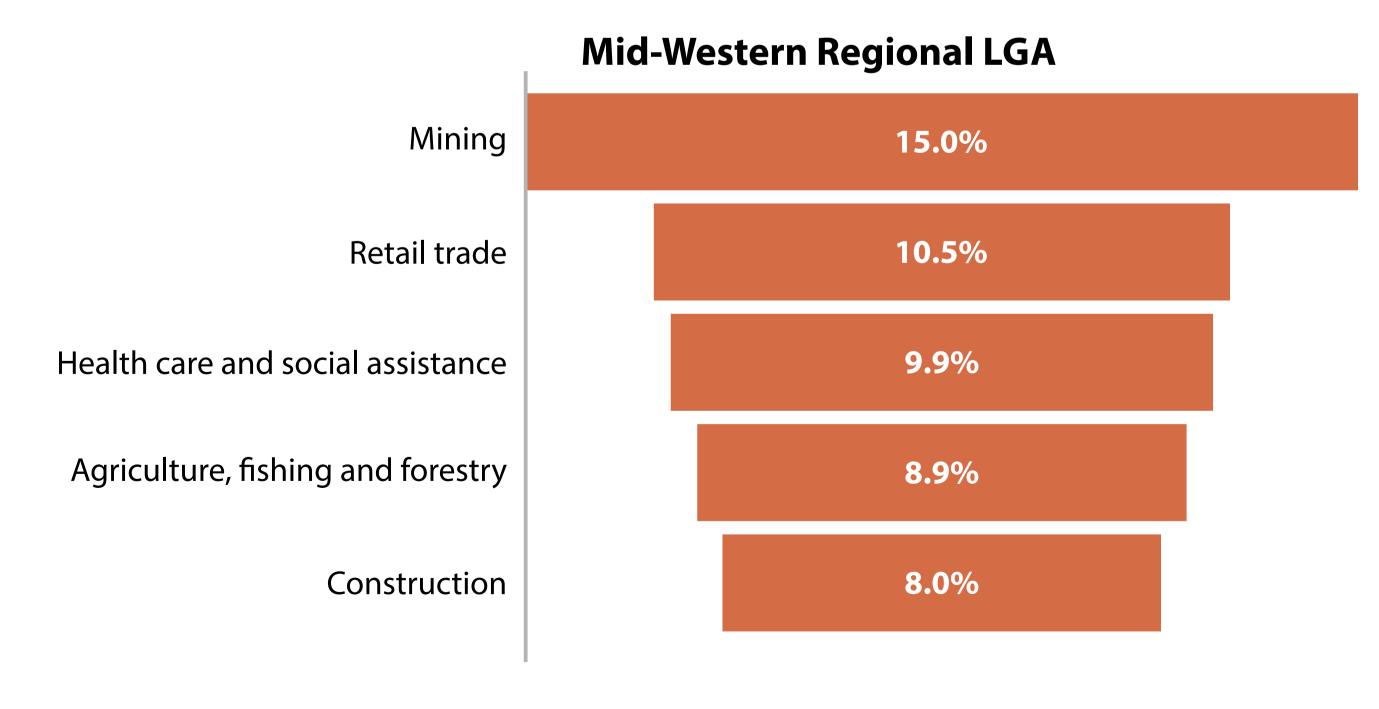


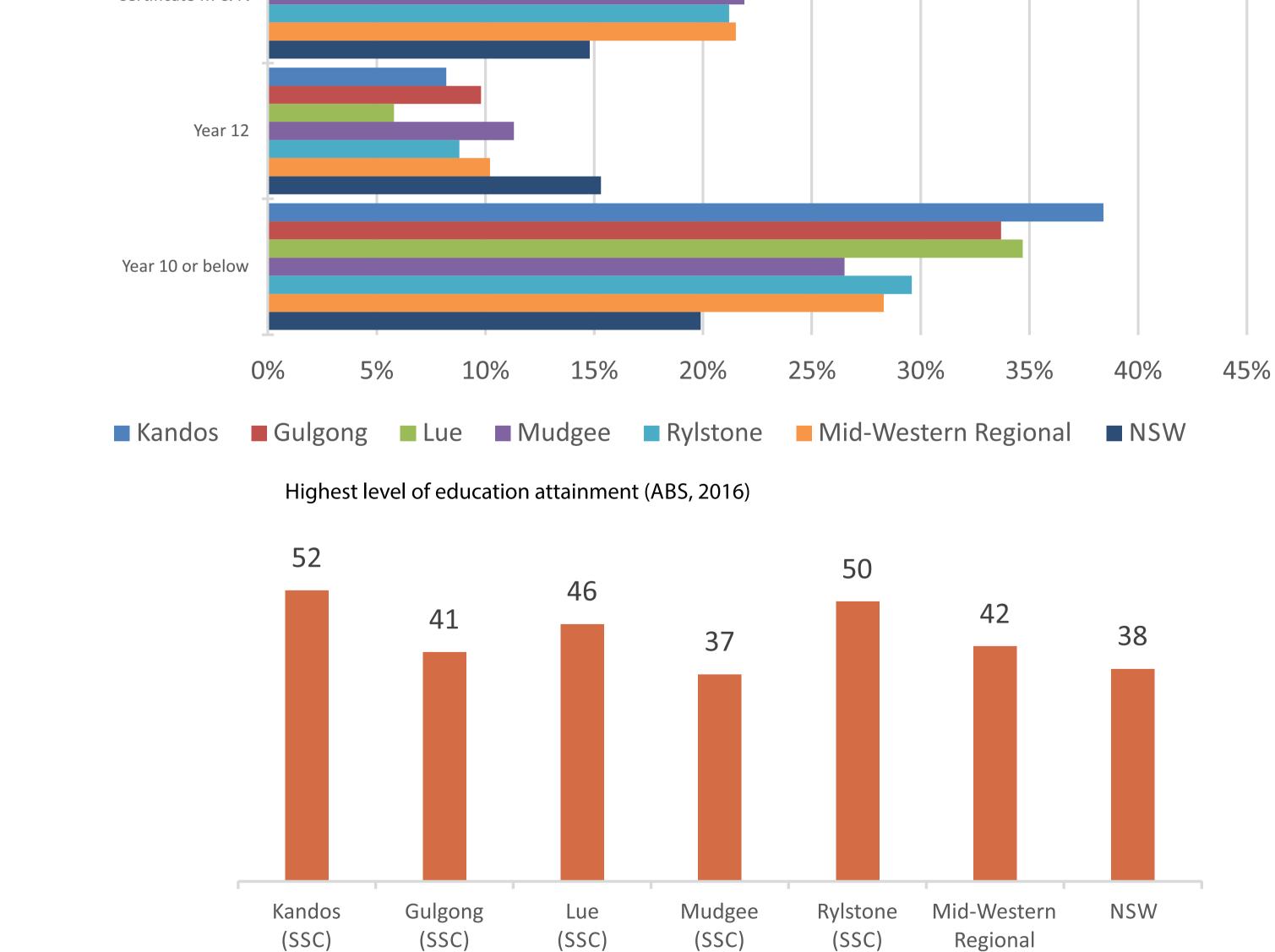
Median total household income (ABS, 2016)

Regional Statistics



- Decrease in skilled employee base, due to an ageing population
- Higher % of population receiving a pension than in NSW
- Lower levels of educational attainment than the rest of NSW
- Health issues (higher proportion of population with 4 health risk factors)





Median Age (ABS, 2016)

Bachelor Degree level and above

(LGA)

Regional Challenges and Opportunities



Challenges

- High unemployment across some communities
- Additional housing stock required
- Water supply issues given extensive use by some industries
- Management of environmental impacts
- Reliance on road and rail to transport goods and access markets – upgrades to road infrastructure required
- Limited health services

Opportunities

- Population predicted to grow
- Region is considered one of NSW's most diverse regional economies - rich in mineral resources and agricultural land
- A growing tourism industry
- Targeted road and telecommunications and potentially rail investments
- Close-knit communities
- Historic character
- Create employment for youth and younger age groups



What community members told us

"The project should inject people and money to keep the pub and school going."

"[A benefit of the project will be] more people in town"

"Boost to the village"

"We don't want another Wollar"

"Residents will withdraw children if mine goes ahead"

"It will be in our "backyard" and we don't want it there"

"A mine will change the village whether we like it or not"

What we propose

Community Enhancement Program

 Local investment in key projects to assist in Lue, Rylstone, Kandos sustainability through engagement and collaboration with local residents and key stakeholders

Good Neighbour Program

- Targeted mitigation for local landholders
- Environmental monitoring and comprehensive publishing of data
- Ongoing engagement and communication

Do you have any further strategies?

Use the sheet below to record any additional strategies for us to consider.

Project Benefits



- Provision of secure, locally based employment for up to 230 people at peak operations
- Continued policy of all jobs being advertised locally
- Opportunities to develop new skills through traineeships, apprenticeships and scholarships
- "Keeping it Local" utilising local suppliers and contractors
- Direct and indirect economic contributions to the local and regional economies through wages, procurement and community investment
- Improving local roads contributing to road upgrades and ongoing road maintenance
- Developing a Voluntary Planning Agreement (VPA) with Mid-Western Regional Council
- Commitment to a Local Community Enhancement Program, including projects relating to heritage, tourism, community events, land management, village beautification etc
- Improved infrastructure (e.g. powerlines and water pipeline)
- Establishing long term biodiversity offsets
- Progressive rehabilitation
- Contributing to community sustainability
- Retention of young people and families

How do we contribute to the community?



Community investment was viewed as a positive impact of the Project

"Sponsoring different groups around the place"

"Sponsorships and community projects like the bore you drilled yesterday at the school"

Bowdens Silver has actively provided donations and sponsorship for

- Agricultural events in Rylstone and Mudgee.
- Local community events and initiatives within the district
- Local schools in Lue, Rylstone and Kandos
- Local sporting teams and sporting events
- Local volunteer organisations

Examples of our Community Investment include:

- Lue Public School contributions for school bus purchase, IT equipment and installation of water bore
- Major Sponsors Rylstone Kandos Show, Rylstone Streetfeast, Mudgee Rugby Union, Mudgee District Netball Association
- Rylstone Kandos Volunteer Rescue Association
 contribution for purchase of vehicle
- Kandos and Rylstone Schools donations for learning and storage spaces, playground and medical equipment, transport for students

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