

Snowy River Project Update

Federation Mining is pleased to provide an update on our progress with the development of the Snowy River Mine (the Project) near Reefton on the South Island in New Zealand.

Our People

The current workforce at Snowy River Mine is 47 which includes 35 Federation Mining roles supported by some specialist contract partners. Our mining crews participated in several sessions with our Managing Director, Mark Le Messurier on the Federation Mining Core Values via video link.

Decline Development

September has proven to be our best month yet for metres developed. Over the month, we completed the fourth crosscut between our two Declines. We have also completed installation of some electrical equipment and pumping infrastructure underground.

Development for the month was a total of 340.9 metres made up by:

- Main Decline – 147.9 Metres
- North Decline – 162.2 Metres
- Ancillary – 30.8 Metres

Project to date our team have developed a total of 1752.5 metres of tunnels across our two declines.

Safety & COVID-19 Management

Federation Mining has prepared a detailed COVID-19 Management plan to ensure the safety of our people and the community under Alert Level 2 restrictions at our Snowy River Mine site.

Our COVID-19 management plan has been communicated to our workforce and is monitored regularly for compliance and effectiveness.

Our Sydney office team is currently working remotely due to ongoing COVID-19 stay at home orders in Australia.

We completed an onsite emergency drill during the month of September which forms part of our health and safety program.

Community & Environment

During the month members of the Federation team attended several important stakeholder meetings including:

- Meeting with the Buller District Council CEO and Mayor to provide an update on site activities and the project moving forward.
- Meeting with New Zealand Petroleum and Minerals for the Annual Review Meeting of the mining permit which was also attended by West Coast Regional Council, New Zealand WorkSafe and OceanaGold.
- Meeting with Francois Tumahai from Ngai Tahu to provide a project update and overview of future development plan.

Our environmental monitoring continued this month with all results provided to the Council.

Some recent analysis of our community spend shows over \$180,000 has been spent in our local community on the West Coast during September 2021.

Federation Mining maintains a Community Contact & Complaints Line +64 3 732 7028.

Project Development

Federation Mining is preparing for the future and has drafted a project plan to scope out the permitting needs for the Snowy River operation to establish the processing facility onsite.

During the month a meeting was held with West Coast Regional Council and Buller District Council representatives on the plan to lodge a Resource Consent amendment application in early 2022 to allow site processing in mid-2024.

A series of initial environmental investigations have been commissioned with a plan to make Resource Consent amendment submission to both Councils in early 2022.

Community meetings are planned during December 2021 in Reefton (7th) and Ikamatua (8th) to update interested stakeholders on site progress and to provide information on the plans for processing onsite in mid-2024.

The following is a summary of key information on processing:

- 10 + year mine life on known resource
- Throughput 300,000 tonnes per year with 95% recovery
- Plant will occupy 10,000 m2 of land already disturbed near admin buildings
- Plant construction time estimated at 9 months and cost of NZ\$50 million
- Plant commissioning in late 2024
- Over 100 employees will be needed during production phase (2024 onwards)
- Waste to be placed on existing waste rock stack & underground in form of paste fill
- All water runoff from surface waste rock stack to be captured and treated
- Production mobile fleet to be electric or low emission engine (Tier 4 and above)

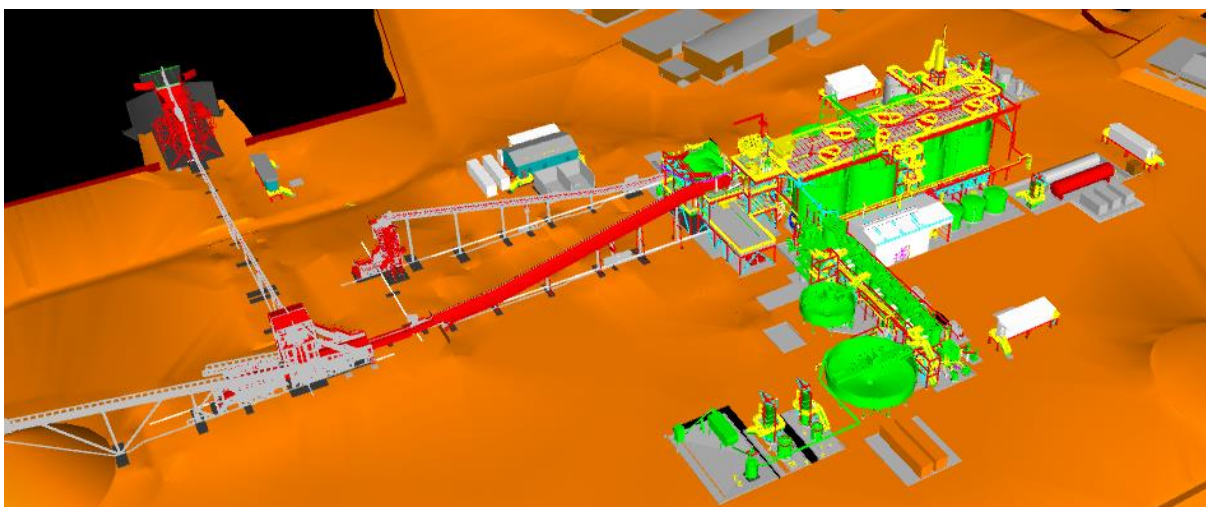


Figure 1 – Snowy River Mine processing plant conceptual design

Site Photos and additional information

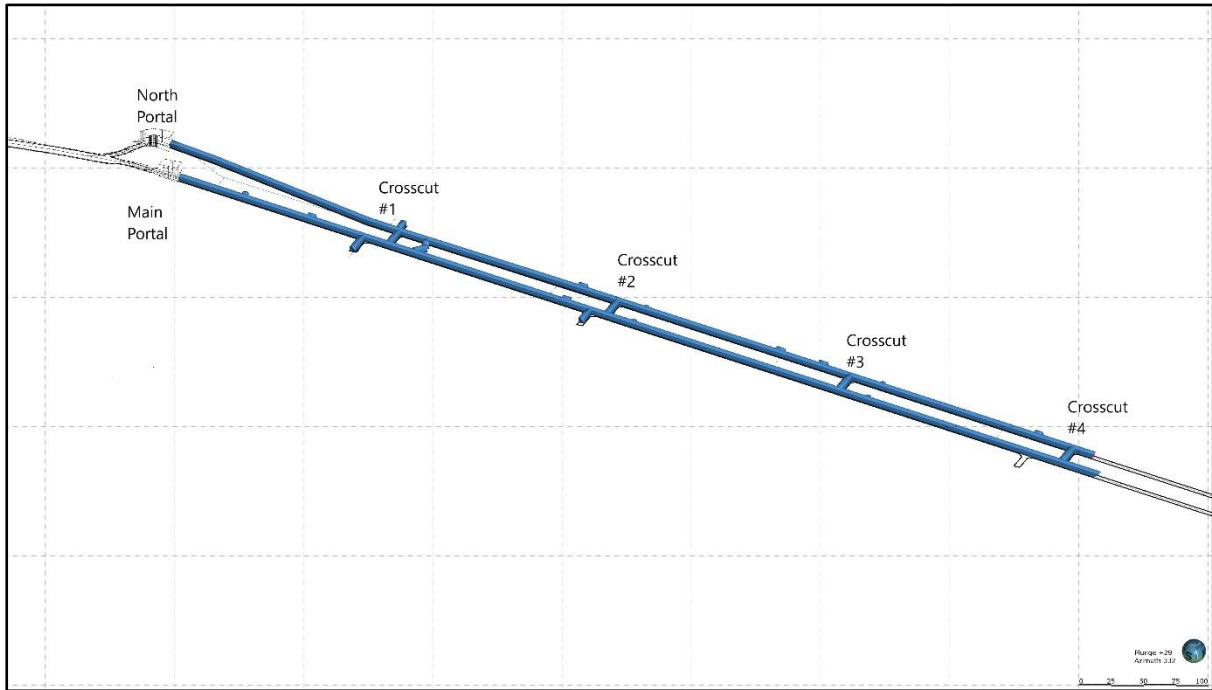


Figure 2 - Current mine layout for the Snowy River Mine twin Declines



Figure 3 – Truck being loaded at Cross-Cut 4



Figure 4 – Crews participating in safety drill

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About Federation Mining

Federation Mining is an Australian incorporated company established by Mark Le Messurier and Jim Askew to build a new gold mining company. Federation will pursue opportunities where it is able to apply its expertise and experience in the development and management of mining projects across a range of regions with a strong focus on Sustainability.