

APPENDIX H3

GROUNDWATER ASSESSMENT PEER REVIEW 2

BIRD IN HAND GOLD PROJECT

MINING LEASE PROPOSAL MC 4473



ABN | 66 122 765 708
Unit 7 / 202-208 Glen Osmond Road | Fullarton SA 5063



Matt Daniel
Environment & Community Superintendent
Terramin Angas Zinc Mine
Unit 7, 202-208 Glen Osmond Road
Fullarton SA 5063

Via email: mdaniel@terramin.com.au

24 October 2017

Dear Matt

RE: Final assessment of additional work addressing IGS questions regarding sensitivity of Bird in Hand groundwater model to recharge

Innovative Groundwater Solutions (IGS) was contracted by Terramin Exploration Pty Ltd (Terramin) to provide an independent peer review of the numerical groundwater flow model produced by Australian Groundwater Technologies Pty Ltd (AGT) to support the Mine Lease Proposal for the Bird in Hand Gold Project. The independent peer review is listed as a requirement by the *Determination for a Mining Proposal for the Bird in Hand Gold Project*.

IGS provided the findings of the peer review in a letter to Terramin, dated 30th June 2017. The letter also documented the scope of the review and details of the iterative review process. A Review Table was included as an appendix to the letter, recording all IGS review comments and the way in which they had or were being addressed by the report authors. The letter stated that four critical issues previously identified as limiting IGS' ability to assess the model as fit for purpose had been satisfactorily addressed. IGS recommended that the model could be assessed as fit-for-purpose, provided the uncertainty around the high recharge zone implemented in the model to the southeast of the mine was documented appropriately.

Thank you for forwarding a copy of the letter (3rd August, 2017) that provides the requested information on the sensitivity of model outcomes to the high recharge zone implemented to the southeast of the mine. The information provided indicates that both recharge / hydraulic conductivity scenarios are equally plausible based on the available data and that the choice of scenario has little impact on model outcomes. As a result, IGS is happy to confirm that we consider the groundwater flow model to be fit for purpose based on the objectives stated in the report.

Sincerely,

A handwritten signature in black ink, appearing to read 'Nikki Harrington'.

Dr Nikki Harrington
Principal Hydrogeologist

A handwritten signature in black ink, appearing to read 'Glenn Harrington'.

Dr Glenn Harrington
Director, Principal Hydrogeologist