Outlook

Water transfer from Rama Gold Mine

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Date Wed 2026-05-27 12:55 PM

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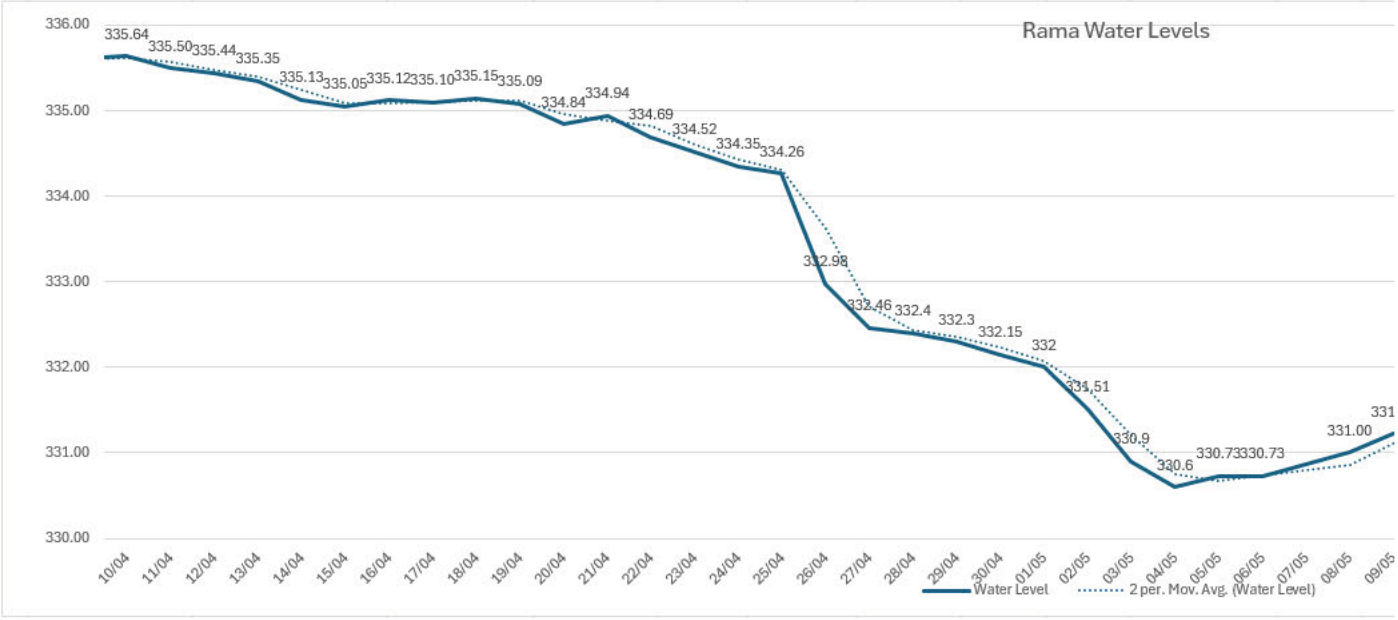
1 attachment (716 KB)

Watercart Transfer into Diggers Pit.pdf;

[redacted]

In preparation for today's meeting, we wanted to provide some background on the current situation at the Rama Pit and outline the urgency of the matter from both an operational and workforce perspective.

At present, mining operations within the Rama Pit have been placed on standby due to rapidly rising water levels, with the pit floor now submerged. While we continue to utilise available water on site for dust suppression purposes, the current usage rates are significantly below the daily inflow volumes and are unable to stabilise the water rise. The attached table outlines the current daily inflow impacts in detail.



As you may be aware, the hydrology report completed in December 2025, together with our ongoing monitoring bores, did not indicate inflow volumes anywhere near what is currently being experienced. Initially, it was believed the water source may have been perched groundwater or an isolated pocket; however, investigations now indicate the inflow is associated with a cross-cutting dyke that appears to have fractured during blasting activities around the 336RL.

MEGA Resources is a privately owned, small-scale mining company operating a couple of modest gold mines without owned processing infrastructure. Our business model relies on toll treatment arrangements with larger processing plants where capacity is available. Our last milling campaign occurred in December 2025 through the Lakewood Mill, and since that time we have not received further processing revenue.

A subsequent milling agreement with Focus Minerals was unfortunately deferred due to prioritisation of their internal ore feed during February and March 2026. More recently, we executed an ore purchase agreement with Pantoro Gold that was intended to commence this month and form the company's next revenue stream. At the time this agreement was entered into, there was no indication or expectation of a significant water management issue at the Rama operation.

Despite the absence of incoming revenue since December, the company has continued to retain all employees on full salary while completing the pre strip of the mine with the anticipation that a milling agreement will become available. Currently the operations remain on standby and while we work towards implementing both temporary and long-term dewatering solutions. Maintaining employment and operational continuity remains a key priority for us.

Our preferred long-term strategy is the construction of a pipeline to the nearby Diggers Rock pit, which is the primary purpose of today's meeting. We appreciate the Department's engagement and cooperation to date and acknowledge the importance of working through the appropriate approvals process. We are currently finalising the supporting documentation and expect to formally submit the application within the coming days.

In the interim, we believe there is a practical short-term solution that could safely stabilise water levels, avoid environmental exposure, and allow the company to maintain operations and employment while the longer-term approvals progress.

The proposed temporary approach would involve transferring water via conventional water carts and subsequently gravity feeding the water into the Diggers Rock pit through a controlled pipeline at the top of the Diggers Rock pit crest. This method would ensure the water remains

fully contained and would eliminate the risk of uncontrolled environmental discharge.

Based on current water quality data, we understand the Diggers Rock pit lake already contains hypersaline water ranging between approximately 35,000–50,000 TDS, compared with Rama water at approximately 25,000 TDS. Current testing has not identified elevated hazardous mineral concentrations within the Rama water. On this basis, we believe the proposed temporary transfer would not create a material environmental impact.

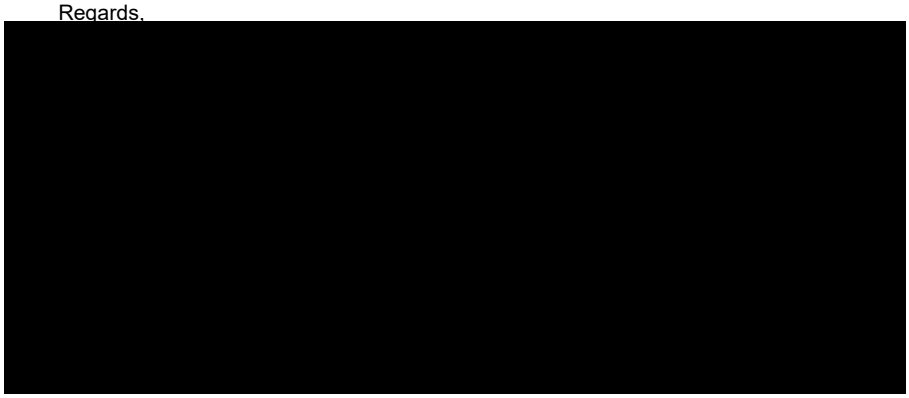
The critical issue for the company at present is stabilising the current inflow before water levels continue to rise further. Without intervention in the immediate term, we are at significant risk of defaulting under our milling agreement obligations within the next five days, which may ultimately require the company to declare Force Majeure.

As a small private operator, the broader consequence of this outcome would be the company's inability to continue carrying payroll and operational overheads for our workforce during an indefinite shutdown period.

Accordingly, we respectfully seek the Department's guidance on whether there is any pathway to expedite either the proposed short-term solution, or aspects of the long-term approval process, within a timeframe of days rather than weeks, to provide the best possible opportunity to stabilise the operation and avoid these outcomes.

We have attached a detailed outline of the proposed process for discussion and again sincerely appreciate the Department's time, assistance, and willingness to work collaboratively with us through this matter.

Regards,



RAMA Water Transfer Plan

Rama Gold Project

Author:		
Approver:		
Date Approved:	**Version:**	01

1. Purpose

Mega Resources (or the Company) is dedicated to providing a safe working environment for all personnel, including sub-contractors and visitors, while minimising environmental impacts and ensuring compliance with both contractual obligations and legislative requirements.

With the timeframe for the works approval to enable construction of a pipeline to pump water from RAMA to Diggers Rock pit unknown, Mega would like to present an alternative solution for consideration for the period of 4 weeks. This solution is to allow Mega operated water carts to facilitate the transfer of water from RAMA to the Diggers Pit.

This will be carried out to ensure the integrity of the Diggers Pit is not impacted negatively, with the water carts connecting to pipework via a coupling, ensuring controlled release of the water into the pit lake in a manner that will not impact environmental receptors negatively.

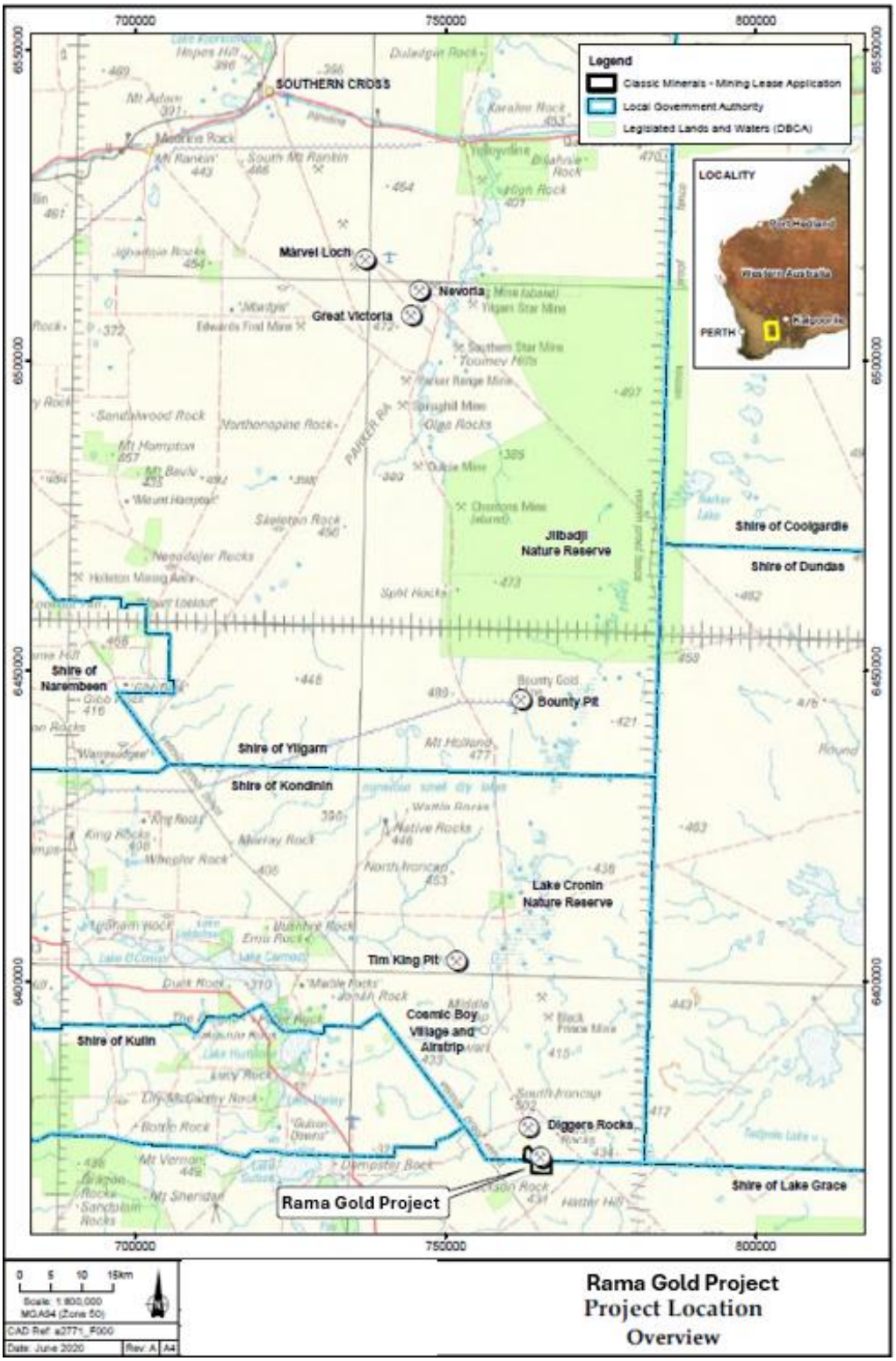
2. Scope

This Rama Water transfer Plan (*the Plan*) outlines the way in which MEGA will carry out the works to reflect its integrated approach to its environmental obligations and WHS management by outlining the proposed activities.

- Agreement to Transfer Rama water into Medallion owned Diggers Pit executed.
- Access from RAMA to Diggers pit via maintained miscellaneous leases 100% owned by Medallion
    - L 74/11 & L74/25.
- Transfer location - Diggers pit on M 74/58 100% owned by Medallion.
- Pipeline placed down Diggers pit ramp into water with coupling fitted suitable for watercart.
- Watercart fills up conventionally from 175,000L of water tanks (1x50kl and 6 x25kl) located on the crest of the RAMA pit. This capacity will increase to 300,000L though awaiting confirmation on final configuration.
- Watercart Travels on miscellaneous lease between RAMA and Diggers pit.
- Watercart operator - Check pipeline connection and visual inspection each load.
- Watercart operator - couples pipeline connection to watercart.
- Transfer into Diggers pit.
- Watercart operator - decouples pipeline connection from watercart.
- Watercart Travels back to RAMA operational area.

3. Project Location

The Rama Gold Project (the Project) is located approximately 170km south of the town of Southern Cross and 20km south-east of the Forrestania nickel operations owned by Medallion (refer to Figure 1). It is accessible via Jackson Rocks Road, approximately 5km south of the Forrestania-Marvel Loch Road and Carstairs Road intersection.



Shown above is the location of the Rama Gold Project Gold Project – the image details the proximity to township infrastructure, Kalgoorlie, Menzies, Leonora and Laverton.

Shown above is the Diggers pit and pipeline location for watercarts to transfer into.

Shown above is the Access between RAMA and Diggers pit

Water tank setup on crest of RAMA Pitj

3.1.1. Equipment Specific Risk Assessment

All equipment operated at Rama Gold Project shall be accompanied by risk assessment.

3.2. Critical Risk Management

The project shall participate with the Critical Risk Management which will be implemented at site level. The process will utilise a structured Critical Risk framework that will be incorporated throughout the project's activities.

Mega Resources has identified the following as its top risks in relation to the Diggers pit project:

CONFINED SPACE

CONTROLS:
- Atmospheric monitoring
- Entry permit execution
- Gas measurement equipment and calibration
- Isolation and lockout
- Verification of zero energy

CONTACT WITH ELECTRICITY

CONTROLS:
- Access control
- Electrical isolation and lockout
- Electrical PPE
- Electrical protection
- Non-conductive tools and equipment
- Verification of zero energy

EXPOSURE TO HAZARDOUS SUBSTANCE

CONTROLS:
- Access controls
- Alarms systems
- Chemical PPE
- Handling requirements
- Loading and unloading protection
- Mechanical integrity of storage and distribution

ENTANGLEMENT & CRUSHING

CONTROLS:
- Blocking for maintenance work
- Equipment isolation and lockout
- Guards, barriers and barricades
- Handling requirements
- Verification of zero energy

EXPOSURE TO THERMAL EXTREMES

CONTROLS:
- Adequate hydration management
- Regular breaks with job rotation
- Shaded work area
- Working times
- Fitness for Work

FALL FROM HEIGHT

CONTROLS:
- Fall protection system
- Fixed work platform
- Ladders and mobile platforms (non-motorised)
- Mobile work platform (EWP)
- Open edge protection
- Scaffold

VEHICLE COLLISION OR ROLLOVER

CONTROLS:
- Access control
- Fit for work and fatigue management
- Mobile equipment maintenance program
- Offsite journey management plan
- Operator competency

FALLING OBJECTS

CONTROLS:
- Barriers and segregation
- Freight loading / unloading
- Mechanical integrity of equipment at heights
- Securing devices
- Stability of stored or stacked material
- Work area management

LIFTING OPERATIONS

CONTROLS:
- Barriers and segregation
- Lifting plan execution
- Mechanical integrity of crane
- Mechanical integrity of lifting equipment

VEHICLE IMPACT ON PERSONS

CONTROLS:
- Fundamentally stable parking
- Mobile equipment maintenance program
- Positive communication system
- Segregation
- Signage and demarcation
- Vehicle preoperational inspection

EXPOSURE TO DUST & FUMES

CONTROLS:
- Administration controls
- Engineering control systems
- PPE
- Face fitting respirator
- Positive pressure respirator

UNCONTROLLED RELEASE OF ENERGY

CONTROLS:
- Guards, barriers and barricades
- High pressure equipment management
- Hose coupling lock system
- Isolation and lockout
- Piping, hoses and equipment mechanical integrity
- Relief valves
- Tensioned lines management
- Tire management
- Verification of zero energy

SLOPE FAILURE

CONTROLS:
- Geotechnical monitoring
- Awareness
- Inspections
- TARP preparation

UNPLANNED EXPLOSIVES INITIATION

CONTROLS:
- Correct transport and storage equipment / facility
- Handling procedure
- User authorisation and competency
- Planning & process
- Fit for purpose equipment

3.3. Job Hazard Analysis

A Job Hazard Analysis (JHA) will be completed for the Diggers Rock transfer via watercart.

See the Mega Resources JHA Form (MER-ALL-SAF-FRM).

3.4. Personal Risk Assessment (Take 5)

Workers shall adhere with the Mega Resources Take 5 Personal Risk Assessment (PRA) process.

The Take 5 is a pre-task risk assessment that focuses on identification and control of workplace hazards for the individual.

- A PRA is performed by individual workers prior to commencing a work task, or when a work task environment has changed or when they have returned to a work task after a break or other absence,
- A PRA is used when performing regular tasks in a new environment,
- A PRAs is used to evaluate risk for possible elevation to a JHA level risk assessment, and
- Personal hazard recognition is improved, and individuals are responsible for the implementation of appropriate control measures.

A JHA will be completed for all new, non-routine tasks which are planned to be undertaken.

Contractors will be required to utilise the Mega Resources Take 5 unless the contractor has a PRA system that meets or exceeds the company standard.

3.5. Hazard Reporting

All workers shall adhere with the Mega Resources hazard reporting process. All submitted hazard reports that directly impact operations shall be reviewed by the Mega Resources responsible person for that workplace. Hazards shall be entered onto the Stems database and actioned in a reasonable time frame.

Contractors will be required to utilise the Mega Resources Hazard Card unless the contractor has a card / reporting system that meets or exceeds the company standard and can be communicated to Mega Resources.

3.6. Stop for Safety

The Stop for Safety procedure is established to empower all workers to take responsibility and halt work if they notice any unsafe condition or behaviour that could potentially lead to an adverse event.

Refer to the Mega Resources Stop for Safety Procedure (MER-ALL-SAF-PRO).

4. Compliance & Monitoring

4.1. Inspections

Mega Resources expects that its workplace leadership team[s] will be responsible for determining the types, frequencies, and accountable parties for inspections. These inspections are intended to identify and address hazardous, or potentially hazardous, situations proactively, thereby mitigating the risk of harm to workers, property damage, or other undesirable occurrences.

Diggers Pit will be added onto the daily inspection sheet as an additional work area with the following additions:

- Integrity and positioning of pipework.
- Pooling of water at transfer points.

- Visual inspection of localised environment for water.
- Access tracks.

  General work area in association with the Diggers pit and its access.

4.2. Maintenance and Inspection

The Mega Resources Leadership Team shall ensure compliance with the Mega Resources preventative maintenance processes to ensure all plant and equipment under workers control is maintained in good working condition, leak free, and serviced in accordance with the manufacturer's requirements.