



12 September 2014

Australian Securities Exchange Limited

### **Birla Nifty- Operations Update**

Aditya Birla Minerals Limited (ABY) provides the following update on its Nifty operations since the re-commencement of operations, following the lifting of the Prohibition Notice by the Department of Mines and Petroleum (DMP).

#### **Safety**

Paramount to the re-commencement of operations was to ensure the safety of the Nifty workforce. The safety performance has been satisfactory across site. A positive milestone was achievement of 1 year LTI free for the mining department up to the end of August 2014. Vigilance and awareness is being maintained as work crews adjust to roster changes.

#### **Manpower**

Subsequent to the recommencement of operations, the roster at Nifty was changed to 14/7 for EBA and shift workers. The Company is working with its employees to ensure any concerns they may have with the change in roster and heard and appropriately dealt with.

The Company continues to monitor manpower requirements to ensure the appropriate levels are maintained.

#### **Underground Mining and Processing**

Mining activities have progressed albeit with smaller crews than originally planned. Temporary contractors have been mobilised to cover gaps as and when required.

Several new headings have been commissioned and operating development has picked up to address short term requirements. Capital development into the west and north limbs of the underground mine commenced in the second half of August 2014.

Bogging and firing of stopes is progressing in line with the short-term schedule.

Production drilling is progressing very well with the first two stopes completely drilled since the resumption of mining.

Pastefilling of the coalesced void OPQ230 has been adversely interrupted by paste leaking into the S230 stope which is at remote bogging stage. It has become necessary to firstly fill S230 sequentially to OPQ230 to be able to contain the interaction.

Alternative stopes are being setup in S220 and V240 stopes to resume pastefilling on dry tails.

Work has commenced into how to safely mine remnant and isolated stopes in the South East quadrant of the checkerboard with assistance from AMC consulting.

The processing activities at Nifty have re-commenced successfully. The operations are currently running at a lower rate of ~120kt per month of ore mining and processing, which is planned to be ramped up gradually to ~150-160kt per month in the next few months.

Based on the detailed stoping, development and production schedule, the Company anticipates producing 16,000 to 18,000 tonnes of copper during FY 2014-15. This quantity may vary depending on the success of the ramp up phase, and other variables, which may come to light throughout this phase.

### **Geotechnical Monitoring**

The New Seismic system has been picking up very small activity in the footwall on the north. Such activity is in the range as expected and has no deleterious impact on mining. Underground extensometers are not showing any displacements. The final stage of the seismic system is being installed, increasing the seismic systems capacity to monitor and locate rock movement throughout the mine and surrounding areas.

Crack monitoring is showing dilation and deepening of existing cracks as expected which was a predicted outcome of the continuing mine wide subsidence monitored by crack monitors on the surface. Stope CMS (Cavity Monitoring Surveys) have not shown any rock mass behaviour of concern.

### **Concentrator Milling**

Concentrator crews have been remobilised and rostered on a campaign milling strategy being 14 days on 7 days off.

### **Life of Mine Plan and Reserves**

The life of mine plan and updated reserve assessment has not yet been completed. Work has yet to commence on this as priority was given to recommencement of operations. The Company will now move to assess the impact on reserves and mine plan taking into account the impact of the sinkhole.

For further information please contact:

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