



July 2016

## ILOVICA GOLD-COPPER PROJECT

# Report on Stakeholder Engagement (Round 3)

**Submitted to:**

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REPORT



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## Table of Contents

<b>1.0 INTRODUCTION</b>	<b>1</b>
1.1 Objectives of Stakeholder Engagement for ESIA	1
1.2 Phases of Stakeholder Engagement for ESIA	1
<b>2.0 REGULATORY REQUIREMENTS</b>	<b>2</b>
2.1 Republic of Macedonia	2
2.2 International Good Practice	2
2.3 Euromax Policies	2
<b>3.0 ROUND 3 STAKEHOLDER ENGAGEMENT</b>	<b>3</b>
3.1 Stakeholder Engagement Team	3
3.2 Methodology	4
3.3 Open House Events	5
3.4 Meetings with Municipalities	8
3.5 Meetings with Other Stakeholders	9
3.6 Summary	9
<b>4.0 REFERENCES</b>	<b>9</b>

### TABLES

Table 1: ESIA Stakeholder Engagement Team	3
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### FIGURES

Figure 1: Categorisation of questions raised during open house events	6
Figure 2: Responses given to the question "How did you hear about the open house event?"	7
Figure 3: Responses given to the question "How would you prefer to receive further information about the Project?"	8

### APPENDICES

#### APPENDIX A

Press Releases, Advertising and Invitations

#### APPENDIX B

Open House Event Survey Responses

#### APPENDIX C

Presentation and Information Panels

#### APPENDIX D

Photographs of Open House Events





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## REPORT ON STAKEHOLDER ENGAGEMENT FOR THE ESIA (ROUND 3)

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### **APPENDIX E**

Questions and Responses from Open House Events

### **APPENDIX F**

Stakeholder Meeting Minutes



### 1.0 INTRODUCTION

Stakeholder engagement forms an integral part of the environmental and social impact assessment (ESIA) process as it provides stakeholders with Project information and an opportunity to comment and/or ask questions that will be addressed in the ESIA and management plans. Early and ongoing stakeholder engagement throughout the ESIA process is consistent with international good practice (i.e. EBRD and International Finance Corporation).

Stakeholder engagement activities have occurred throughout the course of the ESIA, with public and face to face meetings supported by ongoing communications and information distribution. All stakeholder engagement materials are written in Macedonian or presented in spoken Macedonian at meetings or public events.

This report describes the process and results of the third round of stakeholder engagement activities conducted in May 2016. The focus was on conveying the results of the ESIA and presenting the proposed mitigations. This forms the last round of stakeholder engagement in which Euromax sought to ensure stakeholders were confident that their questions and issues raised during previous rounds had been addressed.

In this document, the term 'Project' refers to all proposed mine facilities and associated infrastructure (e.g. access roads, power lines) and the activities associated with the construction, operation and closure of the mine facilities and associated infrastructure.

### 1.1 Objectives of Stakeholder Engagement for ESIA

The fundamental principle of stakeholder engagement is for stakeholders to have meaningful input throughout the ESIA process. The program is designed to address the following three goals:

- 1) Identify stakeholders who may be affected by the Project and disseminate information to them and other concerned members of the public, including, but not limited to, the Project description, potential environmental and socioeconomic effects, planned mitigation measures and monitoring throughout the various phases of the Project;
- 2) Actively seek comments from stakeholders regarding existing environmental and socioeconomic conditions in the Project area, potential environmental and/or socioeconomic effects of the Project and possible mitigation measures that could be incorporated to resolve those issues; and
- 3) Document and respond to all issues raised in a timely manner.

### 1.2 Phases of Stakeholder Engagement for ESIA

The stakeholder engagement comprised the following rounds of engagement, presented here with specific objectives which were undertaken for each round:

#### **Round 1: Early baseline (March/April 2015)**

- Present the Project description, introduce the ESIA team and briefly describe the approach to the ESIA;
- Allow key stakeholders to raise issues of concern and suggestions for enhanced benefits via focus groups and key informant interviews; and
- To contribute relevant local information and knowledge to the ESIA.



### **Round 2: At the completion of the baseline study phase (September 2015)**

- Present the results of the baseline and provide further information on the approach to the ESIA;
- Provide opportunity for members of the public and key stakeholders to respond to the findings of the baseline and verify that their issues, comments, and suggestions have been considered in the approach to the ESIA and development of the Project design; and
- For Euromax and the ESIA team to provide updates on Project progress and upcoming activities.

### **Round 3: At the completion of the impact assessment (May, 2016)**

- Present results of the ESIA;
- Provide opportunity for members of the public to verify that their issues, comments, and suggestions have been considered in the impact assessment or Project design; and
- Allow for comments on the findings of the ESIA.

In addition to Euromax's stakeholder engagement in the ESIA process, the Ministry of Environment and Physical Planning (MoEPP) will lead a public hearing on the Project and ESIA in the Municipalities of Bosilovo and Novo Selo in June 2016. This will provide an opportunity for members of the public to participate in the decision making process. All members of the public and stakeholders will be able to attend.

## **2.0 REGULATORY REQUIREMENTS**

### **2.1 Republic of Macedonia**

Under Article 82 of the Macedonian Law on Environment, the body of the state administration responsible for the affairs of the environment (the Ministry of Environment and Physical Planning [MoEPP]) is responsible for setting the scope of the environmental impact assessment, including those legal entities that should be consulted during the preparation of the EIA. Prior to the engagement activities in Round 1, Euromax identified potentially affected groups and their representatives, village leadership and Municipal Governments and other interested parties to participate.

The Law on Environment (Republic of Macedonia, 2005) also requires public consultation during the disclosure of the EIA report, which takes the form of public hearings to be held in the municipalities within which the Project is located.

### **2.2 International Good Practice**

International good practice requires that stakeholders are identified in a transparent, defined and public manner. Stakeholder groups should include the State, sectoral institutions, local administrations, local residents, influential persons (local leaders), non-government organisations (NGOs), local institutions (healthcare, education), and the general public. The interests of all relevant stakeholder groups must be addressed throughout the ESIA process, with concerns and responses included in the final ESIA.

International guidelines further require that stakeholder engagement must build and maintain a constructive relationship with affected communities; engagement must be free of external manipulation or interference, and conducted on the basis of timely, relevant, understandable, and accessible information (EBRD 2014, IFC 2012).

### **2.3 Euromax Policies**

Euromax addresses community and stakeholder engagement in a number of policy documents including the Euromax Resources Community Policy. Euromax also sets out the importance of stakeholder engagement in the draft Environmental and Social Design Criteria Working Document (report ref: 1023/01/2013v1, dated January 2014), which states:



## REPORT ON STAKEHOLDER ENGAGEMENT FOR THE ESIA (ROUND 3)

*International ESIA best practice emphasises the importance of stakeholder engagement from the outset of any major project through to its eventual completion, which in the case of Ilovica will be its successful closure. This requires a clear project communication strategy, plan and programme with a dedicated team to execute the programme.*

*Stakeholder engagement shares information and knowledge, seeks to understand the concerns of others and builds relationships based on collaboration and partnership. It is a long-term process that must be transparent and demonstrate accountability in order to address the expectations of stakeholders and especially those of local communities.*

*Euromax communication planning recognises this. Regular consultation with local and national stakeholders is ongoing and seen as one of the most important activities in ensuring the Project contributes to positive, long-term social and economic development.*

### 3.0 ROUND 3 STAKEHOLDER ENGAGEMENT

#### 3.1 Stakeholder Engagement Team

The ESIA stakeholder engagement team was led by Golder Associates (Golder) and comprised representatives from Golder Associates, Schlumberger Water Services, Euromax Resources, and a number of Macedonian technical specialists.

**Table 1: ESIA Stakeholder Engagement Team**

Team Member	Company	Role
Andrew Morsley	Golder Associates	ESIA Project Manager
Linda Havers	Golder Associates	Social Lead
Peter Baur	Schlumberger Water Services	Water Studies Project Manager
Rod Mitchell	Schlumberger Water Services	Hydrogeologist
Julia Dent	Schlumberger Water Services	Project Geochemist
Patrick Forward	Euromax Resources	Chief Operating Officer
Alan Baker	Euromax Resources	Project Manager
Kate Harcourt	Euromax Resources	Environmental and Social Manager
Dragi Peltechki	Euromax Resources	In-country Project Manager
Elizabeta Stoeva	Euromax Resources	Information Centre Administrator
Vera Gjorgieva	Euromax Resources	Office Administrator/Mechanical Engineer
Ljubica Panova	Euromax Resources	Database Administrator
Marija Rashkovska	Euromax Resources	Translator
Roska Mitrova-Belicheva	Euromax Resources	Assistant Information Centre Administrator
Nikola Mehandjiski	Euromax Resources	Junior Mining Engineer
Aneta Donkova-Petrushova	Euromax Resources	Head of Administration & HR
Mitko Ligoovski	Euromax Resources	Chief Geologist
Pancho Timov	Euromax Resources	Environmental Technician
Gjorgji Milev	Euromax Resources	Environmental Technician
Dobrincho Krsnachev	Euromax Resources	Environmental Technician
Ivancho Kaevski	Hydro Energo Engineering	Manager
Nakje Tufekchiev	Public Health Institute	Doctor of Hygiene and Health Ecology, Head of the Hygiene and Sanitary Chemistry Department.



## REPORT ON STAKEHOLDER ENGAGEMENT FOR THE ESIA (ROUND 3)

Team Member	Company	Role
Branko Micevski	Biomaster	Macedonian ecology expert
Nikola Micevski	Biomaster	Macedonian ecology expert
Dejan Mirakovski	Goce Delchev University, Shtip	Macedonian air quality & noise expert
Marija Hadzi-Nikolova	Goce Delchev University, Shtip	Macedonian air quality & noise expert
Mitko Krmzov	Euromax Resources	Health and Safety Officer
Teodora Stojanova	Goce Delchev University, Shtip	Macedonian air quality & noise expert
Dushko Cvetanov	Strumica Museum	Archaeologist
Aleksandar Vasilev	Studio Atrium	Landscape and visuals
Maja Pushkarova-Hristomanova	Euromax Resources	Project Controller
Gjorgi Janev	Euromax Resources	Environmental Technician

The public relations firm 'ImagePR' organised a press briefing held at the Municipality of Bosilovo on 17 May 2016. A copy of the press release is attached (Appendix A)

### 3.2 Methodology

The third round of stakeholder engagement focussed on open house events open to all members of the public. In addition, during this round, meetings took place with key stakeholder groups and with the mayors and municipalities within which the Project will occur. The following meetings and events were held:

Date of Meeting	Meeting Attendees
16 May	Meeting with graziers
17 May	Meeting with Municipal government and senior administrators of Novo Selo
17 May	Meeting with Municipal government and senior administrators of Bosilovo
17 May	Press briefing – Municipality of Bosilovo
17 May	Open house event – Ilovica/Shtuka
18 May	Meeting with Strumichko Pole Water Management Company
18 May	Meeting with Farmers' Association representatives
18 May	Open house event – Ilovica/Shtuka
19 May	Meeting with local veterinarian
19 May	Meeting with local NGOs-Eko Chukar Grin NGO and CEOR NGO
19 May	Open house event – Novo Selo

All meetings and open house events were organised by Euromax in collaboration with Golder. Prior to the open house events, invitations and advertisements were placed in relevant media outlets (Appendix A). Invitations were issued to the Mayors of the Municipalities of Bosilovo and Novo Selo, to coordinate group attendees of the Round 1 Stakeholder Engagement Round, and to the attendees of Round 2 Stakeholder Engagement who had asked to be invited again. Advertisements were placed in local shops and were distributed to nearby communities identified as being potentially affected by the Project.

Advertising notices were posted on local shop windows, distributed to the media (e.g. Strumica Denes online newspaper), radio, television (Intel, Vis TV, Telekana A1, TV Kobra) and posted on the Euromax Resources website and social media (e.g. Facebook). Euromax and Golder were able to draw on the relationships built with the Mayors of Bosilovo and Novo Selo, municipal leaders and surrounding communities to gain advice on how best to ensure the successful dissemination of Project-related and ESIA-related information.



### 3.3 Open House Events

Three open house events were held to provide an opportunity for members of the public to come and informally review information on the Project, the ESIA process, results, and regulatory requirements, as well as to meet and ask questions of Euromax and Golder representatives. Open houses were held in the following communities:

- Ilovica (to cover Ilovica, Shtuka, and other communities in the municipality of Bosilovo); and
- Novo Selo (to cover the communities in the municipality of Novo Selo).

The open house events were scheduled to be held over the following three hour periods:

- 6:30pm to 9:30pm on Tuesday 17 May (Ilovica/Shtuka);
- 5:00pm to 8:00pm Wednesday 18 May (Ilovica/Shtuka); and
- 3:00pm to 6:00pm Thursday 19 May (Novo Selo).

Upon arrival at the open house, attendees were asked to sign an attendance register, the summary of which is presented in Appendix B. They were then invited to submit any questions regarding the Project to the team in writing, with assistants available to help if required. Attendees were also asked to complete a survey form which asked four questions:

- How did you hear about the open house event?
- Has the open house event helped you to better understand the potential effects of the Project and the proposed mitigations?
- If you answered 'No' above, what communication methods should Euromax use to provide you with information (please list)? and
- Do you have any further comments or questions about the Ilovica Gold-Copper Project (please list) that were not addressed at this open house or through other means?

The survey forms were completed by 42 attendees at the Ilovica/Shtuka open house events and 7 attendees at the Novo Selo Open House event. The surveys were collected and a summary of questions (and responses) is presented in Appendix B.

At the open house event, information panels (posters) were displayed around the room with information about results of the ESIA, proposed mitigations and management plans. The information panels are presented in Appendix C and photographs of the open house events are shown in Appendix D. Each information panel was attended by a member of the ESIA stakeholder engagement team who was able to further explain the studies undertaken (in Macedonian or in English with interpreted Macedonian) and respond to questions raised by attendees. In addition, copies of the ESIA and non-technical summary in English and Macedonian were provided at all open house events with copies of the non-technical summary available for attendees to take away.

Prior to the ESIA presentation, an animation of the mine was shown by Euromax to provide a visual representation of the proposed project. Golder then gave a presentation on the ESIA (Appendix C), which was written in Macedonian and spoken in Macedonian or in English with the assistance of a Macedonian interpreter.

Following the presentations, a question and answer session was held. Questions submitted in writing during the open house event were sorted by topic and each question was answered by senior Euromax staff or the Golder ESIA Project Manager. This method of answering written questions was employed in response to feedback from the Round 2 Stakeholder Engagement event and to ensure a broad range of questions could be addressed, rather than only a few raised by more vocal participants. All questions provided in writing by



## REPORT ON STAKEHOLDER ENGAGEMENT FOR THE ESIA (ROUND 3)

attendees during the open house events were recorded, along with the response given, and are presented in Appendix E.

The open house event at Ilovica/Shtuka on the 17 May and 18 May were attended by approximately 113 people. The majority of attendees were from the villages of Ilovica and Shtuka, however there were also a number of attendees from other villages (including Turnovo, Sekirnik, Radovo, Bosilovo, Piperevo, Chanaklija, Gradoshorci, Novo Selo, Oraovica and Hamzali) and from the city of Strumica. The open house at Novo Selo was attended by approximately 22 people. The attendees were from Novo Selo and Sushica. Attendees at the open house events comprised on average 20% female, 80% male.

A wide range of questions were asked, most of which related to impacts on water supply and quality and employment/procurement opportunities (Figure 1). Other questions related to impacts of vibrations and dust, the structure of the TMF and plans for new and existing roads.

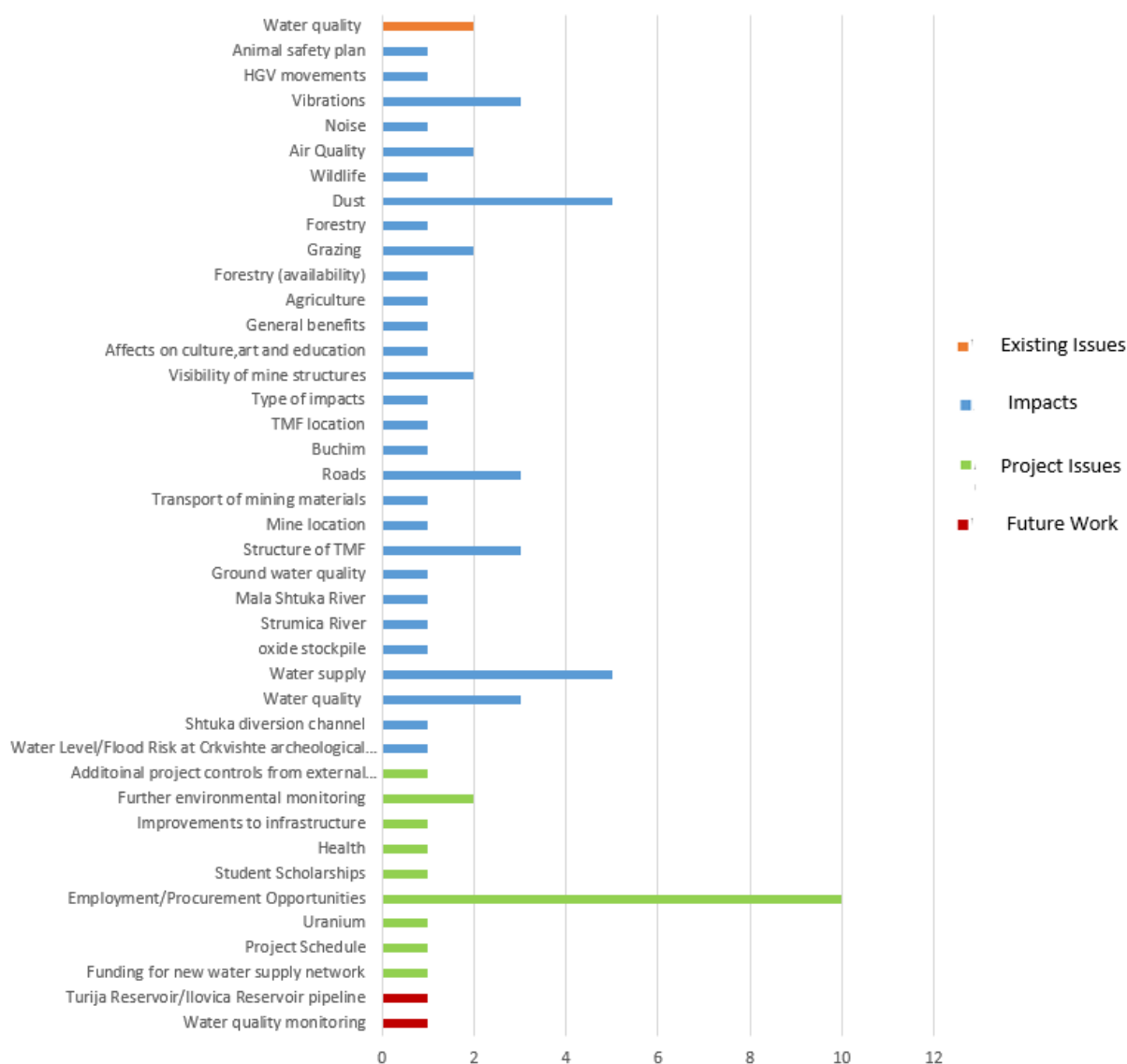


Figure 1: Categorisation of questions raised during open house events

The written responses given on the survey form (responding to the question “What questions or comments do you have about the proposed Ilovica Gold- Copper Project?”) reflect similar trends in concerns regarding





## REPORT ON STAKEHOLDER ENGAGEMENT FOR THE ESIA (ROUND 3)

potential impacts from the Project, but also illustrate that the community are interested in opportunities associated with the Project. Comments and/or questions were related to:

- Concerns regarding pollution;
- Requests for information on environmental impacts including air quality impacts and the impacts on plants;
- Comment that the open house event should be presented in all affected villages including Turnovo Sekirnik and Radovo;
- Requests to see current environmental test results and those predicted over next 20 years; and
- Opportunities for employment/procurement.

The results of the brief survey also provide useful information about how to best communicate with the local communities. A range of methods were used to advertise the open house events (Figure 2), with most attendees learning about the open house event via direct invitation, other means of communication (social media, friends, the Information Centre, meetings and SMS notification), the internet, Euromax website or Facebook page, or in the local shop (where advertising notices were posted). Fewer people learned about the open houses from the television advertisements.

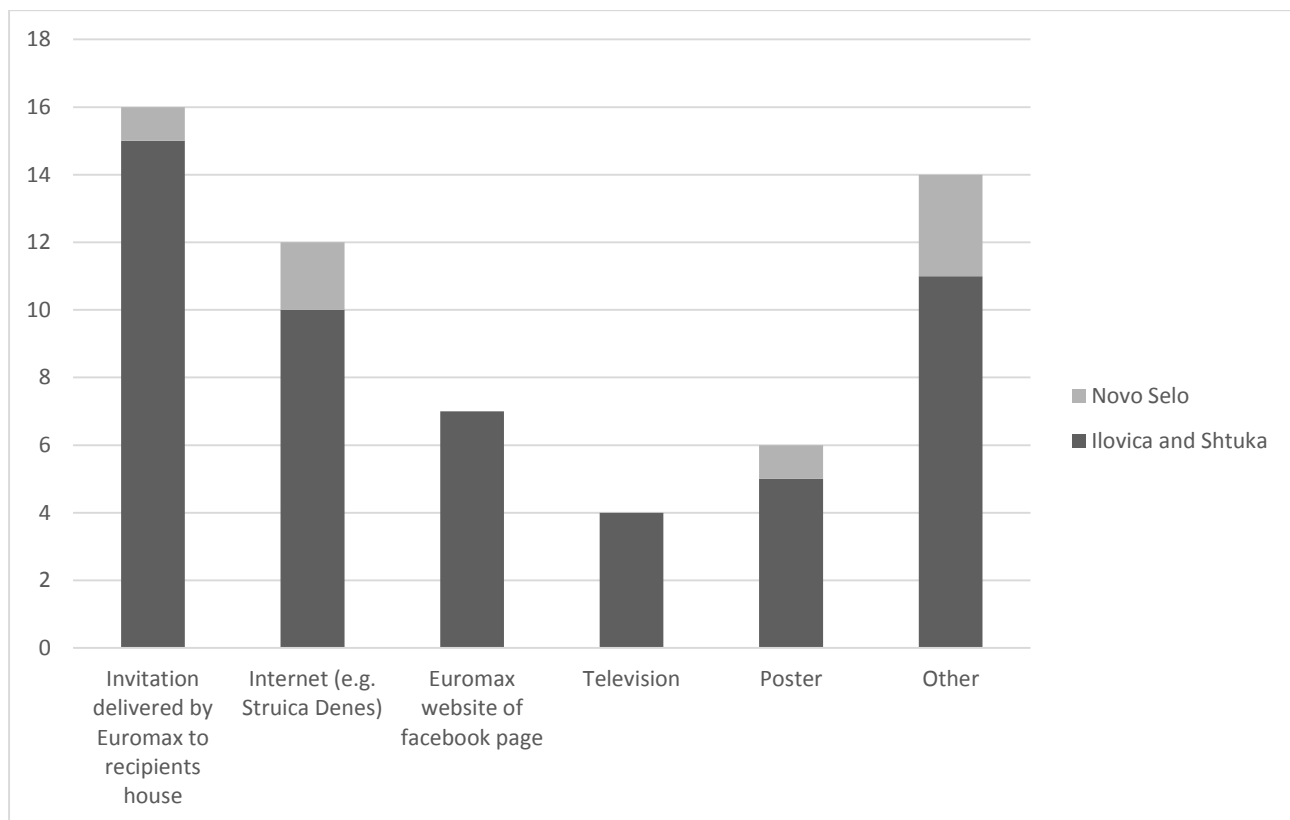


Figure 2: Responses given to the question "How did you hear about the open house event?"

Figure 3 illustrates the preference for how further information about the Project may be distributed. This shows that phone is the most popular form of communication, followed by email and communication in person. Many of the attendees left contact details (email address and telephone numbers) on the sign-in sheet or survey form. These details will be added to the Euromax database for use in distributing Project information in the future.



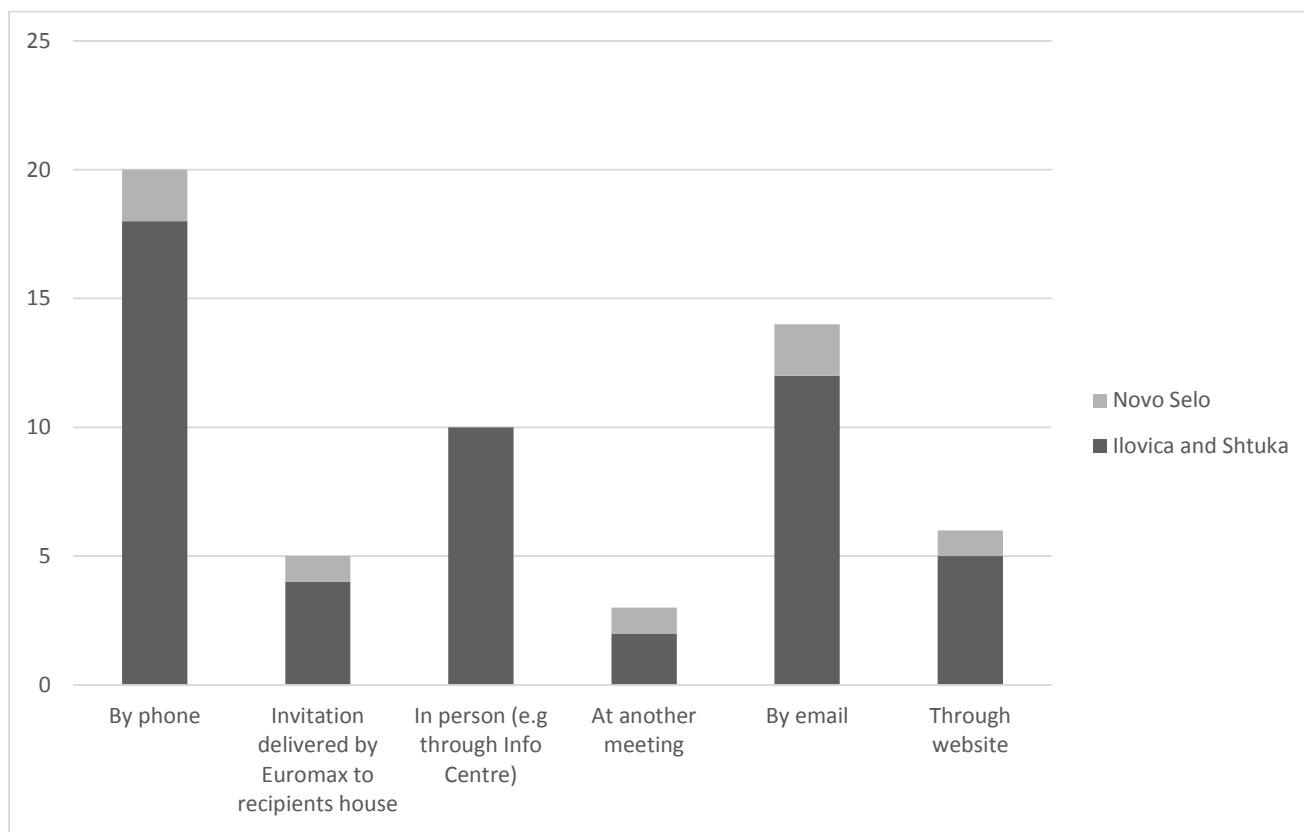


Figure 3: Responses given to the question "How would you prefer to receive further information about the Project?"

### 3.4 Meetings with Municipalities

Meetings were held with the Municipalities of Bosilovo and Novo Selo on Tuesday, 17 May. Minutes of the meetings are presented in Appendix F.

Attendees included the Mayor of each municipality, members of their staff, council members, and guests (at the invitation of the Mayors). Many female employees and representatives of the Municipality were in attendance at these meetings. The purpose of the meetings was to inform the attendees of the results of the EIA and to answer any questions and address any concerns related to the EIA and the Project. The meetings were structured around the presentation to be given at the open house events, followed by opportunity for discussion and questions.

Questions raised at the meetings focused around:

- The differences between the permitting process for Buchim mine (including its EIA) compared to the development and EIA for the Ilovica Project;
- The impacts from the noise and the vibration caused by the movement of heavy goods vehicles (HGVs) during daytime and the evening;
- Negative impacts of the Project on water quality and quantity with a suggestion that a pipeline should be constructed from the Turija Reservoir to the village of Novo Konjarevo;
- The need for Euromax to provide greater information about mining activities as people in the area are not familiar with mining;
- Suggested use of solar energy collectors on Ograzhden Mountain to provide power to the Project;



- A request for information from the Urban Planning Department of the Municipality on the status of the development of the state urban planning documentation, the strategic EIA and the urban planning documentation for the access road from M6; and
- A comment from the Mayor on the importance of the open house events.

A media briefing was held on 17 May, attended by Euromax and the Mayors of the Municipalities of Bosilovo and Novo Selo. The briefing was covered by a number of media outlets:

- TV Kanal Vis/ journalist correspondent for national media: TV 24 Vesti, Vest(print), Canal 77(radio);
- Intel / journalist correspondent for national media: Sitel TV;
- Jugo info;
- TV Canal A1/ journalist correspondent for national media: MTV; and
- Strumica net.

### 3.5 Meetings with Other Stakeholders

Meetings were held with the graziers, the Farmers Association, Strumichko Pole Water Management Company, a local veterinarian, and local NGO's including CEOR NGO and Eko Chukar Grin NGO over the period 16 to 19 May 2016. These meetings focussed upon continuing the cooperation between Euromax and these stakeholders, sharing information, allowing stakeholders to ask questions to the Euromax and ESIA team directly and to make comments and suggestions on the Project. Minutes from meetings with these other stakeholders are provided in Appendix F.

### 3.6 Summary

All comments and questions raised at the open house events and stakeholder meetings have been collated and will inform further stakeholder engagement activities, events, and further development of mitigation and management plans. For example, due to the high interest expressed regarding employment, Euromax has proposed holding a recruitment fair so that prospective employees can learn about job qualifications, opportunities with contractor employment, recruitment and application procedures. A similar event to promote local procurement is also proposed, to assist local businesses to understand the opportunities to supply goods and services and the quality and performance requirements of Euromax (for example in the areas of HR, H&S and environmental performance). Some groups and attendees at the open houses (i.e. graziers) will have their concerns addressed through the land acquisition process, which is currently underway via the generation of a Land Acquisition and Resettlement Framework (LARF). Farmers and NGOs were met in order for Euromax to begin plans for education awareness and community involvement in environmental monitoring. The questions and concerns raised are similar to those raised during the first and second rounds of stakeholder engagement, plus some issues which were more prominent than in previous rounds (e.g. employment and procurements opportunities, the structure of the TMF and plans for new and existing roads), which will also be addressed in management plans.

The information gathered regarding preferred communication methods will be taken into account by Euromax as they prepare their plan for ongoing communication and consultation.

## 4.0 REFERENCES

EBRD (European Bank for Reconstruction and Development). 2014. *Environmental and Social Policy*. London, UK.

IFC (International Finance Corporation). 2012. *Performance Standards on Environmental and Social Sustainability – Guidance Notes*. International Finance Corporation, World Bank Group, Washington DC.

Republic of Macedonia. 2005. *Law on the Environment (as amended)*. Official Gazette of the Republic of Macedonia no. 53/2005, 81/05, 24/07, 159/08, 83/2009, 47/2010, 124/10, 51/11.



## Report Signature Page

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15 July 2016

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# **APPENDIX A**

## **Press Releases, Advertising and Invitations**

## PRESS RELEASE

### **Euromax will inform all stakeholders about the new stages of development of the copper and gold project Ilovica through Open house events**

17.05.2016, Strumica - In order to involve all stakeholders, Euromax Resources organizes a third cycle of open house events. This follows the submission of the environmental impact assessment for the project Ilovica to the Ministry of Environment and Physical Planning. The open house events will be held in the villages of Ilovica and Shtuka and in the municipality town of Novo Selo, where all stakeholders, i.e. representatives of local government, local governmental institutions and agencies, and citizens will be informed of the results of the Environmental Impact Assessment (EIA) for the project Ilovica. The Ministry of Environment and Physical Planning will also hold their own Public Consultation in the coming weeks in order to assess opinion on the project.

The assessment and the most important data in it will be presented by experts who have all worked on the EIA - teams from Euromax, independent Macedonian experts and international independent consultants from the companies Golder Associates and Schlumberger Water Services. All those contributing to the study had the objective of harmonizing the EIA with the national and international regulations and guidelines for responsibility in the construction and operation from the perspective of all stakeholders.

Recognized and respected Macedonian scientific research institutions also worked on various aspects of the assessment, such as the University Goce Delchev from Stip, which worked on the research and identification of socio-economic conditions, traffic, air quality and noise, Biomaster worked in the field of ecology and biodiversity, Vangel Ivanov worked on the archeology and cultural heritage. Many other local and national institutions, such as the Museum in Strumica, the water management company Strumicko Pole from Strumica, the Hydrometeorological Directorate, the water treatment plant Ilovica and the forest company Belasica from Strumica contributed to the development of EIA by providing various data used in the baselines and IA.

*"Over the past few months we have been working actively on the preparation of the assessment because it is the basis for all activities that will follow, building towards the full implementation of the construction of the copper and gold mine near Shtuka and Ilovica. Suggestions from all stakeholders are most welcome and these open house events are a great opportunity for us at Euromax to appreciate everyone's views and wherever possible integrate them into the assessment, so that the project can be as compatible with the community and its expectations as possible,"* said Patrick Forward, COO Euromax.

The submission of the EIA is in full compliance with national legislation and is one of the requirements for the issuance of the Mining permit for the project Ilovica. The study is based on the project design developed during the recent Feasibility Study and also detailed baseline information collected by the Company over the last three years and is based on real data and conditions. Euromax received approval for an environmental impact study in 2012 and the new study benefits from a greater level of detail in all areas.

According to the environmental impact assessment, the construction of the mine will take 18 months. Life of mine will be 23 years and the total investment for construction is estimated at \$500 million. As an extension of the submitted environmental impact assessment, Euromax in parallel continues with drafting the Environmental and social impact assessment (ESIA). The ESIA will develop further the submitted EIA to include detailed management plans and to satisfy the standards and requirements for performance of the European Bank for Reconstruction and Development (EBRD) and the Equator principles. EBRD has ownership of nearly 20% in this project.



## PUBLIC OPEN HOUSE

Euromax Resources (EOX) is proposing to develop an open pit copper and gold mine located near the villages of Ilovica and Shtuka on the slopes of Ograzhden Mountain, in the Municipalities of Bosilovo and Novo Selo.

EOX is pleased to announce that a draft Environmental Impact Assessment ("EIA") which also addresses social aspects for its Ilovica copper-gold project has been submitted on 26th April to the Ministry of Environment and Physical Planning for approval.

As part of the stakeholder engagement process round 3, EOX is organizing an Open House in order to present the results of its EIA/ESIA and proposed mitigations and management plans to the public and interested stakeholders, as well as to answer stakeholders' queries and to hear their comments and suggestions. Please join us at the Public Open House to learn more about our project and its ESIA and provide us with your valued input. The specialists who have been developed our project ESIA will be on hand to answer your questions. Everyone is more than welcome!

**VENUE:** Ilovica/Shtuka school sports hall

**DATE:** 17<sup>th</sup> and 18<sup>th</sup> May 2016 (Tuesday and Wednesday)

**TIME:** from 6:30 PM to 9:30 PM

Presentation will be delivered at 7:30 PM.

Refreshments will be served.

For more information, please contact:

Elizabeta Stoeva, Information Centre Administrator

T: +389 34 368 888

M: +389 75 396 474

E: [estoeva@euromaxresources.mk](mailto:estoeva@euromaxresources.mk)

Dear x,

Euromax Resources (EOX) is proposing to develop an open pit copper and gold mine located near the villages of Ilovica and Shtuka on the slopes of Ograzhden Mountain, in the Municipalities of Bosilovo and Novo Selo. The proposed Ilovica Project is located approximately 20 km to the east of the town of Strumica and approximately 15 km to the west of the border with Bulgaria.

EOX is pleased to announce that an Environmental Impact Assessment ("EIA") which also addresses social aspects for its Ilovica copper-gold project has been submitted on 26th April to the Ministry of Environment and Physical Planning for approval.

The EIA is an assessment of the potential environmental and social impacts of the Ilovica Project and it is based on the recently published Ilovica Project Feasibility Study project design and detailed environmental and social baseline studies, which have been conducted since September 2013. It meets all Macedonian national regulations and is part of the application package required by the Macedonian authorities for the issuance of an Exploitation Permit for the Ilovica Project. Additional work is continuing on an Environmental and Social Impact Assessment ("ESIA") as an expansion of the national EIA in order to meet the EBRD Performance Requirements and Equator Principles.

The EIA has been developed in cooperation between the Euromax team, Macedonian specialists in various disciplines, Golder Associates (Golder) and Schlumberger Water Services (SWS).

The EIA documentation, including a Non-Technical Summary, will be available at Euromax Information Centre in Ilovica, Euromax office in Strumica, Euromax office in Skopje, Offices of the Municipalities of Bosilovo and Novo Selo, MOEPP website, and Euromax websites, for a review period of 30 days, during which the stakeholders are invited to comment. After the review period, and a formal Public Hearing, all comments will be addressed and incorporated into a final version of the EIA.

During the EIA disclosure period, and as part of the Stakeholder Engagement round 3, various meetings and public events will be held in order to present the results of the EIA and proposed mitigations and management plans to the public and interested stakeholders, as well as to answer stakeholder queries and to hear their comments and suggestions. This will be also an opportunity for members of the public to verify that their issues, comments, and suggestions provided during the meetings and OH events in September, 2015 have been considered in the impact assessment or Project design.

We would like to invite you to join us to one of our open house events that have been arranged on the following dates and times:

- 17<sup>th</sup> May 2016 (Tuesday) from 6:30 PM to 9:30 PM: Ilovica/Shtuka school sports hall
- 18<sup>th</sup> May 2016 (Wednesday): from 5:00 PM to 8:00 PM: Ilovica/Shtuka school sports hall
- 19<sup>th</sup> May 2016 (Thursday) from 3:00 PM to 6:00 PM: Novo Selo school sports hall

During the abovementioned events, a presentation will be delivered by EOX and Golder at the following times:

- 7:30 PM on May 17 (Tuesday)



- 6:00 PM on May 18 (Wednesday)

- 4:00 PM on May 19 (Thursday)

Refreshments will be served.

This is an opportunity for you to meet the representatives from EOX, Golder, SWS and Macedonian specialists who have been working on the ESIA, they will be on hand to answer your questions related to the EIA and the project in general.

Our aim is to keep the project stakeholders informed through each phase of the project and to evaluate and improve the consultation process on an ongoing basis.

Enclosed you shall find a map of the concession area with the proposed locations of the mine facilities, and maps showing the locations of the OH events.

If you have any queries with regard to the OH events, please feel free to contact us by email at: [estoeva@euromaxresources.mk](mailto:estoeva@euromaxresources.mk), [rbelicheva@euromaxresources.mk](mailto:rbelicheva@euromaxresources.mk), [dragipeltechki@euromaxresources.mk](mailto:dragipeltechki@euromaxresources.mk) or by phone at 075 396 474, 075 399 270 and 075 396 259. To read more about our project and to review its EIA and the Non-Technical Summary, please visit our website at [euromaxresources.mk](http://euromaxresources.mk).

Yours sincerely,

Euromax Resources



# **APPENDIX B**

## **Open House Event Survey Responses**

**Euromax Resources**

**Ilovica Proposed Gold-Copper Project**

**OPEN HOUSE FEEDBACK SURVEY SUMMARY**

**Ilovica/Shtuka, 17<sup>th</sup> and 18<sup>th</sup> of May, 2016**

The total number of attendees who filled out the OH feedback survey during the two OH events in Ilovica/Shtuka is 42. Below is a summary of the data gathered with this survey.

<b>1. How did you hear about the open house? (circle all that apply)</b>									
Invitation sent by Euromax	Internet (e.g. Strumica Denes)	Euromax Web site or facebook page	Television	Poster	Other				
					Other Facebook page	Friend	Info Centre	Meeti ngs	SMS notific ation
15	10	07	04	05	01	04	03	01	02
<b>2. Has the open house event helped you to better understand the potential effects of the Project and the proposed mitigations?</b>								Yes	No
								38	02
<b>3. If you answered 'No' above, what communication methods should Euromax use to provide you with information (please list)?</b>				None of those two persons who answered 'No' has listed any communication method that Euromax should use to provide them with information.					
<b>4. Do you have any further comments or questions about the Ilovica Gold-Copper Project (please list) that were not addressed at this open house or through other means?</b>									
<ul style="list-style-type: none"> <li>1) Employment of the people</li> <li>2) More information about the pollution of the air and the negative impacts to the plants</li> <li>3) More information about the environmental impact and the impact to the community</li> <li>4) This kind of presentation should be presented in all affected villages, such as, Turnovo, Sekirnik, Radovo</li> <li>5) I haven't seen and you did not present any specific numbers (results) about composition of air, water (surface and ground water), the condition of soils at the moment and after 5, 10, 20 years.</li> <li>6) Yes, but only in person with every one and anonymously, there are some that should not be in public (this is a literal translation, but I assume that this person want to say that some comments/questions should not be made in public)</li> <li>7) No, I don't</li> </ul>									

**Euromax Resources**  
**Ilovica Proposed Gold-Copper Project**

**OPEN HOUSE FEEDBACK SURVEY SUMMARY**

**Ilovica/Shtuka, 17<sup>th</sup> and 18<sup>th</sup> of May, 2016**

<b>5. How would you prefer to receive further information about the Ilovica Gold-Copper Project in the future? (circle all that apply)</b>					
By phone	By mail (e.g. newsletter)	In person (e.g through Info Centre)	At another meeting	By email	Through website
18	04	10	02	12	05

**Euromax Resources**  
**Ilovica Proposed Gold-Copper Project**

**OPEN HOUSE FEEDBACK SURVEY SUMMARY**

**Novo Selo, 19<sup>th</sup> of May, 2016**

The total number of attendees who filled out the OH feedback survey during the OH event in Novo Selo is 7. Below is a summary of the data gathered with this survey.

<b>1. How did you hear about the open house? (circle all that apply)</b>						
Invitation sent by Euromax	Internet (e.g. Strumica Denes)	Euromax Web site or facebook page	Television	Poster	Other	
					Other Facebook page	Accidentally passing by
01	02	00	00	01	01	02

<b>2. Has the open house event helped you to better understand the potential effects of the Project and the proposed mitigations?</b>	Yes	No
	07	00

<b>3. If you answered 'No' above, what communication methods should Euromax use to provide you with information (please list)?</b>	All attendees who filled out the survey, answered 'Yes'.
--	--

<b>4. Do you have any further comments or questions about the Ilovica Gold-Copper Project (please list) that were not addressed at this open house or through other means?</b>
There are not any further comments/questions provided.

<b>5. How would you prefer to receive further information about the Ilovica Gold-Copper Project in the future? (circle all that apply)</b>					
By phone	By mail (e.g. newsletter)	In person (e.g through Info Centre)	At another meeting	By email	Through website
02	01	00	01	02	01

**Euromax Resources**  
**Ilovica Proposed Gold-Copper Project**  
**Open House Sign in Sheets Summary**  
**Rounds 2 and 3 of SE**  
**(Number of attendees who signed in by gender)**

<b>Ilovica/Shtuka OH 17<sup>th</sup> of May, 2016</b>	
Male	67
Female	13
Person from Ilovica who put only a signature and not full name (cannot be classified by gender)	01
<b>Total</b>	<b>81</b>
<b>Ilovica/Shtuka OH, 18<sup>th</sup> of May, 2016</b>	
Male	17
Female	08
<b>Total</b>	<b>25</b>
<b>Novo Selo OH, 19<sup>th</sup> of May, 2016</b>	
Male	15
Female	03
<b>Total</b>	<b>18</b>
<b>Ilovica/Shtuka OH, 16<sup>th</sup> of September, 2015</b>	
Male	77
Female	31
Person from Shtuka who put only a signature and not full name (cannot be classified by gender)	01
<b>Total</b>	<b>109</b>

**Euromax Resources**  
**Ilovica Proposed Gold-Copper Project**  
**Open House Sign in Sheets Summary**  
**Rounds 2 and 3 of SE**  
**(Number of attendees who signed in by gender)**

<b>Novo Selo OH, 17<sup>th</sup> of September, 2015</b>	
Male	12
Female	05
<b>Total</b>	<b>17</b>

**Euromax Resources**  
**Ilovica Proposed Gold-Copper Project**  
**Open House Sign in sheets Summary**  
**Round 3**  
**17<sup>th</sup>, 18<sup>th</sup>, 19<sup>th</sup> of May, 2016**

**Ilovica/Shtuka OH, 17<sup>th</sup> and 18<sup>th</sup> of May, 2016 (Tuesday and Wednesday)**

<b>Would you like to receive more information about the project?</b>	
Yes	84
No	03
No answer	19
Total number of attendees who signed in	106
Number of attendees who did not sign in	07
Total number of attendees	113
<b>Number of attendees who signed in by dwelling place</b>	
Ilovica	42
Shtuka	25
Turnovo	01
Sekirnik	02
Radovo	01
Bosilovo	02
Piperevo	02
Chanaklija	02
Gradoshorci	01
Novo Selo	01
Oraovica	01
Hamzali	01
Strumica	10
No information provided on dwelling place	15
<b>Number of attendees who signed in by gender</b>	
Male	85
Female	21



**Euromax Resources**  
**Ilovica Proposed Gold-Copper Project**  
**Open House Sign in sheets Summary**  
**Round 3**  
**17<sup>th</sup>, 18<sup>th</sup>, 19<sup>th</sup> of May, 2016**

**Novo Selo OH, 19<sup>th</sup> of May, 2016 (Thursday)**

<b>Would you like to receive more information about the project?</b>	
Yes	08
No	01
No answer	09
Total number of attendees who signed in	18
Number of attendees who did not sign in	04
Total number of attendees	22
<b>Number of attendees who signed in by dwelling place</b>	
Novo Selo	04
Sushica	01
No information provided on dwelling place	13
<b>Number of attendees who signed in by gender</b>	
Male	15
Female	03



# **APPENDIX C**

## **Presentation and Information Panels**



# Ilovica Gold-Copper Project

## Management and Monitoring Plans

Environmental and social management plans provide a framework for implementation of the mitigation measures and monitoring required to help avoid or minimise adverse impacts and to optimise benefits of the Project.

Management plans will be developed in cooperation with local institutions and will be updated throughout the life of the Project.

Some of the management plans to be developed include:

- Waste Management Plan
- Environmental Monitoring Plan
- Water Management Plan
- Sediment and Erosion Control Management Plan
- Construction Management Plan
- Biodiversity Action Plan
- Cultural Heritage Management Plan
- Social Management Plan:
  - Occupational Health and Safety Plan
  - Land Acquisition and Compensation Plan
  - Training and Recruitment Plan
  - Community Investment Plan
  - Community Health, Safety and Security Management Plan
  - Procurement Plan
  - Livelihood Restoration Plan
- Closure Plan
- Traffic Management Plan
- Hazardous Materials Management Plan
- Emergency Preparedness and Response Plan
- Stakeholder Engagement Plan



Example of heavy machinery working in an open pit mine



Example of heavy machinery working in an open pit mine



Air quality monitoring equipment near the Ilovica Water Treatment Plant



# Ilovica Gold-Copper Project

## Socio-economics

### Economic benefits

- The Project will have a positive effect on the economies of Macedonia, the city of Strumica, and the Municipalities of Bosilovo and Novo Selo
- Project construction is projected to contribute over €90 million to national GDP
- During operations, the Project is expected to contribute an annual average of around €100 million to national GDP.
- Taxes paid during Project construction will yield over €9 million in government revenue
- Annual operational tax revenue will be around €13 million.
- Municipal royalties paid during operations will average almost €3 million a year
- Consumer spending of employee incomes will have a positive effect on local economic activity.

### Employment and incomes

- During construction, the Project will create about 720 employment opportunities in Macedonia, most (~70%) of which will be sourced locally.
- During operations, the Project will employ 470 Macedonians, most (~80%) of which will come from the local area.
- Euromax will develop a training and recruitment plan that includes strategies to boost the ability of local area residents to participate in the Project:
- Additional indirect employment (800 to 900 jobs) will be generated in industries supplying the Project with goods and services.
- Consumer spending by employees and contractors is projected to induce further employment (450 to 850 jobs) in consumer industries.

### Quality of life

- Positive effects through community investment in initiatives related to culture and art, education, the environment, community building, and sport.
- Adverse effects of increased noise and heavy truck traffic, alteration of the visual environment, and generation of perceptions of harm
- Euromax will implement a public education programming to ensure that perceived effects are well understood to reduce perceptions of harm, and will operate the Project with good practice health and safety measures in place

### Land use

- Negative impact on agriculture near the access road, forestry (particularly around the TMF), and other land uses through the removal of arable, forestry and grazing land
- The Project will temporarily displace other land users (e.g. recreational hunters, beekeepers, and mushroom harvesters)
- Euromax will work with land users to compensate for land acquisition, and to find other suitable and agreed upon land for other land users.



Haul trucks operating at an operational open pit mine



Example of an open pit copper mine in South America



Ilovica

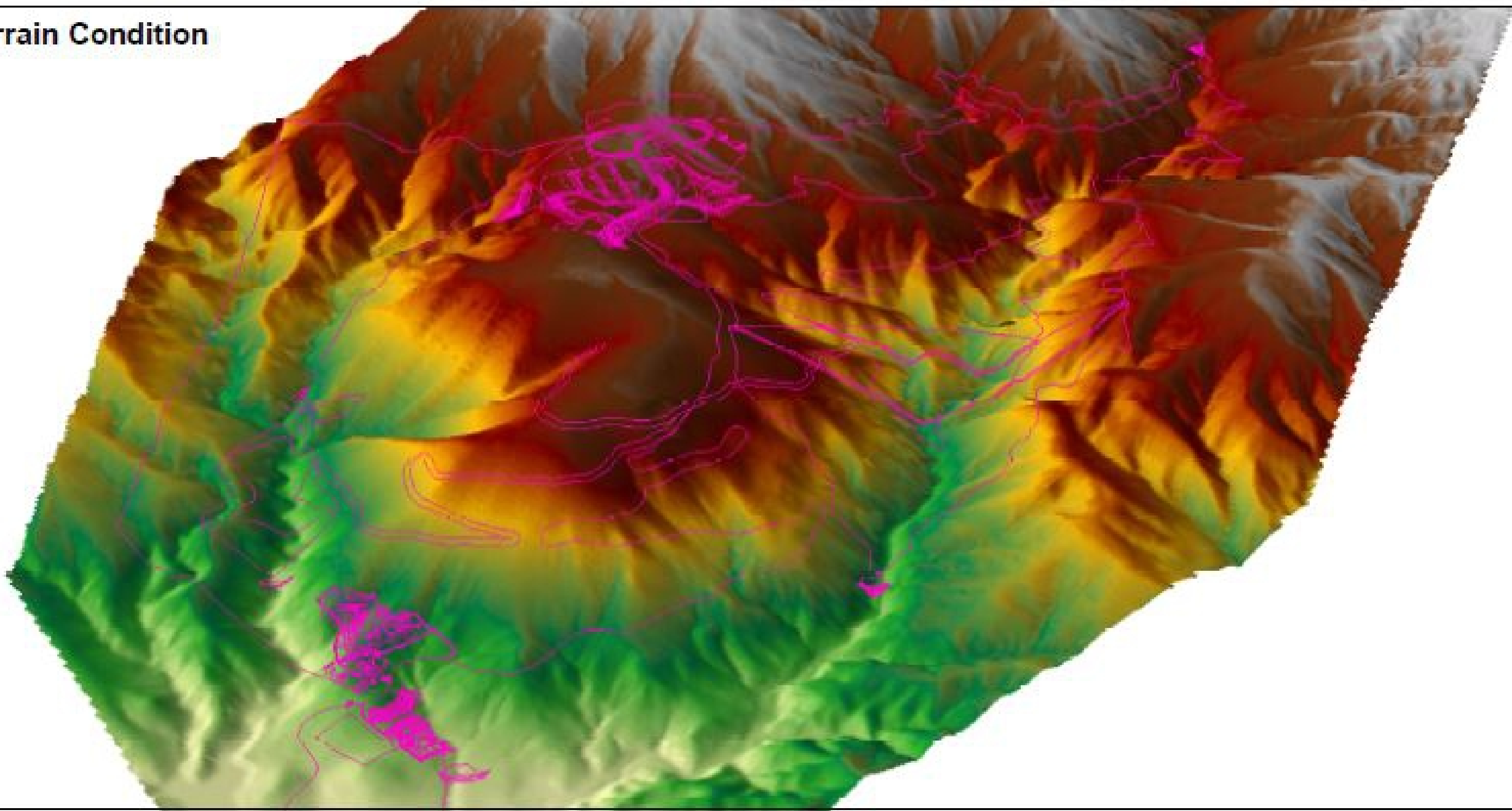


# Ilovica Gold-Copper Project

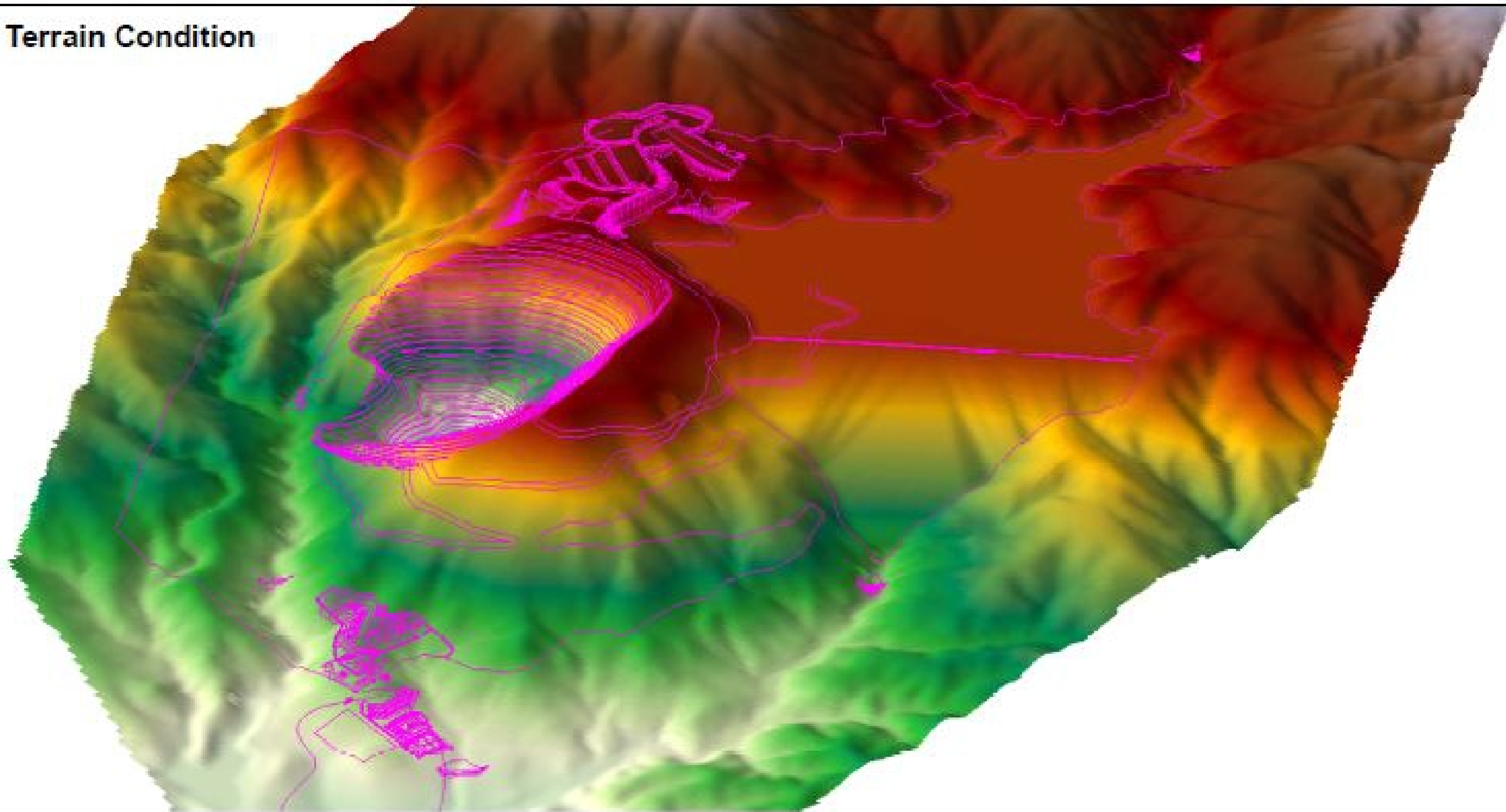
## Geomorphology, soils and land use capability

Impact	Phase of the project				Mitigation measures
	Construction	Operations	Closure	Post-closure	
Change in terrain	✓	✓	✓	✓	Surfaces will be contoured and planted at closure, but there will be permanent change in landform due to the pit and TMF.
Reduction of agriculture land	✓	✓	✓	✓	Access road will be routed to minimise loss of productive agricultural land.
Reduction of grazing land	✓	✓	✓		Reclamation of the tailings management facility to enable grazing land use (subject to results of long-term monitoring of soil and vegetation). Could lead to a net increase in grazing land over the long-term.
Reduction of forestry land associated with the TMF	✓	✓	✓	✓	Nil.
Increased erosion	✓				Erosion control measures (e.g. silt fences, ditches, temporary surface water diversions, sediment ponds).

Baseline Terrain Condition



Closure Terrain Condition



Change in terrain from the current (baseline) conditions to after

Air emissions may cause small changes in soil chemistry, but these are not expected to be large enough to trigger a change in land use. Long-term soil monitoring will be undertaken to identify whether any changes are occurring and to put in place steps to minimise the impact, if required.

Soils and rock will be stockpiled for use during the rehabilitation of the site. Stockpiles will be revegetated to minimise erosion and to maintain soil quality.



View up the Shtuka valley



# Ilovica Gold-Copper Project

## Stakeholder Engagement

### Objective:

Stakeholder engagement is important to gain an understanding of how the Project will affect stakeholders and to gather their ideas on how the impacts should be mitigated and managed. Feedback from stakeholders provides an important input to project design.

The objectives of stakeholder engagement for the EIA are:

- To identify Project stakeholders and present timely information to them;
- To provide ongoing opportunities for stakeholders to ask questions and express interests and concerns relative to the Project;
- To record stakeholder questions, interests and concerns such that these can be relayed to the Project proponent for integration in a timely fashion into work being done to develop the Project and the EIA; and
- To supplement baseline data collection for the EIA through qualitative information provided in the course of consultations that enhances understanding of the opportunities and constraints of potentially affected stakeholders.

### Stakeholders:

Stakeholders are individuals, groups or organisations that may be affected by the Project.

For the Ilovica Project, stakeholders are:

- National and local level government – MOEPP, MOE and other government agencies, Municipality of Bosilovo, Municipality of Novo Selo, local institutions, agencies and utilities
- Local communities – primarily Ilovica, Shtuka and Strumica, but including other communities that may experience effects including: Borievo, Bosilovo, Drvosh, Ednokukjevo, Novo Konjarevo, Novo Selo, Petralinci, Radovo, Robovo, Sekirnik, Staro Baldovci, Sushica and Turnovo

## Ongoing Stakeholder Engagement

- Euromax has maintained an Information Centre in Ilovica since February 2013 through which members of the public have requested information and shared their opinions, concerns, comments and ideas related to the Ilovica project.
- Euromax has developed a Grievance Procedure that can be found in the Information Centre and on the Euromax website.
- Euromax staff have completed meetings with the municipalities, schools, religious leaders, utilities, healthcare institutions, local associations and other interested groups and individuals
- Euromax intends to expand its community relations team and will continue to meet with stakeholders during Project construction, operations and closure. A plan for ongoing stakeholder engagement is currently under development



Meeting with the Municipality of Bosilovo



Ilovica and Shtuka open house, September 2015



Meeting with the Municipality of Novo Selo



Novo Selo open house, September 2015



# Ilovica Gold-Copper Project

## Noise, Vibration and Air Quality

### Noise

Impact	Phase of the project				Mitigation measures
	Construction	Operations	Closure	Post-closure	
Noise disturbance due to construction of access road (Shtuka, Sekirnik, Turnovo)	✓				<ul style="list-style-type: none"><li>• Considerate timing of works</li><li>• Screening of noisy activities</li></ul>
Noise disturbance due to mine construction activities (Shtuka)	✓				<ul style="list-style-type: none"><li>• Acoustic barrier adjacent to access road near to Shtuka</li><li>• Considerate timing of works</li></ul>
Noise disturbance due to night-time export of copper concentrate (Shtuka, Sekirnik, Novo Selo, Samuilovo, Novo Konjarevo)		✓			<ul style="list-style-type: none"><li>• Restrict HGV movements on access road to daytime and evening periods</li><li>• Acoustic barrier adjacent to access road near Shtuka</li><li>• Departures of copper concentrate trucks will be distributed evenly throughout the daytime and evening periods.</li><li>• Acoustic barrier adjacent to access road near Sekirnik if access road alignment option 2 is selected.</li></ul>

With these mitigations, noise impacts at most locations will be comparable to existing noise levels. The construction of the access road may still cause noise disturbance in Shtuka, Turnovo and Sekirnik, however the short duration and sensitive timing of these works will help to minimise annoyance.

An alternative route for the access road is currently being investigated which would be to the east of Sekirnik. This would reduce the noise impacts at Turnovo and Sekirnik.

### Vibration

Ground vibration from blasts may be noticeable, but disturbance should be limited as blasting will only occur intermittently throughout the week. In response to stakeholder concerns, Euromax will undertake a condition survey of all properties in Ilovica and Shtuka. No damage is predicted; this is a precautionary measure only.

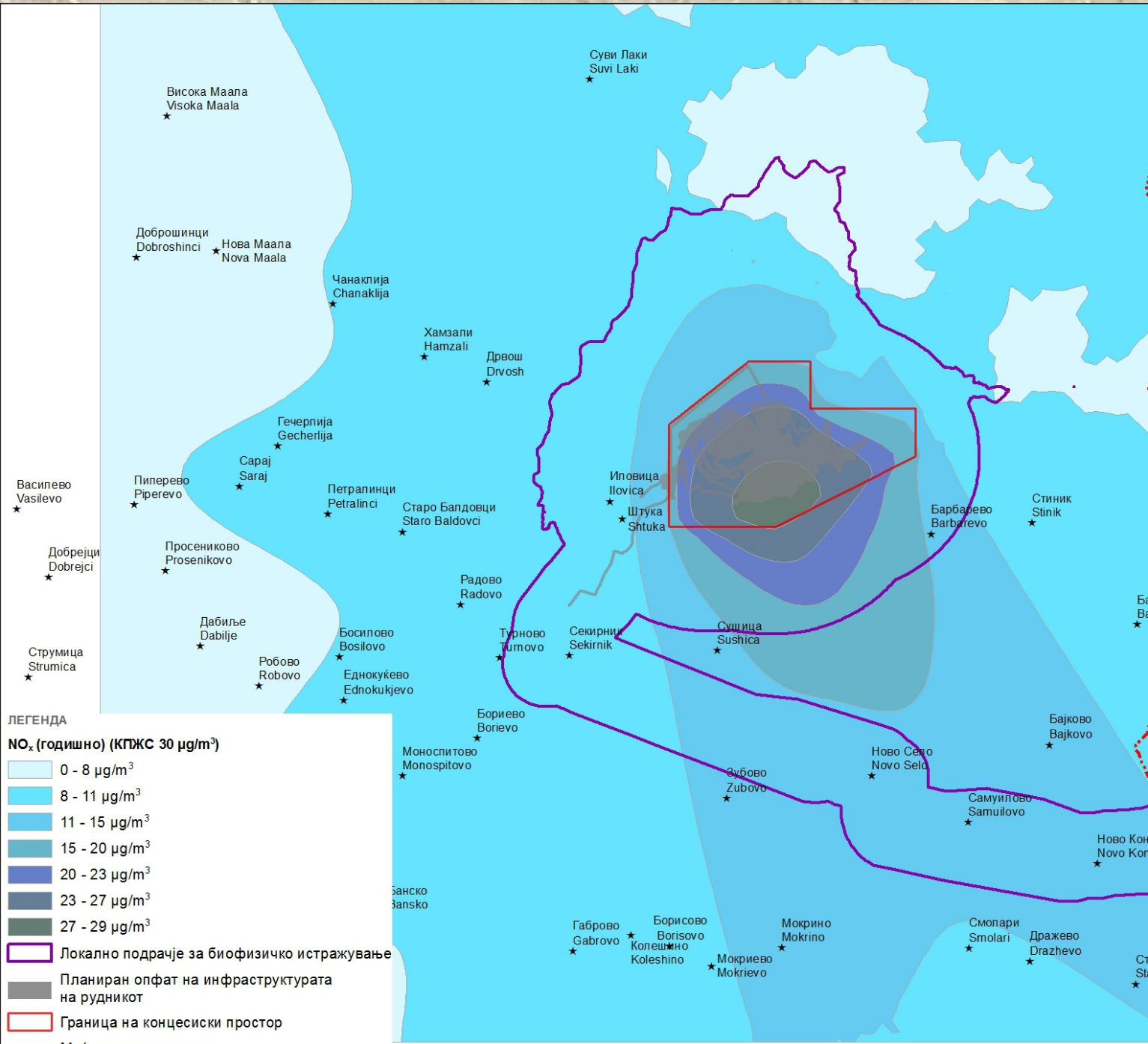
Good practice will be adopted, including:

- Blasts will be carefully controlled to ensure there is no excessive use of explosives. This will minimise noise and vibration, as well as ensuring cost-effective operations.
- Blasts will occur during the daytime period only
- There will be maximum of one blast per day
- The blasting schedule will be clearly communicated to neighbouring communities in advance
- Vibration monitoring will be undertaken in the event that complaints arise.

### Air Quality

The air quality assessment considered the potential impacts of project activities including earthworks, drilling and blasting, traffic on unpaved haul roads, ore processing and emissions from vehicles, mobile equipment and emergency generators.

Impacts to human health, habitats and vegetation, and loss of amenity through dust deposition were assessed in Ilovica, Shtuka, Turnovo, Sekirnik and Sushica. At all locations, results were below the relevant limits for NO<sub>2</sub>, NO<sub>x</sub>, SO<sub>2</sub>, CO, TSP, particulate matter and dust.



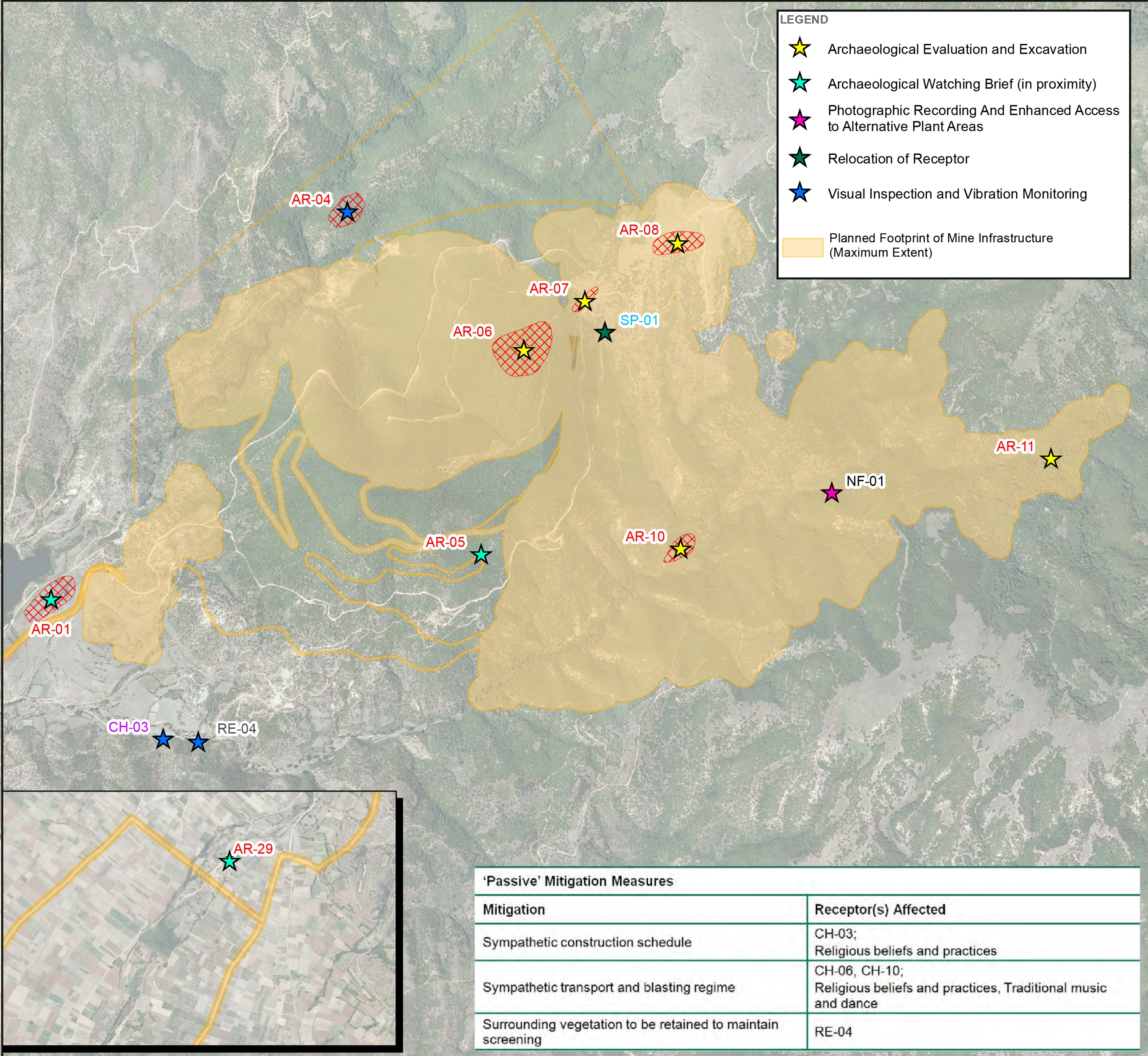
**Predicted worst case emission of nitrous oxides (NO<sub>x</sub>) which is below the limits for both human health and impacts to vegetation/habitat.**



# Ilovica Gold-Copper Project

## Cultural Heritage

Impact	Phase of the project				Mitigation measures
	Construction	Operations	Closure	Post-closure	
Loss of Preslop Spring Memorial Stone	✓	✓	✓	✓	• Memorial stone will be relocated to an area away from the project footprint, in agreement with family members.
Loss of Shtuchki Vodopad	✓	✓	✓	✓	• Alternative areas for the collection of Big-root cranesbill will be identified and Euromax will assist in enhancing access to these sites
Noise disturbance to religious beliefs and practices at: Ilovica Christian cemetery (CE-02) • Shtuka Christian cemetery (CE-03) • Old Muslim cemetery in Shtuka (CE-04) • Sts. Cyril and Methodius Church (CH-02) • Monastery of St. George (CH-03)	✓				• Good practice noise mitigation and a sympathetic construction schedule (avoiding services and celebrations)
Loss of archaeological sites: • Anovi (AR-06) • Preslop (AR-07) Krvavichevo and Golemata Niva (AR-08) • Gradishte (AR-10) • Old Mill (AR-11)	✓	✓	✓	✓	• All archaeological sites within the project footprint will be evaluated by Strumica Museum and excavated if necessary. • A watching brief will be maintained at other sites near the footprint to ensure sites are not inadvertently impacted.



St. Demetrius Church, Ilovica

Cultural heritage locations and the mitigation measures to reduce impacts from the project



# Ilovica Gold-Copper Project

## Biodiversity and Ecology

Impact	Phase of the project				Mitigation measures
	Construction	Operations	Closure	Post-closure	
Loss of forest communities (excluding the TMF)	✓	✓			<ul style="list-style-type: none"><li>• The majority of the project footprint will be revegetated to a forest and scrub mosaic that reflects existing habitat types.</li><li>• Flora species of conservation concern will be salvaged during vegetation clearance (e.g. native grasses, orchids, bladder campion)</li><li>• Environmental training will be mandatory for all employees and contractors.</li></ul>
Impacts to flora species of conservation concern	✓	✓	✓	✓	
Loss of forest habitat (on the TMF)	✓	✓	✓	✓	<ul style="list-style-type: none"><li>• The TMF will be revegetated to create a pasture and scrub mosaic that is suitable for Large Blue butterfly and other invertebrates.</li></ul>
Impacts to the Ograzden Prime Butterfly Area	✓	✓	✓	✓	<ul style="list-style-type: none"><li>• High quality pasture within the concession will be protected by installing fences and maintaining the existing grazing regime (or replicating it through artificial means).</li><li>• The TMF will be revegetated to create a pasture and scrub mosaic that is suitable for Large Blue butterfly and other invertebrates.</li></ul>
Impacts to terrestrial fauna species of conservation concern	✓	✓	✓	✓	<ul style="list-style-type: none"><li>• Surveys and selective relocation of species of conservation concern before vegetation clearance (e.g. bats, tortoise).</li><li>• Vegetation clearance will be undertaken in a way that gently encourages mobile species to move away from the Project area.</li><li>• Species action plans will be developed for species of conservation concern (e.g. Large Blue butterfly).</li></ul>
Loss of aquatic habitat in the Ilovica Reservoir due to change in water levels and	✓	✓			<ul style="list-style-type: none"><li>• Euromax will manage the reservoir to simulate existing water levels.</li></ul>
Loss of aquatic habitat in the Shtuka River due to the diversion channel	✓	✓	✓	✓	<ul style="list-style-type: none"><li>• Fish and decapod rescue will be undertaken prior to the diversion of the Shtuka River.</li><li>• The diversion channel will be naturalised at closure, if possible.</li></ul>

### Closure and revegetation

A preliminary revegetation strategy has been developed to illustrate how the site might be revegetated. The strategy is to return areas to the pre-existing vegetation type, where possible.

The TMF will be unsuitable for deep-rooted plants. Although the large blue butterfly was not identified within the project footprint, the project is located within the Prime Butterfly Area (PBA). Therefore Re-vegetation will aim to create pasture and scrub habitat suitable for the Large Blue butterfly and other invertebrates.



# Ilovica Gold-Copper Project

## Landscape and Visual

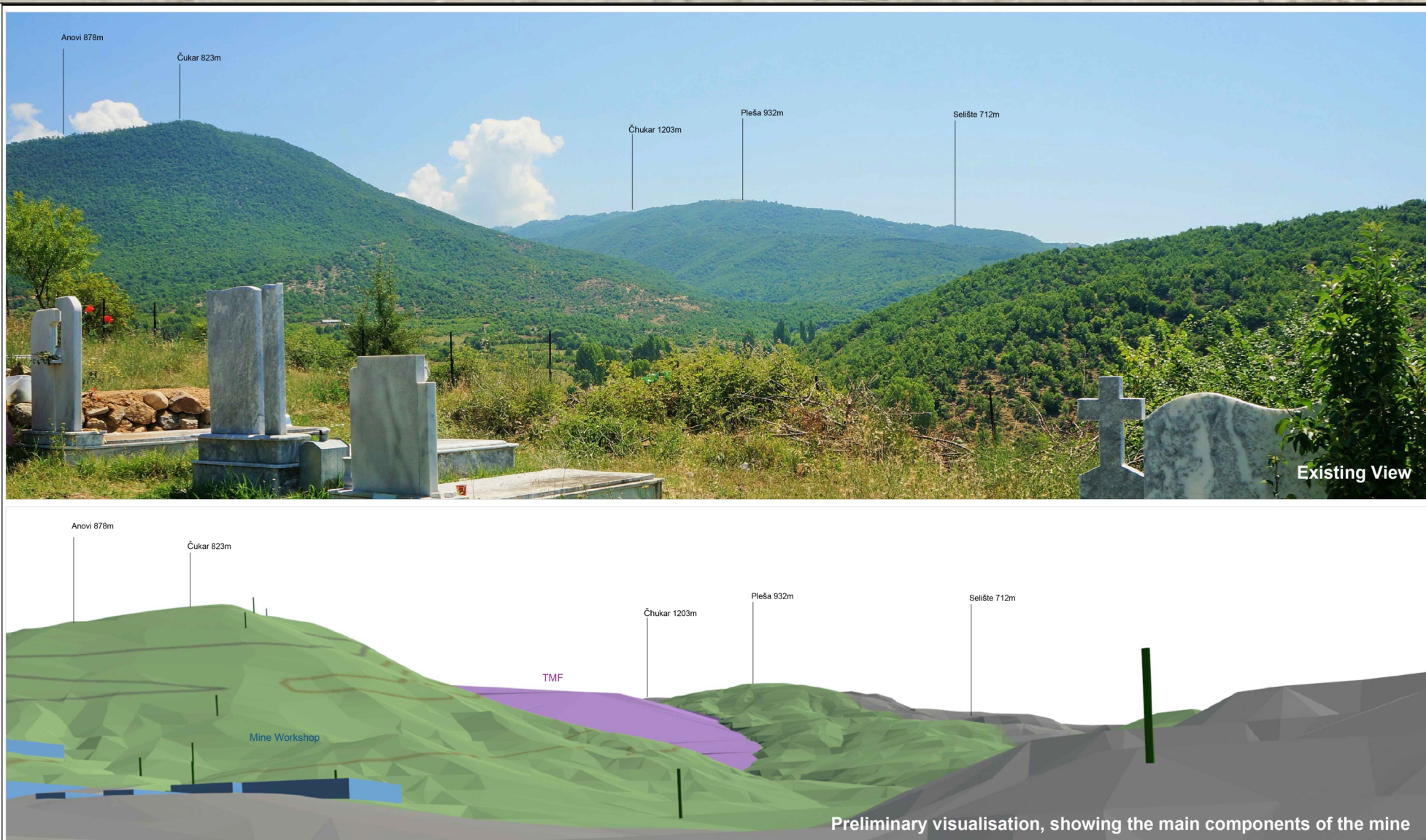
Impact	Phase of the project				Mitigation measures
	Construction	Operations	Closure	Post-closure	
Permanent change in skyline or landform associated with the TMF or		✓	✓	✓	• the TMF embankment will be revegetated at closure to minimise visual disturbance
Temporary change in landscape character due to Project infrastructure	✓	✓			• Planting of trees to screen visibility of project infrastructure (e.g. mine workshop area) • Project lighting will be designed and located to minimise light pollution

Visual disturbance will vary by the viewer's location. Disturbance decreases with distance, so villages that are closer and affected by permanent changes will have a greater degree of disturbance than those at a distance or where views are temporary (such as from a road).

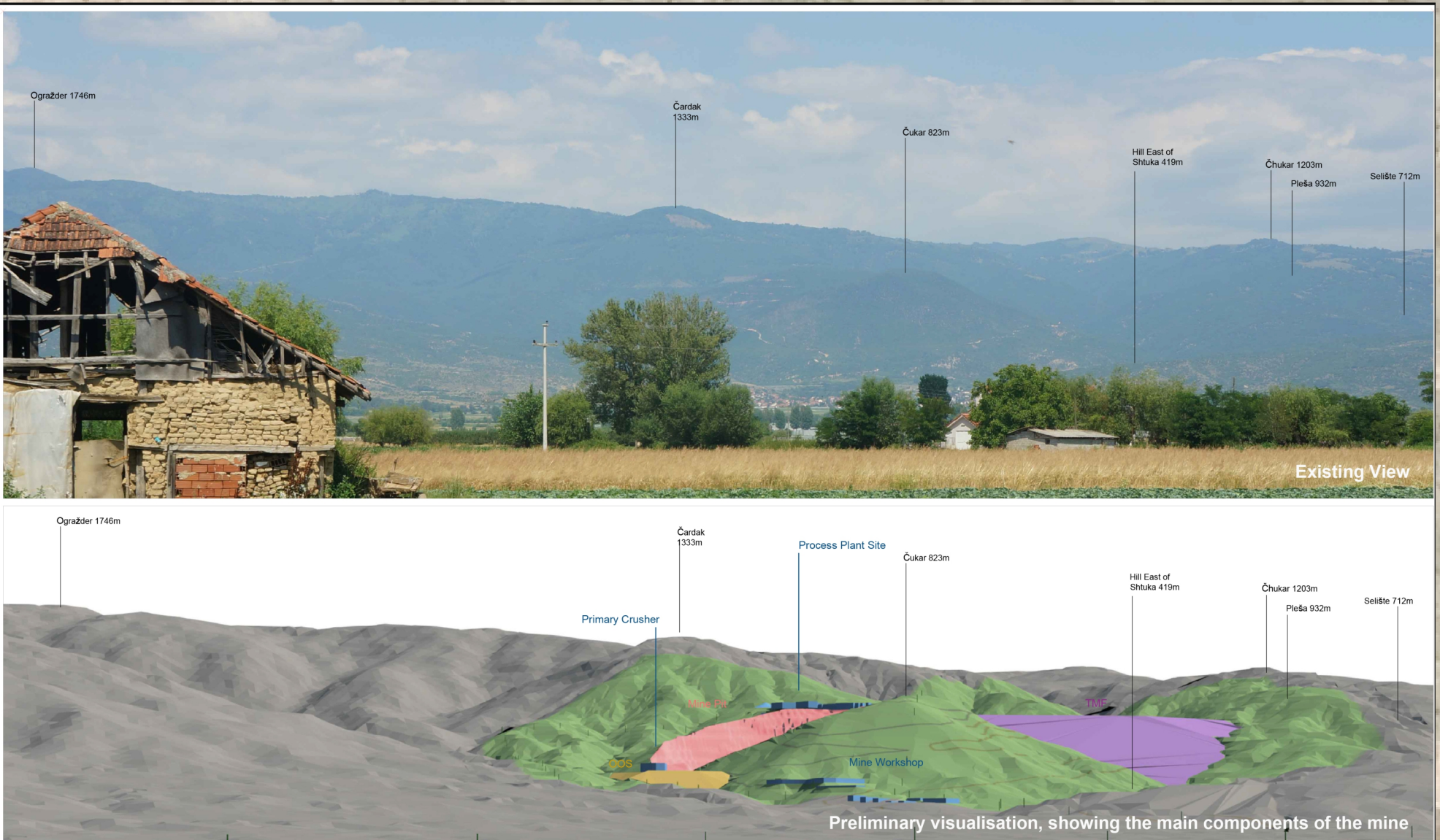
The Project will have an impact on the mountain forest landscape, with the removal of forested areas and the presence of an open pit mine, the TMF, and other infrastructure.



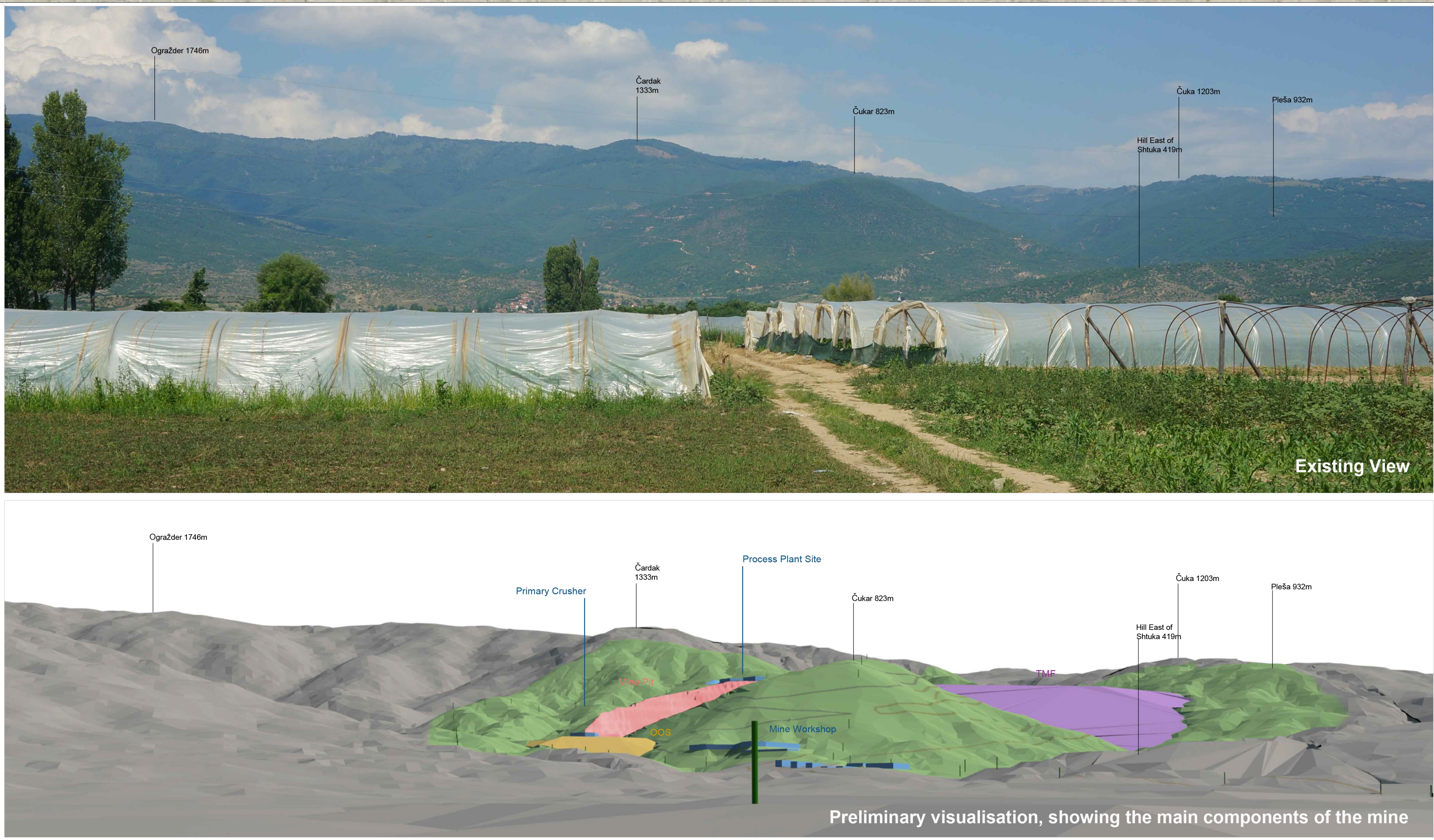
Visualisation from Ilovica



Visualisation from Shtuka Church



Visualisation from Bosilovo



Visualisation from Radovo



# Ilovica Gold-Copper Project

## The Ilovica Gold-Copper Project

### Project schedule and phases:

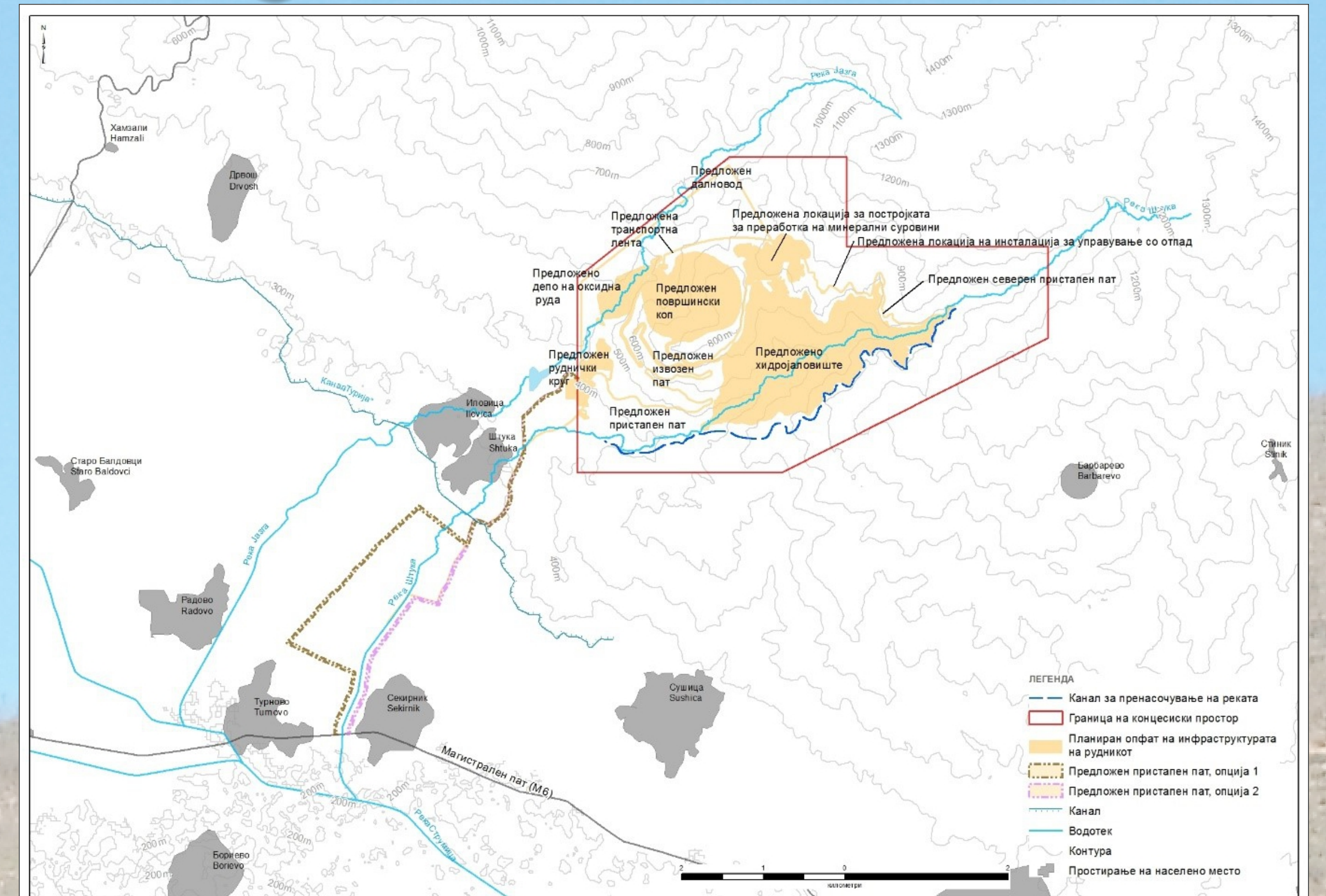
- Construction: an 18 month period during which mine facilities are constructed and the pit area is stripped in preparation for mining. Estimated to start Q4 2016.
- Operations: a 23 year period of open pit mining, processing of the ore, production and export of copper concentrate and gold doré, and deposition of tailings. Estimated to start Q3 2018.
- Closure: a 2 year period during which mining infrastructure is decommissioned and removed (where possible) and land is rehabilitated and revegetated

### Mining method

- Conventional open pit mine
- Drilling and blasting to excavate the pit
- material loaded by shovels and transported out of the pit by haul trucks
- Final pit depth will be approximately 600 m below current ground level at the top of Anovi and 250 m below the Jazga river bed
- The pit and process plant will operate 24 hours per day
- The process plant is designed to process 10 million tonnes of ore per year
- On average, an additional 10 million tonnes of waste rock will be extracted per year.

### Processing

- Mined ore is delivered to the primary crusher where it is crushed and fed onto a conveyor to the process plant
- At the process plant, the ore is milled to smaller sizes
- Milled ore is fed into the flotation circuit, which use the powdered grains physical properties to process the material through a series of tanks that separate the saleable copper-gold concentrate from the waste tailings. The copper gold concentrate is then taken by truck to the smelter, likely to be in Bulgaria.
- A small portion (less than 10%) of the waste tailings from the flotation circuit is a solution which is fed into a carbon-in-leach circuit followed by elution to produce gold doré bars that are sent to a gold refinery to produce bullion.
- The remaining waste tailings (more than 90%) contain no appreciable value and are released in to the tailings management facility.
- Waste materials (tailings) from the carbon in leach circuit are treated to detoxify them prior to release to the tailings management facility.
- Water for the process plant will be reclaimed from the TMF and re-used. Runoff from the pit and other facilities will also be stored and re-used. The site will be managed to be zero discharge of water from facilities, meaning that water will only be discharged in exceptional circumstances (rare storms).



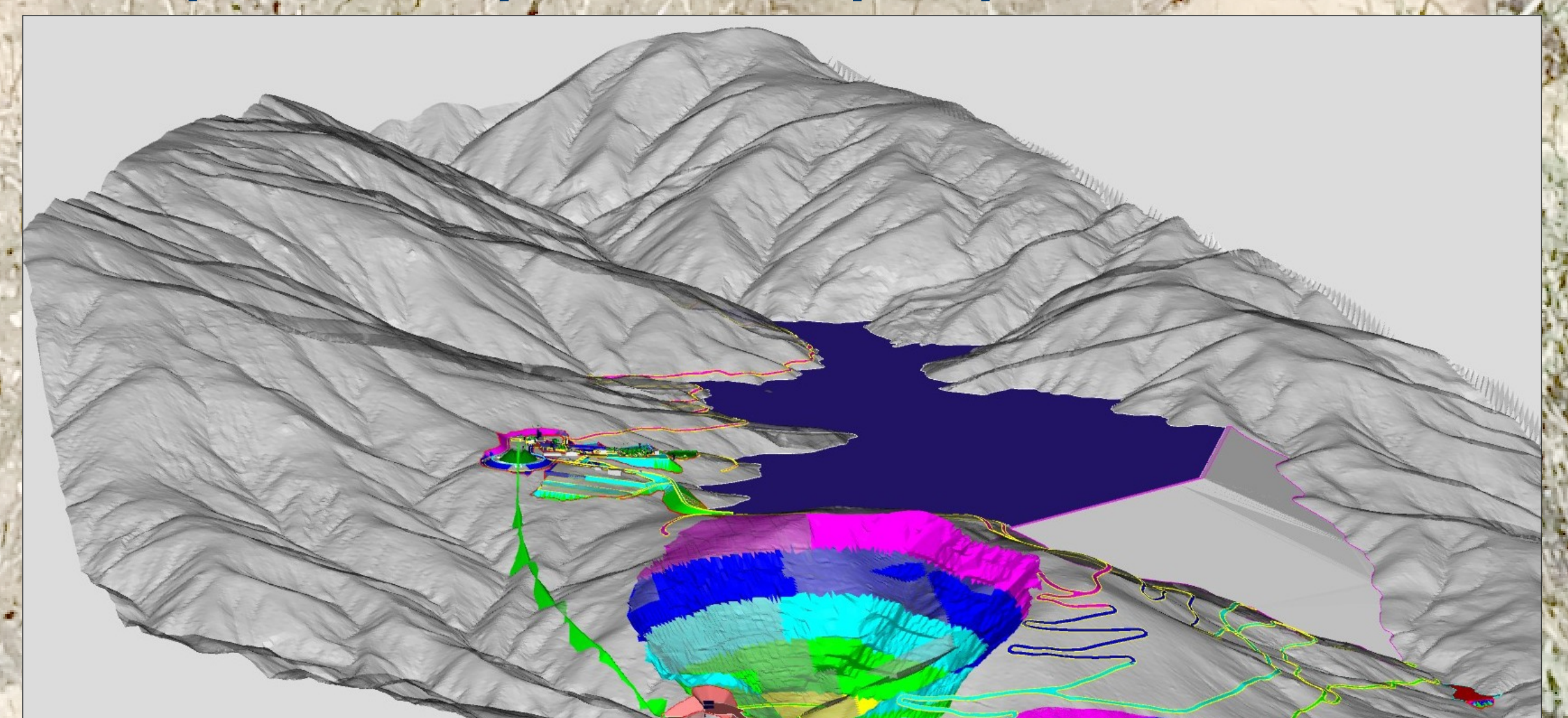
Site layout of the Ilovica Gold-Copper Project



Example of heavy machinery used in site clearance



Example of an operational open pit mine



Electronic three dimensional model of the project layout against the backdrop of the Ograzhden Mountain



# Ilovica Gold-Copper Project

## Water and Sediment

Impact	Phase of the project				Mitigation measures
	Construction	Operations	Closure	Post-closure	
Reduced flows and wetted perimeter in Jazga River		✓	✓		<ul style="list-style-type: none"> <li>• Permanently supply Ilovica from Ilovica water treatment works (household water) and Ilovica reservoir (irrigation water).</li> </ul>
Increased risk of supply failure from Ilovica Reservoir			✓		<ul style="list-style-type: none"> <li>• Supply Ilovica water treatment works from Turija reservoir</li> <li>• Extension of the existing irrigation supply pipe network in Ilovica.</li> </ul>
Reduction in water quality in Jazga River and Ilovica Reservoir		✓	✓	✓	<ul style="list-style-type: none"> <li>• Remove oxide ore stockpile from project design.</li> <li>• Pit lake overflow will be collected and piped to a treatment plant.</li> <li>• Water levels in Ilovica reservoir and spills into downstream reach of Jazga River will be managed during construction and operations to simulate existing water levels and flows.</li> </ul>
Increased levels of sediment in the Jazga and Shtuka Rivers	✓				<ul style="list-style-type: none"> <li>• Install a storm water dam downstream of the TMF which will allow settlement of sediment before water is released or reused</li> <li>• Develop a temporary sediment pond within the open pit to minimise the amount of sediment reaching the Jazga River</li> <li>• Sediment dams, surface water drainage and surface water storage will be in place prior to stripping and construction.</li> <li>• Best practice will be adopted to minimise erosion and to control discharge of sediment.</li> </ul>
Reduction in water quality in Shtuka River	✓	✓	✓		<ul style="list-style-type: none"> <li>• Storm water dam to be constructed downstream of the TMF prior to site clearance.</li> <li>• Water collected in storm water dam will be monitored and treated if necessary before it is released or re-used.</li> <li>• Permanently supply Shtuka from Ilovica WTW (household water) and Ilovica reservoir (irrigation water).</li> <li>• Extension of the existing irrigation supply pipe network in Shtuka.</li> <li>• Commitment to continual monitoring and improvement during construction and operation.</li> </ul>
Increased flood risk through Shtuka and at the Sekirnik road bridge			✓	✓	<ul style="list-style-type: none"> <li>• Design the storm water pond downstream of the TMF to provide flood attenuation</li> </ul>

### Impacts to wells and springs

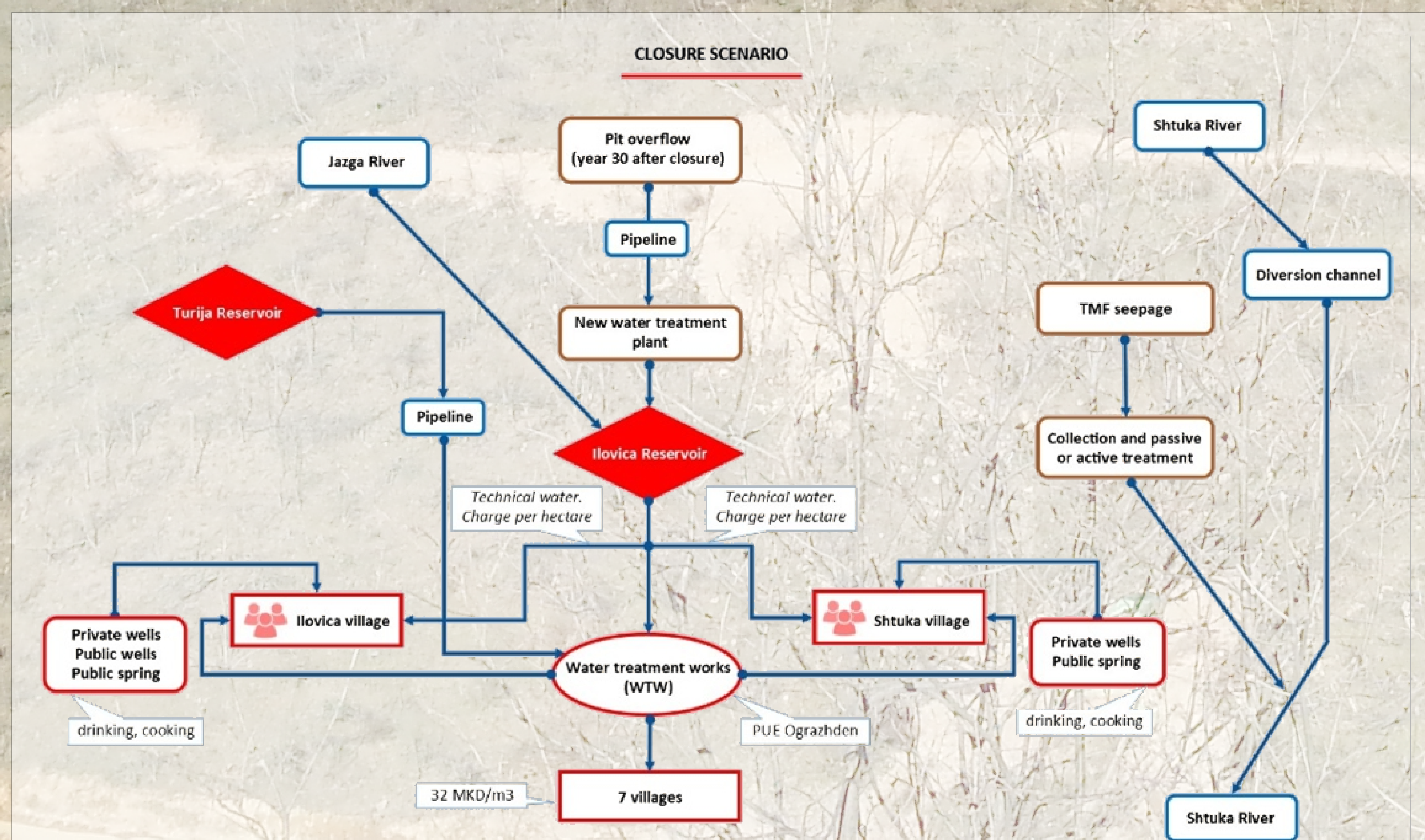
Modelling of groundwater resources in Ilovica, Shtuka and the Strumica Plain found that there would be no discernible change in groundwater availability or quality due to the Project. Wells and springs in the villages will be unaffected by the project and will remain available for local use. However, monitoring by the Public Health Institute in 2015 found that wells and springs in Ilovica and Shtuka periodically have poor quality water associated with bacterial contamination (such as coliforms or E.coli). Improved village water supply (see below) will mean the community need not be reliant on these sources. Monitoring will continue throughout the life of the mine and post-closure.

### Village water supplies

The Municipality of Bosilovo plans to replace the water supply distribution network in Ilovica and Shtuka and abandon the existing water supply intakes. Residents of both villages will be permanently connected to the treated water supply system for household (drinking) water. The existing irrigation supply pipe network owned and operated by Strumichko Pole Water Management Company will also be extended to supply the households in Ilovica and Shtuka that have need for irrigation water from the Ilovica Reservoir. Euromax will provide support to these projects.



# Water Supply







# Ilovica Project Stakeholder Engagement

May 2016





## Purpose of Round 3 Engagement

- Share the results of, and answer questions on, the Environmental Impact Assessment (EIA).
- Provide a further opportunity for stakeholders to become informed about planned Project activities and how the EIA will mitigate and manage potential effects.





# Ilovica Gold-Copper Project Description

## ■ Construction

- 18 month period, estimated to start Q4 2016
- Mine facilities constructed, pit stripped ready for mining, access roads constructed

## ■ Operations

- 23 year period, estimated to start Q3 2018
- Open pit mining, processing of the ore, production and export of copper concentrate and gold doré, and deposition of tailings
- The pit and process plant will operate 24 hours per day.

## ■ Closure

- 2 year period
- Mining infrastructure is decommissioned and land is rehabilitated and revegetated

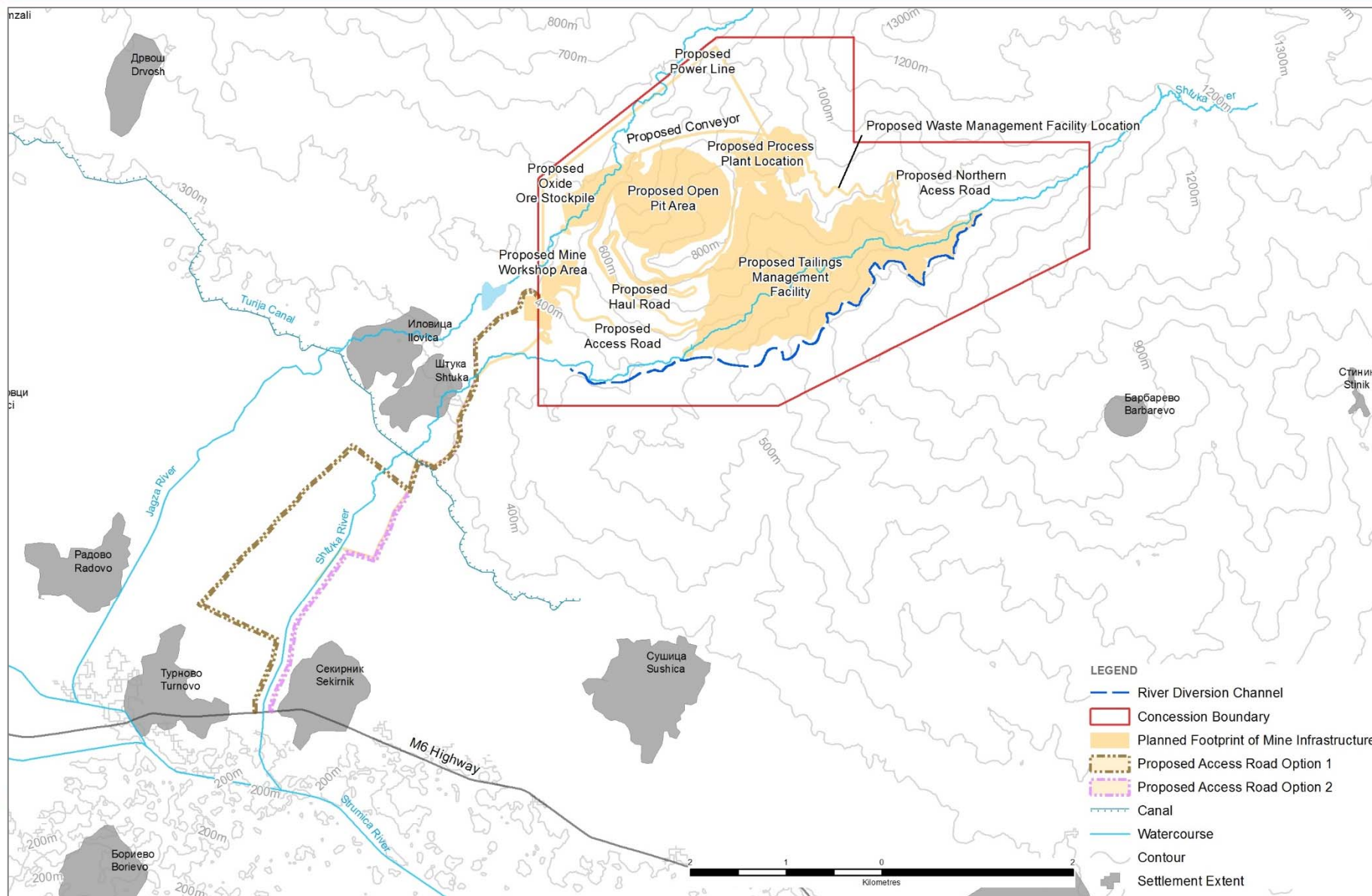
## ■ Post closure

- The period following the completion of the project closure
- Formation of pit lake, TMF remains





# Ilovica Gold-Copper Project Description





# Ilovica Gold-Copper Project Description

## Further studies to be completed before construction

- Access road re-alignment and land access studies
- Waste Management: options include using existing local facilities or supporting development of a local licenced facility
- Construction phase workforce accommodation: options include conversion of central Strumica commercial building and other locally available accommodation
- Further Geochemical characterisation of the TMF and further detailed design work
- Further evaluation of feasibility of project water supply source: groundwater or Turija Reservoir
- Construction of a power line between Berovo and the Ilovica substation and Ilovica and Sushica substation (separate EIA and Elaborate)
- Borrow areas for aggregates used in construction

Associated impacts will be assessed and an addendum to the EIA will be issued should any impacts worsen



## Impact Assessment Process

The impact assessment process comprises the following steps:

- Establish the baseline environmental and social conditions (complete)
- Assess the impacts from the project on environmental and social receptors (complete)
- Add in mitigation measures if impacts are unacceptable and re-evaluate impacts (complete)
- Design a monitoring and management system for the lifetime of the project and beyond (in progress)
- Stakeholder engagement (rounds 1 and 2 complete, round 3 in progress)

In addition, the approvals process for a Macedonian EIA involves public hearings in Bosilovo and Novo Selo.

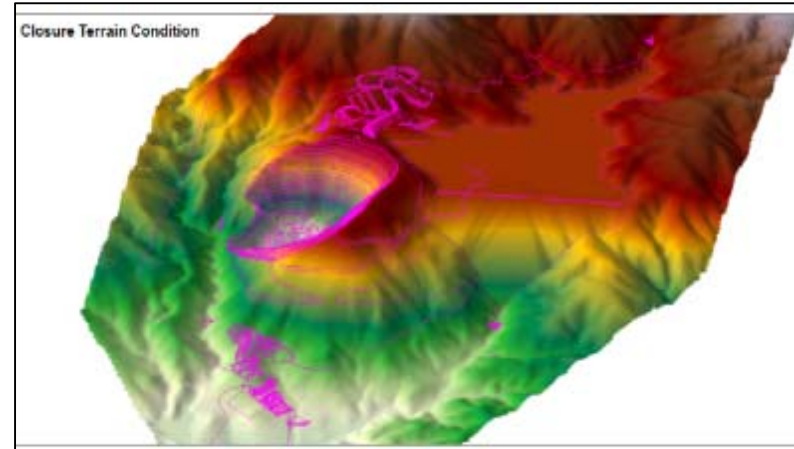




## Key Findings of the EIA

### Geomorphology, soils and land use capability

- Permanent change in terrain due to pit and TMF.
- Permanent loss of forested land in the Shtuka Valley.
  - ☑ At closure, TMF will be revegetated to grassland and scrub
- Minor loss of agricultural land due to construction of the access road.
  - ☑ Road will be routed to minimise loss of productive agricultural land.
- Access to grazing land within the concession area will be restricted during the lifetime of the Project.

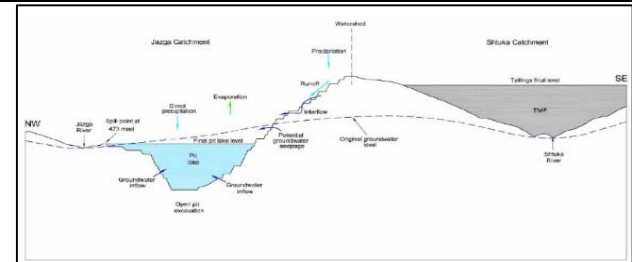




## Key Findings of the EIA

### Jazga River

- Reduced flow at Ilovica village water intakes and reduced inflow to the Ilovica Reservoir.
  - ✓ The Municipality (with support from Euromax) will replace the water supply network.
  - ✓ Ilovica will be permanently connected to the Ilovica water treatment works for household water.
  - ✓ Technical water network will be extended to supply garden/irrigation water.
- Water quality worsened due to the oxide ore stockpile and (post closure) spills from the pit lake.
  - ✓ oxide stockpile removed from project design
  - ✓ pit lake overflow will be piped to a treatment plant before discharge







## Key Findings of the EIA

### Shtuka River

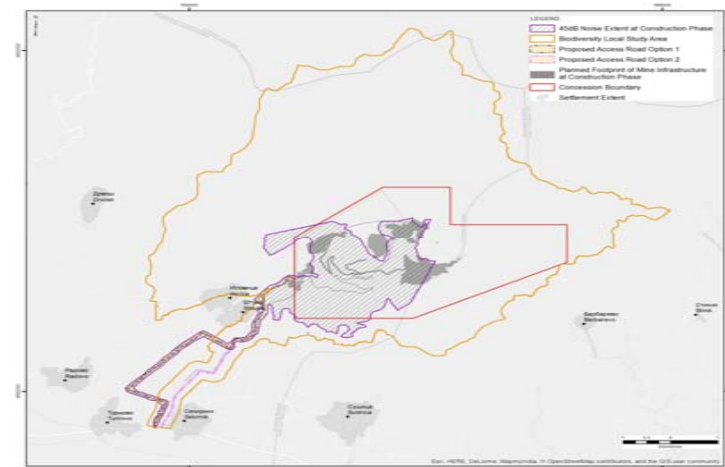
- Construction of TMF will result in increased flood risk at Shtuka village and downstream.
  - ☑ The storm water dam constructed below the TMF and site water management will manage increased flood risk.
- Seepage and runoff from the TMF may result in contamination of groundwater and surface water.
  - ☑ Euromax will manage surface water runoff during operations, capturing and treating water before reuse.
  - ☑ The Municipality (with support from Euromax) will replace the water supply network to Shuka village, which will be permanently connected to the Ilovica water treatment works for household water.
  - ☑ Technical water network will be extended to supply garden/irrigation water
  - ☑ Further studies required to better understand options to manage contamination after the mine has closed. Euromax have made commitments to ensure acceptable impacts in perpetuity



## Key Findings of the EIA

### Noise and Vibration

- No impacts at Shtuka and Ilovica from blasting
  - ☑ Nevertheless Euromax will complete a condition survey of all houses
- Impacts predicted at Shtuka, Turnovo, Sekirnik, Novo Selo, Samuilovo and Novo Konjarevo - related to the access road
  - ☑ Movement of HGVs to transport copper concentrate will be distributed evenly throughout daytime and evening periods only
  - ☑ An acoustic barrier will be constructed at Sekirnik if access road option 2 is selected
  - ☑ Considerate timing of the highest intensity construction works

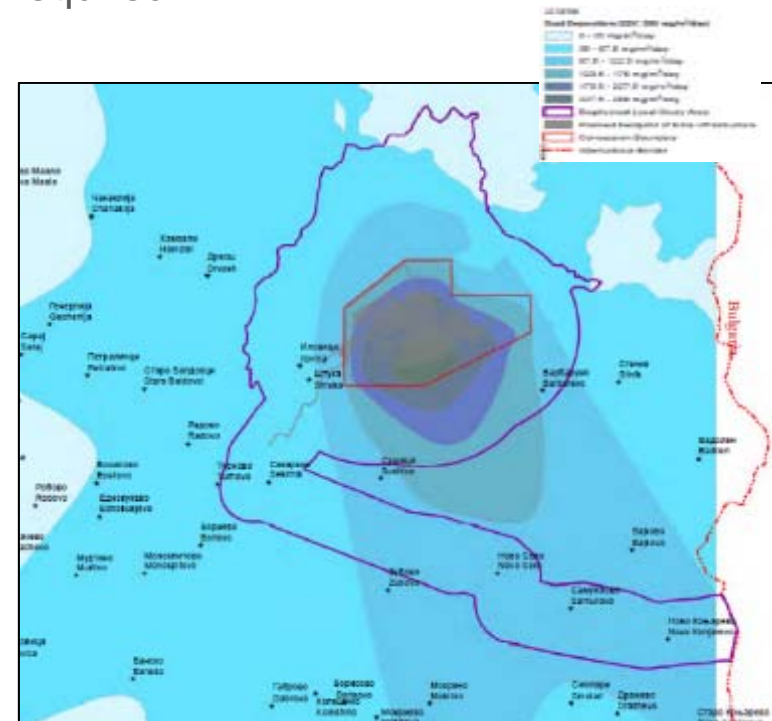
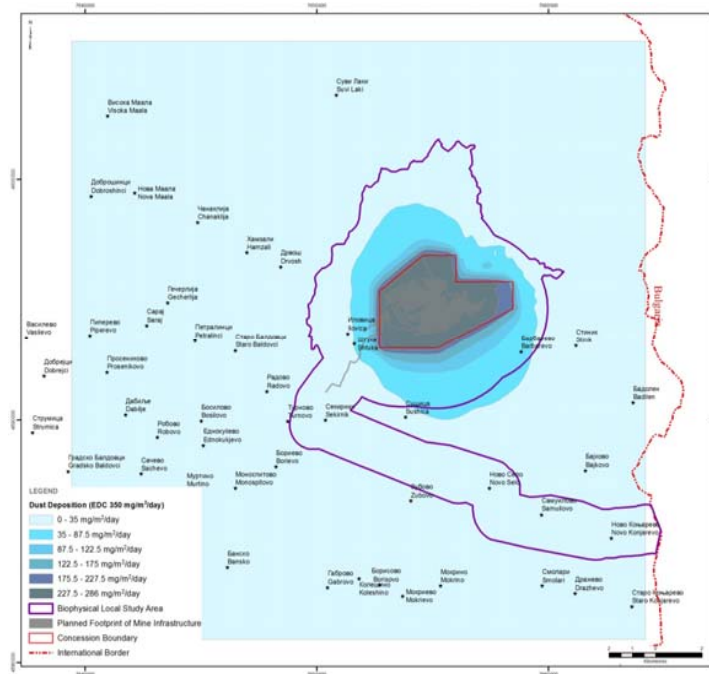




# Key Findings of the EIA

## Air Quality

- All air quality impacts were classified as low
- ☑ No additional mitigation or management required.



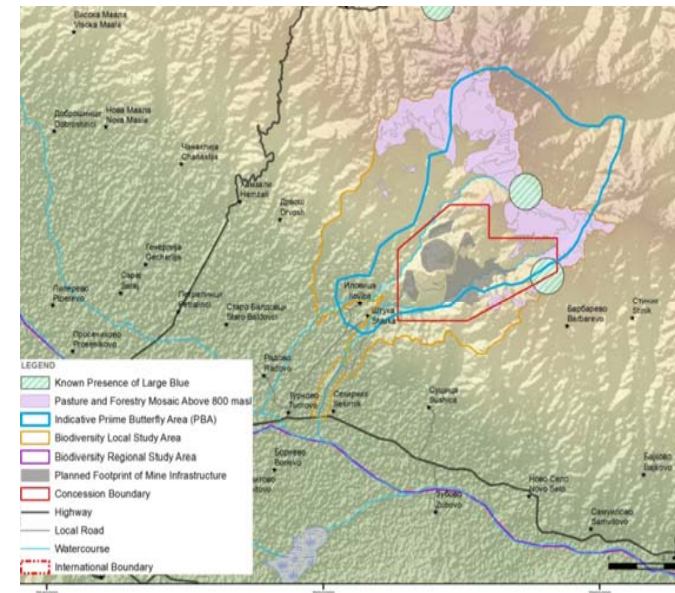




## Key Findings of the EIA

### Biodiversity

- Loss of around 400 hectares of habitat (mainly forest).
  - ✓ Relocation of SoCC before vegetation clearance (e.g. bats, tortoise)
  - ✓ Progressive restoration with flora species of conservation concern (SoCC) salvaged during site clearance
  - ✓ The TMF will be revegetated to scrub and grassland suitable for grazing and as habitat for the Large Blue butterfly and other invertebrates (project falls within the Ograzhden Prime Butterfly Area)
  - ✓ The project will avoid high quality grassland areas where Large Blue have been observed.





## Key Findings of the EIA

### Biodiversity

- The Shtuka diversion channel will result in the loss of 4km of natural stream bed.
  - ☑ Fish and decapods will be rescued and relocated.
  - ☑ Where possible naturalise the diversion channel at closure.



## Key Findings of the EIA

### Cultural Heritage and Archaeology

- Ground disturbance and noise will result in impacts to two 'living' cultural heritage sites, one intangible cultural heritage receptor and five archaeological sites
  - ☑ Archaeological evaluation and excavation for the archaeological sites
  - ☑ Noise mitigation and a sympathetic construction schedule (avoiding services and celebrations)



### Landscape and Visual

- A permanent visual impact will remain due to the mine pit and TMF.
  - ☑ Trees will be planted to reduce the prominence of the buildings/plant.
  - ☑ Project lighting will be located away from where they can be seen.
  - ☑ The outer face of the TMF embankment will be revegetated at closure.



## Key Findings of the EIA

### Socio-economics

- Negative impacts to quality of life through increased noise and traffic and changes to the visual environment
- Impacts to land use due to access road and restriction of access to concession area
  - ✓ Positive impact on national GDP, national and municipal government revenue.
  - ✓ Positive impact through employment: approximately 720 during construction and 470 during operations
  - ✓ Consumer spending by employees will have a positive effect on local economy during the life of the Project.
  - ✓ Positive impacts on the quality of life for residents of nearby communities, including community development, increased incomes and improved infrastructure and services
  - ✓ No significant change to local population: most of the workforce is expected to already reside locally.



# Environmental and Social Management Plans

- Environmental Monitoring Plan
- Sediment and Erosion Control Management Plan
- Emergency Preparedness and Response Plan
- Construction Management Plan
- Hazardous Materials Management Plan
- Cultural Heritage Management Plan
- Biodiversity Action Plan
- Water Management Plan
- Social Management Plan
- Closure Plan
- Traffic Management Plan
- Waste Management Plan
- Stakeholder Engagement Plan





## Questions from September 2015

The EIA responds directly to all questions which were raised at the open house events in September 2015, including:

- Employment opportunities
- Existing water quality
- Impacts to water quality and supply
- Environmental impacts of the project
- Comparison with impacts of other mines
- Safeguards if environmental problems are identified
- Condition survey for Ilovica and Shtuka villages agreed to by Euromax







## Feedback and Comments

- Leaflets and newsletters providing project information and updates are available at the Euromax information centre and on Euromax websites in both Macedonian and English.
- All comments and questions will be recorded for follow-up actions.
- Stakeholders are invited to contact Euromax with any comments or questions related to the project:

**Euromax Resources Information Centre**  
Ilovica 220a, Municipality of Bosilovo

**Elizabeta Stoeva**  
E: [estoeva@euromaxresources.mk](mailto:estoeva@euromaxresources.mk)  
T: +389 34 368 888

**Corporate contact:**  
E: [info@euromaxresources.co.uk](mailto:info@euromaxresources.co.uk)

**Euromax website:**  
[www.euromaxresources.mk](http://www.euromaxresources.mk)



# **APPENDIX D**

## **Photographs of Open House Events**







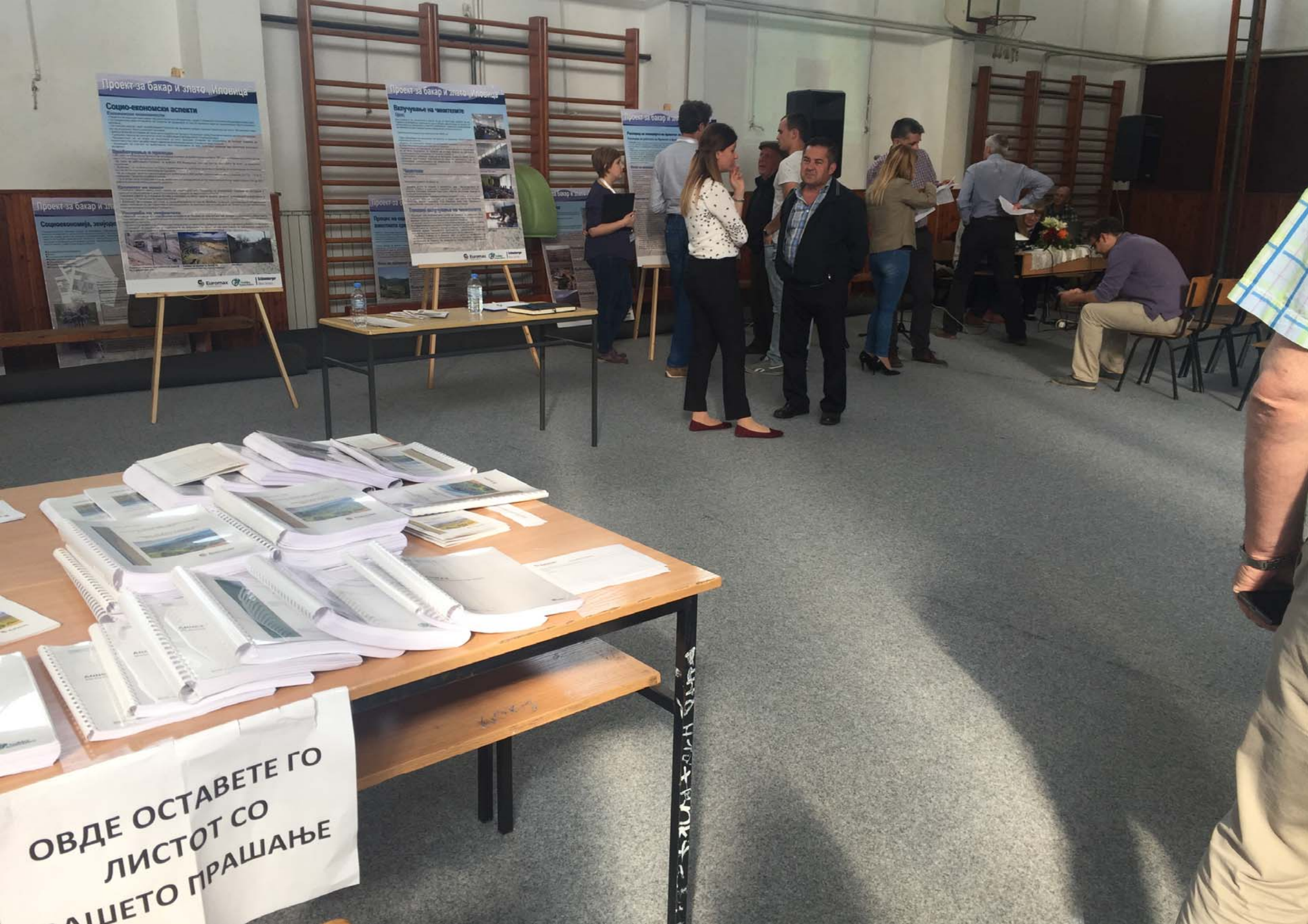
# ОПШТИНА БОСИЛОВО

















# **APPENDIX E**

## **Questions and Responses from Open House Events**

Question	Answer provided
<b>Water quantity and quality</b>	
What is the water level in Shtuka River at the Crkvishte archeological site? What is the flood risk at that point?	According to the 100-year design flood event, there is no risk of flooding. The depth of the water at that point is 2 m.
Will the water from the Shtuka intake be used as drinking water? What is the water quality at the moment? How will the new water distribution network affect the cost?	The intakes will be closed when the Municipality water supply is commissioned for use. This should be before the mine starts operating. The water quality in the river will decrease and the water supply will be re-directed to the Ilovica WTP. The new water distribution network will provide better quality water. The current quality of the water shows that the water is bacteriologically contaminated. The current cost for water supply is 10 den/m <sup>3</sup> for water from the intakes and in the future they would have to pay 30 den/m <sup>3</sup> for treated water from the WTP although this is to be confirmed by the Municipality/PUEO.
Please provide more details on the diversion of Shtuka River.	The diversion channel will be constructed to avoid the impact of the proposed TMF on the flow of Shtuka River. A small coffer dam will be constructed at the diversion point to capture the water and divert it round the TMF, with return into its natural flow after bypassing the TMF.
What is the water quality in the wells (close to the main road) the residents of Sushica provide drinking water from?	Only physicochemical analysis is conducted. The Public Health Institute could provide the exact values from those analyses. In general, shallow groundwater shows values of ammonia and nitrates due to sewage water and agricultural activities.
What is the current water quality and quantity in Ilovica and Shtuka?	From chemical aspect, the analyses show presence of nitrates and ammonia, infiltrated in the water as a result of sewage water or agricultural activities with fertilizers. There is presence of coliform bacteria. However, those bacteria combined with other diseases can cause additional health problems. We provided additional information that there are designated sampling points and samples are taken every month. We added that the values of nitrates in the upper catchment is expected to be lower than the one in the lower catchment (due to sewage and agricultural activities).
What changes will occur in water supply after the mine starts operating?	The intakes will be closed as part of the Municipality's plan to improve the water supply in Ilovica and Shtuka. A pipeline will be constructed to bring water from the Turija Reservoir to the Ilovica Reservoir and a T-pipeline to the Ilovica WTP. The water from the WTP will be distributed as treated water through the refurbished water distribution network in Ilovica and Shtuka.
Will the water distribution network be completely or partially refurbished?	The water distribution network will be completely refurbished both in Ilovica and Shtuka. This is a Municipality project supported by EOX.

What does the removal of the oxide stockpile refer to?	The oxide stockpile is removed from the design to avoid contamination of Jazga River. The oxide ore will be used for the construction of the TMF embankment.
According to the water supply diagram, why is there simultaneous input of water from both the Ilovica Reservoir and the Turija Reservoir to the Ilovica water treatment plant? Is the mixture of those two water structures reliable?	The pipeline from the Turija Reservoir will provide water directly to the Ilovica WTP and the water from the Ilovica Reservoir will be used for irrigation and as process water. There would be no mixing of waters in the WTP. Only Turija Reservoir water will be treated.
What will happen with Mala Shtuka River which flows through the proposed TMF?	The updates of the designs should be checked. The design that we have at the moment with us does not show any changes in its flow through the TMF. Post consultation note: detailed design of the TMF will consider inflows from the Mala Shtuka and may consider further water management to reduce inflows to the TMF
Will water quality be monitored at the wells and boreholes in Ilovica and if yes, which ones will be monitored?	The currently monitored locations will be monitored in the future to provide continuity in monitoring and comparison of results. The exact location of the monitoring points can be found in the baseline reports.
Please provide more details on the pipeline from Turija Reservoir to Ilovica Reservoir. Who will provide the funds for construction?	A pre-feasibility study is being developed at the moment and all options are being reviewed.
Who will invest in the individual connections to the water supply network?	The new water supply system infrastructure will be funded by the Municipality and Euromax, the municipality will implement the network. All the households may pay a connection fee and will pay for their water supply.
Will there be any potential influence on the Ilovica and Shtuka rivers because the Strumica river, downstream, flows through Novo Selo?	A dam will be built at the toe of the TMF which will allow water management to prevent any contaminated discharge to the Shtuka river and therefore downstream into the Strumica river.
How will the groundwater under the TMF be protected bearing in mind the fractured system underneath the TMF?	A liner will be installed on the Tailing Dam embankment upstream face to protect the groundwater system. The compacted tailings will form a very low permeability barrier; until this occurs, discharge will be captured and re-circulated
I have information that all chemical parameters in the Jazga River and generally the surface waters are currently within the acceptable limits but you haven't included those parameters in the EIA. I would like to receive information about the current value of those chemical parameters and what your predictions are, are they going to change?	All the parameters are included in Annex 3 of the EIA which is also available on the Euromax website. There won't be any significant change of their values during construction or operation.
Will water be pumped constantly (24/7)? Will the availability of water in Ilovica decrease/improve?	There will be pumping from a certain point from the Turija Reservoir to the Ilovica Reservoir and a separate section at the end of the pipeline will deliver water to the Ilovica Water Treatment Plant. There is a plan for improvement of the water distribution system, simultaneously improving water quality.
How long will it take to solve the problem with water supply with the	We are planning on supporting the Municipality to improve the water



relationship established between the Municipality of Bosilovo and Euromax?	distribution network during the construction phase, before the operations start. One of the tasks is to provide the funds for the Water Management Company and the Municipality and we are working on the final design.
<b>Project description</b>	
What is the height of the TMF embankment?	The designed height of the TMF embankment is approximately 270 m.
How will the TMF seepage be managed?	A seepage collection pond will be built at the TMF toe where the seepage will be collected and re-circulated during operations and collected and if necessary, treated following closure.
I have heard some rumours that the mine will be developed all the way to the Bulgarian border since the ore vein extends in that direction. Is that true?	The mine will be developed in the area where ore reserves have been established and it will not extend to the Bulgarian border.
When will the mine start operating?	The operations will start by the end of 2018 /the beginning of 2019. The employment process will start a year earlier since many of the activities will start earlier than the mining itself.
Will the ore (concentrate) be transported through the Shtuka village?	The processed ore (concentrate) will be transported on a new road which Euromax is planning to build for the project purposes.
Will the existing village roads be rehabilitated?	The responsibility for rehabilitation of existing local roads lies with the Municipality of Bosilovo. Euromax will ensure that the existing roads are not used for the project purposes during operations in order to prevent further damage.
Will the mine look like Buchim's stockpile? What will happen with the excavated soil and waste rock? You have provided very detailed information in the EIA. Buchim has done the same but they do not follow what they have written and promised.	The mine will not look like the Buchim's stockpile. The excavated soil and rock will be used as an additional buttress to the TMF dam in order to improve its stability. Buchim was designed and opened more than 30 years ago. The technology and permitting that we are going to use for Ilovica is completely different and more advanced. All the surveys and baselines are done in correspondence with the national and international regulations. Most of the details provided in the EIA are not even required by the Macedonian authorities and regulations but we still have to explore and provide them as per our lenders' requirements.
Are copper and gold combined by the chemical element uranium? Will the uranium be discharged into the environment? Do you know how dangerous is that for the people in both villages, and also for the Strumica region in general?	All our analysis for radioactivity demonstrated that there is 0% of uranium in the rock mass of Ilovica deposit. Not even a minimum impact from uranium has been identified. We are 100% sure that there is no uranium at all, and there is no potential impact to the environment of uranium discharge.
Will EOX use the infrastructure of Novo Selo village for any purpose of the project? Will the existing road to Novo Selo be used?	Yes, the plan is to use the existing road to Novo Selo for the transportation of the copper concentrate to an existing smelter in Bulgaria.
Why is the TMF placed in the Shtuka River valley?	The TMF is placed in the Shtuka River Valley because of it being the most suitable location for the proposed capacity of the TMF.

Will the mining of copper have negative impacts?	Copper as a product will not end up in the TMF. The concentrate will be taken to a smelter in Bulgaria.
<b>Suggestion made by a visitor:</b> Given that the traffic in Novo Selo is already too crowded, I would suggest that you consider using another road in Novo Selo that is not frequently used. That road is unpaved, and is much shorter than the main existing paved road in Novo Selo. The road is a bypass that starts at the beginning of the village on the right side on the way to the Bulgarian border and ends where the Baba Vangja fountain is located. That road is also quite wide and very rarely used by local people. In my opinion, if you could pave the road, it will be to your benefit too, as it is half the length of the existing road that you plan to use. That would minimize the traffic impact to Novo Selo village.	Post consultation note: The EIA showed that the noise, traffic and air quality impacts in Novo Selo are acceptable to Macedonian and International guidelines. A bypass around Novo Selo has not been considered as part of the design of the project.
<b>Landscape and visual aspects</b>	
Will the TMF be visible from the Shtuka village?	The TMF will be visible but it will be revegetated to reduce the visual impact.
Will the mine be visible from Novo Selo?	The mine will not be visible from Novo Selo given the topography of the surrounding areas.
Will there be an embankment at the TMF?	There will be an embankment and it will be revegetated. After a given period of time following the TMF closure, it should look like a natural hill.
<b>Socio-economic</b>	
How many people from the villages will be employed? Will the recruitment be realized through the Municipality or Euromax will employ the people directly? If it is done through the Municipality, then we will have a priority.	Euromax will directly employ and engage around 700 people during construction and around 500 people during operations. All of the people from the local area that have the required skills will be provided an opportunity to apply for work at Euromax.
Are there going to be opportunities for job positions for animal protection and quality control of animal products (meat, milk)?	A separate employment event will be organized in the future. However, if you need further information, you can talk to Aneta Donkova – Petrushova.
Is it possible for Euromax to invest in scholarship for students that are interested in the mining industry?	There will be Job fair soon where we can explain a lot more details and get information about the general interest in getting a job at Euromax. Post consultation note: “Euromax” will develop a student scholarship programme for students from a number of technical faculties in Macedonia and will provide an opportunity for the selected candidates to be involved in internship programmes. The plan is to have these programmes implemented after the required permits for the project have been obtained from the Macedonian authorities.
Will there be opportunities for small businesses from other municipalities to be included as sub-contractors in the Project?	There will be opportunities for developing small businesses and supporting the existing ones in the region. Euromax is planning on organizing a recruitment fair after obtaining all the permits and all the detailed

	information related to recruitment and procurement will be provided at the event. The communities will be timely informed about the event.
How are we going to be informed about the recruitment fair?	There will be a public notice about the event. You can always find information on our web site and in the Information Centre.
Are there going to be job opportunities for women above 50 years of age? Are there going to be job positions for the canteen, is there going to be any training? Will you employ a member of each family?	Regarding gender and age, the company develops the policy of zero discrimination. All candidates will have equal opportunities for employment. Regarding the training, we are going to organize an event at which we will provide details on the recruitment policy, required skills, qualifications etc. Regarding catering for employees, food might not be prepared on site, the activity would rather be contracted to local companies. Post consultation note: Contractors will be obliged to accept Euromax core policies on recruitment and preference for local workforce and services.
Will the level of education be important for employment?	Some positions will require specific qualifications, but there will be different types of job positions. The recruitment fair will provide more information and the event will be held after obtaining all the required permits.
Will there be employment opportunities for residents of other municipalities (resident of Vasilevo)?	Priority will be given to local residents, which refers to the population in the region. There will be employment opportunities with the contractors in the construction phase, local companies being part of that.
What will be the number of available job positions?	Once the project starts operating, there will be approximately 500 job opportunities. The training for those positions will start some time before the start of the operations. The number refers to the project only, but we are expecting a large number of indirect employments in other local businesses.
<b>Comment made from a resident from Ilovica:</b> There are no positive effects on culture, art, education etc.	Euromax has made smaller investments in the community, but there will certainly be greater benefits for the community once the mine starts operating. Post consultation note: There will be opportunities to identify areas of investment thorough community liaison groups
Will businesses/companies from Ilovica and Shtuka be prioritized in selecting the contractors?	Priority will certainly be given to such companies/businesses.
Are there going to be any job positions in horticulture?	We mentioned in our presentation that planting trees will reduce the visual impact, there will be revegetation and we will be in coordination with the Forestry Company. However, you will get more information on employment at the recruitment fair that will take place after all the permits are obtained.
What are the other benefits apart from employment?	With regard to social benefits, you can find more details in the EIA. Euromax will certainly invest in the community and we are planning on establishing a group/team that will work on the development of such projects.

What is the status of the project on the reconstruction of the clinic in Ilovica? Will there be separate premises for the pharmacy?	We intend to invest in and cooperate with the community in developing community projects. All our future activities will be in consultation with community representatives and in this particular case the healthcare practitioners.
Will there be improvements to infrastructure in Ilovica and Shtuka?	A new access road will be constructed to the site and it will be also available for public use, there will be improvements of the water distribution system and the electricity network. We are open for your suggestions for community projects.
<b>Geomorphology, Soils and Land Use</b>	
Will the area for agricultural use be reduced?	Yes, because part of the agricultural land will be taken for the construction of the access road. As a mitigation measure; it is considered that the access road will be marked in a way that will provide reduced loss of the agricultural land. Post consultation note: A Framework for land acquisition is under development by Euromax, affected land owners and households will be consulted. The Framework will identify how compensation will be defined for economic displacement, where land acquisition is required.
Will the forestry area be reduced?	The forestry area will be reduced due to the construction of the mining infrastructure. But, after the closure, those locations will be covered with topsoil and after certain soil quality analyses, those locations will be revegetated.
When will the grazing area be reduced?	The grazing area will be reduced before the beginning of the preparation works for the construction of the mining infrastructure.
If the timber on a private land is cut, will compensation be arranged?	We are aware of the mixed land ownership where part of the mining infrastructure will be constructed, but currently we are working on identifying the land ownership, and after the completion of this process, the parcels will be reviewed and managed according to the requirements of the Macedonian legislation. Post consultation note: The Framework for land acquisition and loss of livelihood is under development by Euromax, affected groups will be consulted. The Framework will identify how compensation will be defined.
Will there be a negative impact on Strumica River course, i.e. pollution of the soils in the surroundings of Zubovo village?	No. The pollution of the soils can occur in two ways, either by air pollution or by the sediments in the river. According to the conducted studies, the analyses show that the air pollution in the Zubovo village will not occur as the wind blows in opposite direction, so according to that, the soils pollution by dust will not occur. Regarding the soil pollution by the sediments in the Strumica River, this

	would not occur because sediment control infrastructure on the river courses will be constructed. Besides, Euromax is committed to conducting continuous monitoring of the river water quality, and in that way, the company can react in a timely manner if any of the water quality parameters exceed the proscribed limits.
Where will the cattle currently grazing on the proposed mine site graze in the future?	Currently we are reviewing possible alternatives for grazing areas for the cattle using this area.
What is the radius of dust deposition? What will the impacts on soil acidity be?	As a result of the baseline conditions of the wind and the worst case scenario taken in consideration, dust cannot reach the communities/villages. There might be a minimum impact in Sushica, but it would be low. The soil acidification would not impact the land use.
Is monitoring planned? Have you considered any measures to prevent groundwater and soil contamination?	Monitoring will be defined in detail in the management plans. Monitoring will continue at the locations where EOX already conduct those activities. In case of concerns on your part, we can review the possibility of including your suggestions in the plans.
Euromax does the monitoring in all different fields. Does any other entity carry out additional control?	The monitoring is conducted by Euromax, but everyone can independently do their own monitoring and compare the results. The University of Shtip is also included in collecting monitoring data. They have their own practice of data processing. The data of all research is publicly available and they will continue so in the future. These can be reviewed and compared by anyone and by any governmental institution. Both Macedonian guidelines and the international regulations for the investors are complied with. Investors engage independent experts. An international company named D'Apollonia has been evaluating our monitoring and the entire EIA on behalf of some of our Lenders.
What will happen to wildlife? All wildlife should be relocated.	All habitats of wildlife have been mapped. During site clearance, selected floral species will be relocated to nurseries. Some fauna will be translocated (fish, decapods), others will be guided out of the area to undisturbed areas ahead of clearance. There will be strict guidelines for performing the activities during construction. Revegetation will encourage the return of natural habitats.
<b>Air quality, noise and vibrations</b>	
Will vibrations be felt in the surrounding settlements as a consequence of the blasting process?	The blasting process will be conducted according to the latest technologies (non-electrical systems) that provide controlled blasting using appropriate delays which do not produce significant levels of vibrations. There are no expected impacts of vibrations due to the blasting process.
Will there be an increased level of vibrations due to the blasting performed	The blasting process carried out in solid rock mass will be more successful

in solid rocks?	and controlled because the shock wave is smaller rather than blasting carried out in soft rock mass.
The residents of Ilovica village noticed extensive damage to their properties from the vibrations of the blasting process during the construction of the dam in Ilovica. Will the blasting process in the mine produce increased vibration levels?	Due to the distance between the Project location and the surrounding settlements and the different blasting technology, the vibration levels will not be the same as those during the dam construction in Ilovica. The vibration radius will reach 200m to 300m from the blasting point, and by increasing the distance vibration level decreases. Although there are no predicted damages from vibrations, Euromax will conduct a survey of the current status of all properties in Ilovica and Shtuka.
Will there be increased dust level due to mining operations?	The traffic and the crushing process will be the main sources of dust. In order to prevent dust reaching the surrounding settlements, suitable water spraying or dust collecting systems are planned to be implemented. Deposited dust from several locations has been continuously monitored in the past three years and according to the impact assessment and some software simulations it will not exceed the appropriate limit values.
How do you manage the air quality monitoring?	Air quality has continuously been monitored (deposited dust and chemical composition, as well as ambient concentrations of PM10 particles) in collaboration with "Goce Delchev" University of Shtip in the past three years. Euromax provided three new instruments for 24-hour monitoring of the PM10 ambient concentrations in the Municipalities of Bosilovo and Novo Selo. Air quality monitoring will be conducted continuously.
What kind of mitigation measures will be taken in order to reduce the noise caused by the access road traffic?	In order to reduce the noise caused by the access road traffic, HGV movements will be limited to the daytime and evening periods and where impacts have been assessed as unacceptable to Macedonian and international guidelines a sound barrier will be set at certain sections of the road.
Are there expectations for air pollution due to mine operations near Hamzali? (representative from Agrolozar - Hamzali)	According to the meteorological data from the Euromax weather station and the meteorological station in Sandanski as well as the results of the current measurements, the simulations made with software packages show that there will not be air pollution due to mine operations and the particulate matter concentration will not exceed the limit values in accordance with the Macedonian and international standards.
Will the dust generated from the mine operations have carcinogenic impacts?	The dust will not exceed the limit values according to the Macedonian and international standards and there will not be any carcinogenic impacts.
What kind of mitigation measures related to the HGV movements on the M6 transport route in the area of Novo Selo and Novo Konjarevo will be applied?	HGV movements on the M6 transport route will be limited during the daytime and evening periods. Euromax conducted a traffic survey on several locations and the results will contribute to the determination of the

	appropriate time for truck departures to the Bulgarian border.
What does „minimum impact on air quality“ refer to?	This means that the modelling results are in compliance with both the Macedonian and international standards.
Why isn't there a specific number in the EIA in relation to air quality parameters?	The EIA provides highly detailed information on the environmental impacts and the baseline conditions. There are copies of the EIA available here and we can review that together. (The parameters were shown to the attendee after the presentation.)
<b>General</b>	
Will there be a plan for animal safety and animal food safety?	All monitoring plans are being prepared. Post consultation note: this will include an environmental monitoring plan and a livelihood restoration plan for affected groups owning livestock.
Who will review the environmental monitoring data?	The relevant institutions in Macedonia responsible for the environmental protection will review the environmental monitoring data, the international investors and the independent consultant D'Appolonia. All data will be public information and anyone can review it.



# **APPENDIX F**

## **Stakeholder Meeting Minutes**



**Date:** 16-05-2016

**Time:** 17:15 pm

**Place:** Euromax Resources Strumica Office

**Subject:** Stakeholder Engagement – Round 3 – Meeting with local graziers

**Attendees:**

**Euromax Resources:** Patrick Forward (PF), Chief Operating Officer  
Alan Baker (AB), Project and Construction Manager  
Kate Harcourt (KH), Environmental and Social Manager  
Dragi Peltechki (DP), In-country Project Manager  
Elizabeta Stoeva (ES), Information Centre Administrator  
Marija Rashkovska (MR), Translator

**Golder Associates:** Linda Havers (LH), Senior Social Scientist

**Local graziers:** Ilcho Stojkov (IS), cattle grazer from Ilovica  
Risto Gjorgiev (RG), cattle grazer from Ilovica  
Vasil Janev (VJ), cattle grazer from Ilovica  
Kircho Stojanov (KS), cattle grazer from Shtuka  
Miki Dimov (MD), cattle grazer from Shtuka

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This meeting was held as part of the Stakeholder Engagement Round 3. The graziers who attended the meeting have been identified as project stakeholders as they use land for cattle grazing in the area affected by the project.

The purpose of the meeting was to gather information on and discuss about the practice of breeding the cattle, places they used etc. This meeting was also an opportunity for the graziers to ask questions and make their comments on the Project.

After the introduction of all attendees, LH opened the discussion by sharing the map Euromax had prepared for the meeting on which they could indicate where they were grazing their cattle at the moment. The graziers indicated the Kravichevo area as such (near to the Met station) and KS pointed out that the cattle could not be relocated as they would not drink water from other watering areas than the spring in the Kravichevo area. DP explained that the spring mentioned by KS would be affected by the project as it was located at the plant site. Upon PF's question on how far to the east the cattle moved, IS answered that the cattle grazed in the proposed TMF area. DP clarified that the diversion dam would be located there. IS added that the cattle were going to the coffer dam location and then coming back to the plant site, making a kind of circle more to the north when coming back, thus completing a total of 8-10 km of movement. Regarding the total number of cattle that were grazing in that area, it was 130, adding that during the cold months (October to March) they kept the cattle down in the village. They confirmed

that their cattle were mainly beef cattle. The additional information they provided upon questions were that one of them had to be with the cows as there were wolves that could attack them. The cows gave birth mostly in the period from March to May. The graziers were not part of any particular organization, they organized themselves spontaneously, and added that the cattle were registered by a local veterinarian. Providing help for insemination, treating diseases, checkups by the veterinarian on regular basis and in case of epidemics were the most frequent services provided. Regarding the communication with the Forestry Company and ownership of land in the Kravichevo area, IS explained that the Forestry Company continuously informed them about the areas with young trees, and in 5 years' time after planting, they were allowed to graze cattle in those areas. The fee they paid was estimated based on the number of cattle and not on the size of the land they used. The shelter they had at Kravichevo was the only one up in the mountain and during winter they kept the cattle down in the village in structures and fenced areas in their yards. Upon LH's request, they marked on the map the routes they used. Upon graziers' question, DP explained that Euromax was obligated to fence the concession area. On LH's question on the duration on practicing the activity, they all said they had been grazing cattle for a long period of time and it was considered a traditional occupation of their family. IS emphasized that the number of cattle had increased as a result of the subsidies provided by the Government. Being asked about the number of calves sold per annum, IS replied that he had 40 cows and sold 35 calves.

The discussion continued with the insemination of cattle. The graziers communicated and contacted with graziers from other areas for the insemination. With regard to selling the calves, IS answered that they got the best price for a seven month old calf. LH wanted to know whether they engaged other people to help with breeding and grazing cattle. The usually helped each other and other people were engaged only in cases of other activities.

The graziers were then invited to ask questions or express their concerns regarding the Project.

IS wanted to know more details on Euromax's plans on relocating the cattle. KS commented again that moving the cattle to other grazing areas was impossible as the cattle would not graze in other areas and the only solution would be for them to sell the cattle. He urged that compensation must be provided and, in his opinion, the best compensation would be selling the cattle and getting employed by Euromax. The graziers noted that there was another grazing area near the future mine, near the Crkvishte archaeological site. DP explained that there would not be any activities in the mentioned area.

The graziers confirmed that all cattle had an ID, or a passport as they called it. They added that each had an ear tag and it was a requirement in selling the cattle. They additionally confirmed that they stayed overnight in a small cottage with satisfactory living conditions. Upon PF's inquiry on wolf shooting, IS explained that it was allowed only during the hunting season or on public holidays and Sundays.

IS asked about the start of Euromax's activities at Kravichevo. PF replied that he hoped the construction activities would start by the end of the year. PF also expressed his hope that a good solution for the two parties would be arranged. LH explained that they would need to gather some further information from other graziers so that they would be able to propose some solution that could be included in the mitigation and management plans, pointing out that they would need a month more to gather those information.

Regarding the preferred way of communication, the graziers said that they would like to be contacted by phone. LH invited the graziers to the Open House events (OHs) and noted that they would have the opportunity to meet professor Branko (Euromax's local consultant and biologist) there and exchange information on hunting. PF explained that the OHs were aimed at presenting the EIA results, followed by a public hearing for the EIA, organized by the Ministry of Environment. PF mentioned that a separate event would be organized to share information on employment opportunities, a recruitment fair to present more details on requirements, training, skills, policies and procedures etc.

There being no further points for discussion, the meeting adjourned at 18:30.

Edited by:

Marija Rashkovska

**Date:** 17-05-2016

**Time:** 14:30 pm

**Place:** Municipality of Bosilovo – Cultural and Educational Centre

**Subject:** Stakeholder Engagement – Round 3

**Attendees:**

Patrick Forward (PF), Euromax Resources, Chief Operating Officer  
Alan Baker (AB), Euromax Resources, Construction and Project Manager  
Dragi Peltechki (DP), Euromax Resources, In-Country Project Manager  
Aneta Donkova-Petrushova (ADP), Euromax Resources, HR Manager and Head of Administration  
Marija Rashkovska (MR), Euromax Resources, Translator  
Elizabeta Stoeva (ES), Euromax Resources, Information Centre Administrator  
Jana Nikodinovska (JN), Euromax Resources, VP Legal Affairs and Company Secretary  
Martina Kostovska (MK), Euromax Resources, Investor Relations Associate  
Kate Harcourt (KH), Euromax Resources, Environmental and Social Manager  
Andrew Morsley (AM), Golder Associates, EIA Project Manager  
Linda Havers (LH), Golder Associates, Senior Social Specialist  
Peter Baur (PB), Schlumberger Water Services, Hydrologist  
Ljupcho Kolev, Mayor of the Municipality of Bosilovo  
Atanas Tasev, Ilovica School Principal  
Nada Stoilova, Municipality of Bosilovo  
Vancho Manolev, Municipality of Bosilovo  
Atanas Karabichakov, Municipality of Bosilovo  
Marjan Manev, Municipality of Bosilovo  
Milan Andonov, Municipality of Bosilovo  
Vane Dimitriev, Municipality of Bosilovo  
Stojan Gogov, Municipality of Bosilovo  
Boris Milkov, Municipality of Bosilovo  
Zoran Zimbakov, Municipality of Bosilovo  
Ivan Trajkov, Municipality of Bosilovo  
Kiril Jakov, Municipality of Bosilovo  
Nikola Gjorgiev, Bosilovo Public Utilities Company Manager  
Mirche Stojkov, Ilovica Water Treatment Plant Manager  
Kire Stoilov, Municipality of Bosilovo

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The purpose of the meeting was to inform the attendees on the results of the EIA of their concern and to answer any questions or address any concerns related to the EIA and the Project in general.

PF opened the meeting by presenting the purpose of the meeting, namely the presentation of the EIA findings and providing another opportunity for the stakeholders (the Municipality being one of them) to

ask their questions and raise their concerns. He provided information on the teams included in the development of the EIA, the compliance with the national and international regulations and guidelines, the importance of the involvement of stakeholders in the process, the public availability of the document, the forthcoming public hearing to be organized by the Ministry of Environment and Physical Planning, the organized Open House events during that week and the future event of recruitment fair to be organized after all the permits from the authorities were provided.

The meeting continued with PF's elaboration on the look of the Project 20 years after operation started. He provided details on the open pit, the crusher, the conveyor belt, the stockpile, the milling process, the flotation and leaching and the method of construction of the TMF. He also explained the purpose of collection ponds and the activities that Euromax would undertake after the closure of the mine and post-closure.

After the animation, DP gave a presentation with a short summary of the EIA methods and findings in the different areas it developed, the additional activities to be developed in the future and he emphasized the importance of stakeholders in the process of the development of the EIA and the Project itself.

Upon the completion of the presentation, the Mayor himself provided feedback on the availability of the EIA in the Municipality offices and the opportunity for the community to have a detailed overview of the work the team had developed. He emphasized the professional approach of Euromax in developing their relations and communication with the Municipality and its institutions, the transparency in presenting the Project impacts and the engagement in reducing those impacts to minimum. The Mayor also pointed out the importance of attending the Open House events because of the presence of experts who could answer the questions and provide more details.

The Q&A session was opened with a question related to the potential use of the number of sunny days at a higher elevation at the Ograzhden Mountain. The attendee said that the construction of power lines from Berovo and Sushica would require more funds compared to the use of solar energy collectors and their later use benefits for the community after closure. PF explained that the operation of the plant required a capacity of 60MW and there was no solar technology with that capacity. The renewable energy would certainly be used for particular features, e.g. offices, because Euromax would respect all European standards of power saving. PF additionally said that the Berovo and Sushica lines would add stability to the network and support to the infrastructure in the region.

A representative from the Urban Planning Department of the Municipality required information on the status of the development of the state urban planning documentation, the strategic EIA and the urban planning documentation for the access road from M6. He required more information as to whether the MoB should develop any further documentation or adopt any decision and emphasized the importance on timely delivery of information to the Municipality and its relevant department. PF explained that the urban planning documentation was being developed with the local urban planning company VECTOR 90 and all the activities had been developing according to the schedule. The representative of the urban planning department and JN exchanged additional information on the status of the documentation.

The Mayor once again pointed out the importance of the Open House events and the transparency Euromax had been showing in their communication with the Municipality and the community.

There being no further issues to be discussed, the meeting adjourned at 15:45.

Prepared by:

Marija Rashkovska

**Date:** 17-05-2016

**Time:** 12:30 pm

**Place:** Municipality of Novo Selo

**Subject:** Stakeholder Engagement – Round 3

**Attendees:**

Patrick Forward (PF), Euromax Resources, Chief Operating Officer  
Alan Baker (AB), Euromax Resources, Construction and Project Manager  
Dragi Peltechki (DP), Euromax Resources, In-Country Project Manager  
Aneta Donkova-Petrushova (ADP), Euromax Resources, HR Manager and Head of Administration  
Marija Rashkovska (MR), Euromax Resources, Translator  
Elizabeta Stoeva (ES), Euromax Resources, Information Centre Administrator  
Kate Harcourt (KH), Euromax Resources, Environmental and Social Manager  
Linda Havers (LH), Golder associates, Senior Social Scientist  
Peter Baur (PB), Schlumberger Water Services, Hydrologist  
Blazho Velkov, Mayor of the Municipality of Novo Selo  
Nace Cekov, Municipality of Novo Selo  
Dragana Stoilkova, Municipality of Novo Selo  
Verica Angelova Zlatanova, Municipality of Novo Selo  
Cameron George, Municipality of Novo Selo, Peace Corps Volunteer  
Olivera Smilkova, Municipality of Novo Selo  
Petar Delev, Municipality of Novo Selo  
Ljupcho Tagarski, Municipality of Novo Selo  
Gjorgi Badjukov, Municipality of Novo Selo

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The purpose of the meeting was to inform the attendees on the results of the EIA of their concern and to answer any questions or address any concerns related to the EIA and the Project in general.

PF opened the meeting by presenting the purpose of the meeting, namely the presentation of the EIA findings and providing another opportunity for the stakeholders (the Municipality being one of them) to ask their questions and raise their concerns. He provided information on the teams included in the development of the EIA, the compliance with the national and international regulations and guidelines, the importance of the involvement of stakeholders in the process, the public availability of the document, the forthcoming public hearing to be organized by the Ministry of Environment and Physical Planning, the organized Open House events during that week and the future event of recruitment fair to be organized after all the permits from the authorities were provided.

The meeting continued with PF's elaboration on the look of the Project 20 years after operation started. He provided details on the open pit, the crusher, the conveyor belt, the stockpile, the milling process, the flotation and leaching and the method of construction of the TMF. He also explained the purpose of

collection ponds and the activities that Euromax would undertake after the closure of the mine and post-closure.

After the animation, DP gave a presentation with a short summary of the EIA methods and findings in the different areas it developed, the additional activities to be developed in the future and he emphasized the importance of stakeholders in the process of the development of the EIA and the Project itself.

Upon the completion of the presentation, the Mayor himself provided feedback on the availability of the EIA in the Municipality offices and the opportunity for the community to have a detailed overview of the work the team had developed.

The Q&A session was opened with a question related to the operations of the Buchim mine and the development of its EIA. The attendee wanted to know whether Euromax had any information on how they had developed their EIA. He noticed that the operations described in the animation and the presentation were similar to those of Buchim. He had visited the Turkish village near the dam and he shared the information that most of the people left the village when the mine started operating but they voluntarily came back after realizing that there were no impacts from the mine. PF explained that the Buchim mine was constructed in the 1980s and the national regulations in that time were different from the national regulations Euromax was obliged to comply with. Euromax would also comply with the international guidelines in the construction of the TMF and that it would be constructed of unmineralized rock and there would be a collection pond to capture seepage from the TMF dam. He advised the attendee that the complete text of the EIA was publicly available and he could find the details in the document.

The next question referred to the impact from the noise and the vibration caused by the movement of HDV during daytime and the evening. PF replied that the EIA provided detailed review on the impact on noise and vibration and the analyses showed that there would be no values that would be beyond the specified Macedonian and international regulations.

According to the next participant in the discussion, 605 of the analyses show that the impacts would be negative, mainly on water quality and quantity. He suggested that a pipeline should be constructed from the Turija Reservoir to the village of Novo Konjarevo (thus distributing water to all the villages, not only Ilovica and Shtuka) so as to improve both the quality and quantity of water and provide permanent water supply. PB replied that issues of such nature were not dependent on Euromax and the Water Management Company was the entity they should refer to.

There being no further issues to be discussed, the meeting adjourned at 14:00.

Prepared by:

Marija Rashkovska



**Date:** 18-05-2016

**Time:** 12:45 pm

**Place:** Euromax Resources Strumica Office

**Subject:** Stakeholder Engagement – Round 3 – Farmers’ Association and local NGO

**Attendees:**

<b>Euromax Resources:</b>	Patrick Forward (PF), Chief Operating Officer Alan Baker (AB), Project and Construction Manager Kate Harcourt (KH), Environmental and Social Manager Dragi Peltechki (DP), In-country Project Manager Elizabeta Stoeva (ES), Information Centre Administrator Marija Rashkovska (MR), Translator
<b>Golder Associates:</b>	Linda Havers (LH), Senior Social Scientist Andrew Morsley (AM), ESIA Project Manager
<b>Schlumberger Water Services:</b>	Rod Mitchell (RM), Principal Hydrogeologist
<b>Farmers’ Association:</b>	Nikola Stamenov (NS), President
<b>Eko Chukar Grin NGO:</b>	Done Janev (DJ), President Atanas Janev (AJ), Manager Sofija Mitrova (SM), Associate

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The meeting was part of the Stakeholder Engagement Round 3. The purpose of the meeting was to inform the attendees on the results of the EIA and to answer any questions or address any concerns related to the EIA and the Project in general.

After the introduction, AM started the meeting by providing information about the key findings of the EIA, putting emphasis on the areas of particular interest to the farmers. He provided detailed information on the impact on soils, referring to dust deposition and air quality. AM correlated the baseline conditions with the modeling Golder did and provided data from the EIA itself regarding the concerns related to agriculture. AM also referred to the presence of RM at the meeting, the groundwater studies conducted by SWS and the questions and concerns RM could answer related to groundwater and agriculture.

The attendees were provided with a copy of the presentation used in the OH events and AM further elaborated on the issues related to the impact on water, air quality and soils in relation to the results of the EIA.

After the presentation, DJ shared information about their NGO and the concerns and interests of their members. The NGO had 400 members and they were interested in more information about their main concerns regarding impacts on water, air and soils and farming in general. The members were mostly from

agricultural families (farmers) from Ilovica and Shtuka who had been selling their products to him. He added that his business partners (companies) had already been concerned about the negative impact of the project on agricultural production. He emphasized that the members of the NGO requested to have frequent meetings with Euromax in order to discuss certain future activities. AM elaborated that an assessment was done in terms of soils. He emphasized the baseline information gathered (soil sampling) and the assessment data included in the EIA. PF explained in details the soil sampling procedure and pointed out that the soil baseline and soil impact assessment results were publicly available. Upon NS's question on the depth of soil sampling, DP replied that it depended on how deep they could go. On NS's concern about the contamination of groundwater, AM explained in details the results of the EIA regarding the relation of the soils and groundwater and dust deposition, presenting the specific results taken from the study itself. AM expressed his hope that the representatives of the Farmers' Association and the representatives of the NGO had an image on the level of details that had been considered in the EIA.

NS was concerned about whether Euromax's and Golder's representatives were aware of the increase of the flow of Jazga River. RM confirmed that they had monitored the flow and the results were already part of the baseline. NS believed that Jazga was contaminated as result of the drilling activities undertaken by Euromax and he inquired about how Euromax would protect groundwater during operations, at which point AM said that there would be appropriate sediment control. PF elaborated on NS's concern about the construction of the TMF from unmineralized waste rock.

NS and AM had a discussion on dust deposition, particularly related to NS concern that there would be dust deposition due to the direction of the wind. PF clarified that the worst case scenario of wind was used in the modeling for the ESIA and the farthest distance of dust spreading was assessed, and not the typical scenario. AM provided additional information on the ongoing dust monitoring and the public availability of such data. He emphasized that the community representatives could indicate the most relevant locations in their opinion and the information provided would be implemented in the management plans. At that point, PF said that dust control was a simple procedure as simple water sprayers were very helpful in such situations. He shared his experience with a project he worked on project in Greece. NS expressed his concern on the responsibility in case of negative impacts. PF confirmed that Euromax would take full responsibility of any impact of the project.

AM next inquired on the communication method preferred by the representative of the farmers and the representatives of the NGO. According to DJ, arranging formal meetings would be the best communication method.

NS suggested establishing a group of five people to represent the community and to communicate with Euromax's team. PF agreed that formal meetings would be a highly positive practice, but the focus should be on the villages of Ilovica and Shtuka. The team would be the liaison between Euromax and the community. Euromax were open to work together with the community on certain projects and the team would develop towards better communication between the community and Euromax. After receiving all the required permits, Euromax would definitely commit to more community projects. As construction started, Euromax would be able to increase investments. LH emphasized that Euromax would work

together with that group of people on increasing the environmental awareness. The present agreed that all further questions should be discussed at the follow-up meeting. According to AJ, additional questions should be addressed by e-mail and these should be worded at a level understandable by the community. The NGO had not had a web site yet, but they were a fully registered organization.

On NS's question about the time of establishing the team, PF replied that Euromax would need around 6 weeks as consultations with other groups were required too.

AM referred to the presence of RM at the meeting and the groundwater issue raised at the start of the meeting RM elaborated on the issue in details and presented some of the EIA results related to groundwater. He provided details on the groundwater quality and quantity monitoring process and the baseline and the management of seepage from the TMF. RM was surprised by the number of shallow wells mapped and DJ just replied that he expected that the number of shallow wells would increase. NS inquired on the institutions where the analyses were conducted, at which he was provided an appropriate answer (some of the analysis were conducted in a fully accredited laboratory in UK, and that some of them were conducted in the Euromax lab).

DJ confirmed AM's statement that the number of wells depended of the type of agricultural crops planted and grown in the local area.

The attendees agreed to continue their communication in relation to the conclusions and discussions at the meeting.

There being no further issues for discussion, the meeting adjourned at 14:15.

Edited by:

Marija Rashkovska

**Date:** 18-05-2016

**Time:** 10:00 pm

**Place:** Euromax Resources Strumica Office

**Subject:** Mine water supply options – Reliability of Turija and Vodocha Reservoirs, Turija canal

**Attendees:**

Patrick Forward (PF), Chief Operating Officer, Euromax Resources  
Alan Baker (AB), Project and Construction Manager, Euromax Resources  
Dragi Peltechki (DP), In-country Project Manager, Euromax Resources  
Marija Rashkovska (MR), Translator, Euromax Resources  
Elizabeta Stoeva (ES), Information Centre Administrator, Euromax Resources  
Jana Nikodinovska (JN), Euromax Resources, VP Legal Affairs and Company Secretary  
Kate Hartcourt (KH), Environmental and Social Manager, Euromax Resources  
Linda Havers (LH), Senior Social Scientist, Golder Associates  
Andrew Morsley (AM), ESIA Project manager, Golder Associates  
Peter Baur (PB), Hydrologist, Euromax Resources  
Rod Mitchell (RM), Hydrogeologist, Schlumberger Water Services  
Aleksandar Todorovski (AT), Civil Engineer, Hidro-Energo Inzenjering  
Gjorgji Nacev (GN), Strumichko Pole Water Management Company  
Stojan Gjorgiev (SG), Head of Vodocha System, Strumichko Pole Water Management Company  
Vane Ivanov (VI), Head of Turija System, Strumichko Pole Water Management Company  
Mirche Stojkov (MS), Ilovica Water Treatment Plant Manager  
Romeo Trenov (RT), Vodostopanstvo AD (Water Management Company) General Manager  
Zoran Konjanovski (ZK), Vodostopanstvo AD (Water Management Company) Member of Board

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After the introduction of all the attendees at the meeting, AM gave a brief presentation of the EIA results, with particular emphasis on the issues related to water quality and quantity. There being no questions and concerns, the EIA team left the meeting and the technical part of the meeting started.

PB started the technical part of the meeting by presenting the summary of the baseline modeling of Vodocha and Turija Reservoirs, together with AI, and the preliminary estimations on surface water resources availability for mine supply. The both did an elaboration on the results of the baseline modelling, explaining in details the different scenarios and the values for environmental flow, water supplied for Strumica, irrigated area, % of time the irrigation demand is not satisfied and the average return period of failure of irrigation supply for both reservoirs and the storage reserved for flood control and the water supplied to Ilovica WTP for the Turija reservoir.

During the presentation, VI suggested that re-modelling should be conducted by changing the value of the storage reserved for flood control from 5 Mm<sup>3</sup> to 1 Mm<sup>3</sup> because the suggested value was too high and the capacity of the Turija Reservoir could support the value Vi suggested. He even suggested that it

would be better if monthly variations were included in the re-modelling, thus providing a more accurate data in each scenario.

PB required more information on the possibility of conducting a bathymetric survey in the Turija Reservoir. He was said that the level of sedimentation in the reservoir was very low and it only represented 0.65% of the total storage. There had been data showing that the sedimentation in the last ten years was very low and SPWMC offered to provide the data from the bathymetric survey conducted in 2009. The SPWMC representatives found no need for such a survey to be conducted at that moment. The only concern they had regarding the Turija Reservoir were the losses along the Turija canal since there was a large demand of water per ha because of the losses due to the structure of the canal and the farmers intentionally blocking the canal. The 30 kilometre long system as an open canal was difficult to control.

PB elaborated the idea that EOX were planning on constructing a new pipeline from the Turija Reservoir to the Ilovica Reservoir and a T-pipeline to the Ilovica WTP. HEI were commissioned by SPWMC to review all the options and the document was made available to EOX and SWS. Upon his elaboration, ZK argued that the investment of constructing a new pipeline could be very high and long-lasting due to the structure of the terrain along the existing canal and most importantly due to the process of land acquisition EOX would have to consider, having in mind that the land along the canal belonged to many owners. He suggested that it would be better if EOX considered reconstructing the existing canal, thus making its reconstruction a lower investment for EOX and contributing to the community.

The WMC were planning on starting the reconstruction of the canal and according to their plans, it should be completed in three years' time. It would be a closed canal with low pressure. The construction periods could be reduced to two years if they could provide the funds required. They had planned to start the reconstruction this year, but the administrative procedures could delay the start. They emphasized that the largest percent of the losses along the canal are due to it being an open canal and they had to release water even during night time so as to keep the canal full. That was considered a great loss since the water released during night time was not used by anyone. The capacity of the canal was 6 m<sup>3</sup>/s, but they only released 3.5 m<sup>3</sup>/s due to the current condition of the canal. According to their estimations and knowledge of the structure, the losses would be reduced to 1/3 i.e. 5 Mm<sup>3</sup> per year. Therefore, they considered that EOX investing in the reconstruction of the canal would be a far better idea than starting the construction of a completely new pipeline as an investment.

The tender documentation for the reconstruction was prepared and DP agreed to contact RT for detailed information on the progress thereof.

Upon PB's question on any competition between the farmers using the canal for irrigation and EOX abstracting water from the canal when reconstructed, ZK explained that the Macedonian Government had developed a strategy on investing in the drip irrigation system, according to which 80% of the costs would be a governmental investment. Farmers did not use the water during night. Having in mind that the capacity of the canal near Ilovica was 2m<sup>3</sup>, 20,000 m<sup>3</sup> of water could be released during night (8 hours' time).

After the discussion on the issues mention above, the attendees concluded that a schedule should be developed with SPWMC and its implementation should be accordingly monitored. They also agreed that EOX should be provided with the tender documentation on the reconstruction of the Turija canal.

There being no further issues for discussion, the meeting adjourned at 12:00.

Prepared by:

Dragi Peltechki

**Date:** 19-05-2016

**Time:** 10:00 am

**Place:** Euromax Resources Information Centre

**Subject:** Stakeholder Engagement – Round 3 – Local NGOs

**Attendees:**

<b>Euromax Resources:</b>	Dragi Peltechki (DP), In-country Project Manager Kate Harcourt (KH), Environmental and Social Manager Elizabeta Stoeva (ES), Information Centre Administrator
<b>Golder Associates:</b>	Linda Havers (LH), Senior Social Scientist
<b>CEOR NGO:</b>	Liljana Shopova (LS), legally authorized representative
<b>Eko Chukar Grin NGO:</b>	Done Janev (DJ), President

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This meeting was held as part of the Stakeholder Engagement Round 3 and the purpose of the meeting was to meet with the local NGOs and find out more on their work (establishment, aims, projects), to share information and to hear their ideas or suggestions.

Upon LH's request, LS introduced the NGO she represented. It was established in 2008, and in the beginning, the seat was located in the Strumica town and at the moment the seat was in Ilovica village (at her home). In the beginning the NGO was only a small group of people. Their main focus was on education and environmental protection. Their membership (including experts in certain areas) increased during time. They started cooperating and networking with similar NGOs in Macedonia. The NGO was registered in the Municipality of Bosilovo, but the municipality did not help them much. KH inquired on examples of projects they had worked on. The Green package junior project was an educational project in all schools in the Municipality of Bosilovo, that it was supported by the Regional Environmental Center of Macedonia and an Austrian organisation. The project's duration was 8 months. They provided training for the teachers, after which a school competition was organized in decorating the classrooms and collecting plastic waste. The Municipality of Bosilovo co-financed the Green package junior project. Planting trees and providing equipment for the school parks in Ilovica and Bosilovo were part of the project. They were also part of the Energy efficiency project together with the EVN Company (Power distribution and Supply Company in Macedonia). Their latest activities were related to a Local action group (LAG) in which all four municipalities in the Strumica region were involved. The LAGs included representatives of the municipalities, representatives of the business sector, and representatives of the NGOs. The main goal of the LAG was rural development. Their activities were conducted both by trained teachers and volunteers. Upon LH's question on members working as volunteers, LS explained that they had been involving people depending on the requirements for certain project. KH asked whether they had any project with focus on the environment. LS explained that they had an idea on developing a project on waste collection.



Being requested to share certain information with regard to their activities, LS said that part of the Green package junior project was related to topics on water. Finding the materials on the internet was easy. They did not have web site, but they had a dedicated Facebook page for the Green package junior project.

Regarding the organizational structure, the NGO had its Board of directors, and added that she was a legally authorized representative. The NGO did not have their official office, and the office address of the NGO was her home address.

KH asked whether LS had any questions about the Ilovica project. LS replied that she had been actively following the project development through OH events, meetings in the municipality etc. She emphasized her concern about the risk of pollution and she would like to be involved (through the NGO) in the Ilovica project in some way. LH and KH stated that they hoped that the communication with their NGO would continue. KH said that Euromax would like their help in finding out more about the opinion of the community, and she expressed her hope that the cooperation between the NGO and Euromax would develop.

The discussion then turned to the Eko Chukar Grin NGO. DJ emphasized that their members were mainly interested in the grazing areas and their main concern were the alternative places for grazing. He also added that some education should be provided for the grazers. DJ noted that people complained about unpredicted diseases. He added that his NGO would like to educate the grazers on where they could graze their cattle, as 80% of the local population practiced those activities. They had a well-developed cooperation with the local vet. The NGO was aiming at providing suggestions for alternative grazing area before the mine started operating because, in his opinion, the local grazers would think that any diseases of the cattle would occur due to mine operations. LH emphasized that the grazing areas out of the footprint would be available for grazing during the operational phase.

DJ suggested that efforts should be made in order to avoid situations like the fish kill that had occurred in the Ilovica reservoir. LH advised that ongoing environmental awareness programmes should be conducted. DJ asked whether it was possible to provide some certificate to prove that the soil and air were not contaminated. He explained that the buyers of agricultural products requested some document indicating that the products were not affected. KH mentioned that Euromax had done soils monitoring and the results of the monitoring could be provided as an evidence. KH added that the soil baseline showed that the soils in the local area were not contaminated and the monitoring would continue on an ongoing basis. DP advised that DJ could let the buyers know that Euromax had published the EIA on its web site.

LH wanted to know if the Ministry of Agriculture done regular testing of soil. DJ and LS replied that the Ministry of Agriculture had been conducting soil testing only if being requested by individual farmer and not on regular basis. LH explained that the monitoring that had been conducted by Euromax was related only to testing of the chemical composition, but had not been conducted any testing in terms of any other composition, e.g. pesticides composition. The representatives of the both NGOs were also advised to conduct an independent soil monitoring.

DJ continued the discussion talking about the concerns that the local hunting association had. He said that the local hunting association was concerned about the impact on the wild life, particularly noise impact, and the alternative hunting areas. LH replied that they did not propose any alternative location as the hunting zone was too big and the wild life would go in other places. However, she added that additional meetings would be arranged to further discuss the issue. On his question whether Euromax could provide young wild animals, LH answered that Euromax was not committed to that and had not considered that option.

LH emphasized the meeting being an initiation of further follow-up meetings with local NGOs.

DJ confirmed that the focus of their NGO was the protection of the environment. All future meetings with the NGO would be arranged with him as president of the NGO.

LH pointed out that all follow-up meetings would be arranged after the Public Hearing on the EIA, as she liked to consider all requirements. As to the grazing areas, LH let DJ know that Euromax had already had a meeting with part of the local grazers who would be affected by the project. DJ noted that all grazers should be invited to a meeting. On LH's inquiry in the best way of identifying the grazers, DJ offered his assistance in informing them.

There being no further issues for discussion, the meeting adjourned at 11:10.

Edited by:

Marija Rashkovska

**Date:** 19-05-2016

**Time:** 18:50 pm

**Place:** Euromax Resources Information Centre

**Subject:** Stakeholder Engagement – Round 3 – Local veterinarian

**Attendees:**

<b>Euromax Resources:</b>	Dragi Peltechki (DP), In-country Project Manager Kate Harcourt (KH), Environmental and Social Manager Elizabeta Stoeva (ES), Information Centre Administrator
<b>Golder Associates:</b>	Linda Havers (LH), Senior Social Scientist Andrew Morsley (AM), Associate, ESIA Project Manager
<b>Local veterinarian:</b>	Toni Ristov (TR), Veterinarian from Ilovica

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The purpose of the meeting was provide information from the local vet as a follow-up to the meeting with the grazers. KH explained in details the discussion they had with the local grazers, after which TR provided details about his work.

TR explained that he was a resident of Ilovica and his services were mainly used by people from the Municipality of Bosilovo (MoB). He also provided some data on the number of cattle and sheep in the MoB, namely there were 4,000 head of cattle and 2,500 sheep. He added that his services covered 80% of all livestock in the MoB. Only 20 cattle from the Municipality of Vasilevo were treated by him, the other grazers he provided services for were all from MoB. Grazers were free to select a vet for the preventive veterinary services, but the corrective veterinary services were also considered. Each head of cattle (cow/bull) was marked with an ear tag. Newborn and dead cattle were registered too. His services covered 99% of the livestock in Ilovica and 80-90% of the livestock in Shtuka village. In cases of disease, he had to checkup the livestock and the grazers paid for that service. The Government covered the costs for the preventive services. He worked together with a veterinary technician and an administrator, but they did not have a lab.

AM explained that certain grazing areas were included in the concession area and those would be taken and would not be available for grazing, such as the ‘Kravichevo’ area and the Shtuka river valley, and alternative solutions had to be found. TR said that he could not talk in the grazers’ behalf. He emphasized that if the grazers could no longer use the grazing area, that would affect them negatively as it was their main income source throughout generations. The relocation of the cattle depended on how far the cattle had to be moved. He added that all grazing areas on the Ograzden Mountain were had similar conditions for grazing. LH mentioned the grazers’ opinion that the cattle would refuse to graze in area different to the one they were used to. In TR’s opinion, it all depended on the grazers and their efforts to stop the cattle to go back to the original grazing place. KH referred to that same meeting and the grazers’ statement

they sold the calves too early (7 months old) and she asked whether the buyers sold the calves to other farmers or they slaughtered them. TR replied that the local grazers bred the cattle only for beef and their production was 100% organic. TR added that the grazers sold the calves when they had 200-250 kilograms, but the price was not satisfactory. KH inquired on the common price per head of cattle. The occurrence of the lumpy skin disease caused the Government would pay 900 Euros per head of cattle, but the losses for the grazers were of great range since that was the only source of income for most of them. Regarding the registered cases of the disease, TR referred to the large number of cases which would negatively affect the eastern region of Macedonia. The preventive measures and the treatment of the disease were not well developed. On KH's question regarding the disposal of the dead cattle. TR replied that they buried them in pits. Being asked whether there was any prohibition on selling or moving cattle at the moment, TR just confirmed that it was so due to the abovementioned disease.

TR explained that the local grazers in general sold the cattle on market or with exchanges among themselves. The slaughterhouse provided a service of purchasing cattle too at almost the same price. TR noted that the price decreased due to the import of beef from Europe.

With regard to herd records, TR confirmed that he had records of herds. On the inquiry of insemination, TR replied that sometimes the insemination was artificial and it was done in farms. He added that the farms imported the material for insemination. TR confirmed that there was exchange with different species of bulls.

Grazers had to apply for certified organic production which was monitored for 5 years, and if they worked according to the required standards, they would get a certificate. Authorized organizations based in Skopje could issue a certificate. TR provided some more information on the organic beef production saying that it was not an expensive type of production, but the local people were not educated enough. He added that the price of organic food is high and that kind of production was very profitable. He had tried to convince the local farmers to produce organic food first, then he planned to convince the grazers to produce organic beef.

The cattle grazed up in the hill only from March to October and during winter the cattle were sheltered in the village, but were still taken in the hill to graze.

Regarding information on the lumpy skin disease, TR replied that he had to report to the vet inspector. The checkups were usually done in the morning and the results were ready later during the day.

AM informed TR that Euromax had held a series of Open House events in order to present the EIA results, which TR was unable to attend. The following step would be the development of the management plans, and the rehabilitation of the grazing areas would be included therein. AM noted that it would be useful if the vet could assist with advice on suitable plants. TR could not help as his was not a flora expert.

TR had no information on the procedure of getting the money from the Government after the purchase, but he pointed out that the disease was not as serious as it was not appropriately taken care of.

Regarding TR's concerns about the Project he just wanted to know whether the blasting and the operation would be 24 hours per day. DP replied that the blasting would be no more than once a day, and the operation would be 24 hours a day. TR expressed his concern about the possible damage from blasting. DP indicated that the EIA showed that there would not be any damage from vibration.

No further questions or concerns arose and the meeting ended at 19:40.

Edited by:

Marija Rashkovska

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