

Illovica Project Stakeholder Engagement

Presented by Golder Associates

March 2015





Agenda

- Ilovica Copper-Gold Project
- Introducing the ESIA Team
- Environmental and Social Impact Assessment
- Stakeholder Engagement
- ESIA Baseline
- Work in Progress
- Schedule for the ESIA
- Feedback and Comments



Ilovica Copper-Gold Project

The proposed mining project is situated within the Municipalities of Bosilovo and Novo Selo, southeastern Macedonia.





What Will The Project Look Like?

The project is planned to be an open pit mine with associated infrastructure, including:

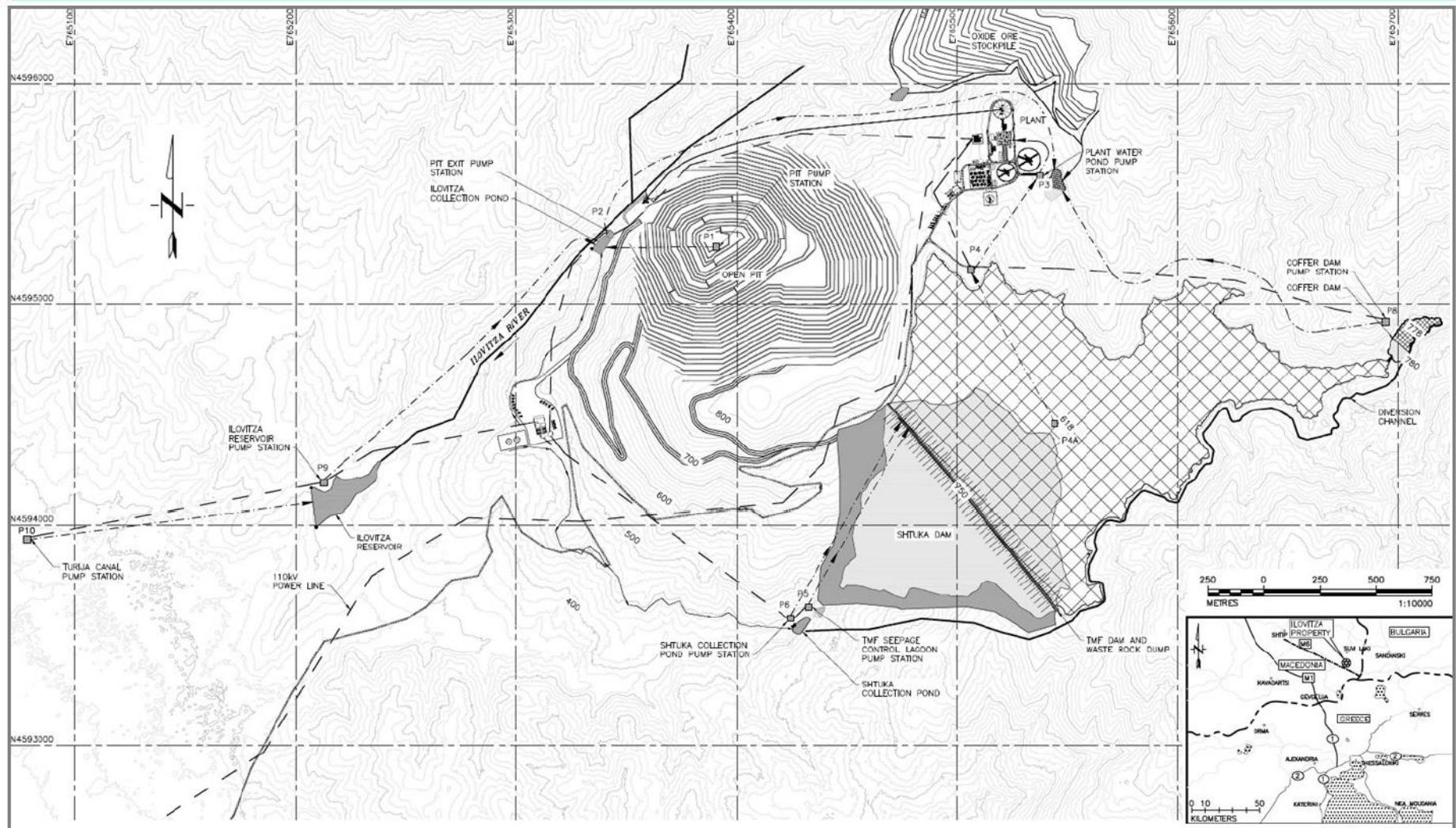
- A process plant;
- Access roads;
- Ore stockpile; and
- A tailings management facility.

The proposed mine life is 23 years.

The average annual production will be:

- 95 Koz gold; and
- 16 Kt copper.

Project Layout





Environmental and Social Impact Assessment (ESIA)

This section of the presentation will:

- Introduce the ESIA Team;
- Provide an overview of the ESIA process; and
- Explain the stakeholder engagement process and how you can participate.





The ESIA Team: Golder Associates

- A global organisation providing consulting, design, and construction services since 1960.
- Specialised in Environmental and Social Impact Assessments (ESIA) for mining companies to international and national guidelines/standards to lender and regulator requirements.
- Golder has been contracted by Euromax to conduct the ESIA and baseline data gathering for the proposed Illovica Copper-Gold Project.
- Golder's project team is based in the UK with technical support from Macedonian specialists



The ESIA Team

Golder is working with Macedonian specialists and academics with local and site-specific knowledge. These include:

- Biomaster: ecological specialists;
- Goce Delcev University: socio-economics, air quality (incl. particulates, dust) and noise; and
- Strumica Museum: archaeology and cultural heritage specialists.

Golder will work closely with the local specialists to ensure the ESIA meets both national and international guidelines and standards.



The ESIA Team: Schlumberger Water Services

- SWS is a global consulting company specialising in water resources management. SWS is working closely with Golder.
- Specialised in conducting water studies for mining companies to international and national guidelines/standards and lender and regulator requirements.
- SWS has been contracted by Euromax to conduct the surface water, groundwater and geochemistry impact analysis and baseline data gathering and to provide input to the engineering studies on water supply and management.
- SWS's project team is based in the UK with technical support from technicians from Euromax's Macedonian team.

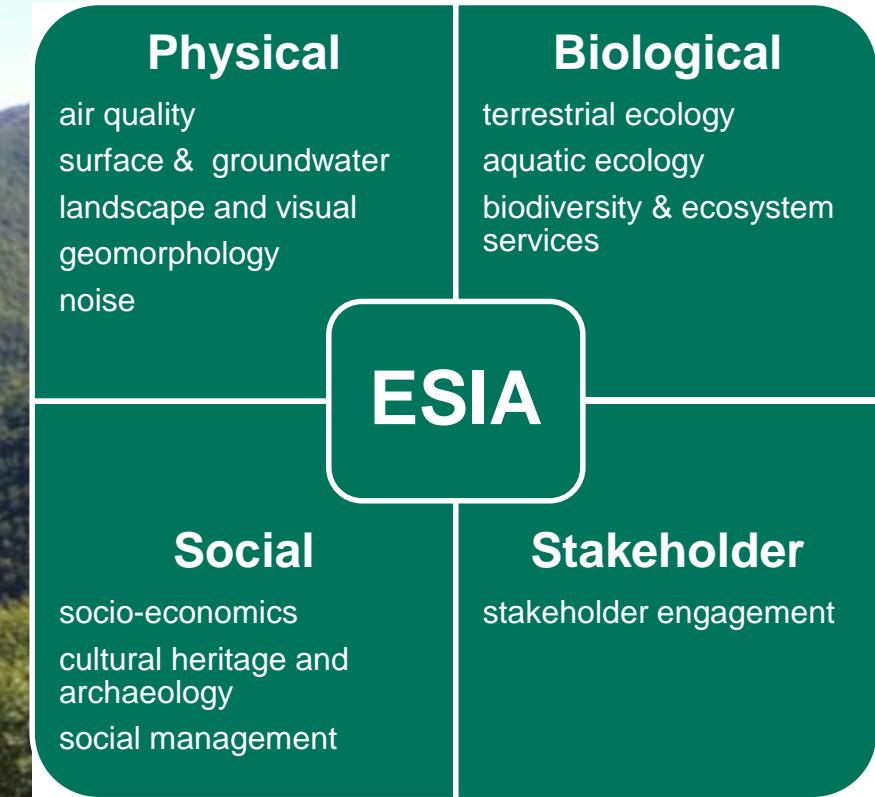


Environmental and Social Impact Assessment

An ESIA is an assessment of the potential social and environmental impacts of a project.

The permit to construct and operate the mine and the funding of the project is dependent on the project design and the robustness of the ESIA and the environmental and social management measures described.

An ESIA identifies environmentally and socially sound practice and mitigation measures for the project.





Impact Assessment Process

The impact assessment process comprises:

- Literature review & baseline gap analysis (complete)
- Establish the key environmental and social receptors (complete)
- Establish Baseline Conditions – field surveys (in progress)
- Stakeholder engagement (in progress)
- Assess project effects on receptors to determine the nature and scale of impacts (Q4 2015)
- Mitigation should impacts be unacceptable (Q4 2015)
- Assess residual impact (after mitigation) (Q4 2015)
- Cumulative environmental assessment (Q4 2015)
- Monitoring and management (2016 onwards)



Macedonian Impact Assessment Process

Euromax have committed to meeting international standards for the Illoica Project ESIA but will also meet Macedonian requirements for an environmental impact assessment (EIA).

The Macedonian EIA needs to be approved before Euromax can apply for the Construction Permit for the mine.

Euromax are working with the Directorate of Impact Assessment in the Ministry of Environment to deliver the draft EIA by December 2015.

The approvals process for a Macedonian EIA involves public consultation on the EIA including a 30 day disclosure period followed by public hearings in Bosilovo and Novo Selo.

Meetings and stakeholder engagement that Euromax hold before this disclosure period are in addition to Macedonian requirements.



What is Stakeholder Engagement?

Stakeholder engagement is a two-way process which allows the dissemination of information about the project and how the ESIA will assess the project, while allowing stakeholders to ask questions, raise concerns and make comments about the project so concerns can be addressed within the ESIA. It will take place at national level and in the local area.

During the stakeholder engagement process, Golder will present information about the project and the ESIA baseline studies in two rounds of stakeholder engagement:

- Round 1 (this phase) when Golder introduces the project and ESIA process to key stakeholders – focus groups and local decision makers
- Round 2 (September 2015) results of the baseline study and further definition on the project are available - public meetings, focus groups and local decision makers



What is an ESIA Baseline?

- The baseline study looks at the existing environmental and social situation in areas which could be affected by the project
- This can be established by:
 - Review of national databases (e.g. weather data, archaeological records)
 - Review of regional and local data
 - Analysis of the available data indicates where additional data gathering is needed
 - Where data is limited, baseline data gathering is undertaken using a number of survey techniques (e.g. studies of water flows and air quality through each season, household surveys to characterise the socioeconomic profile of local communities)



Work in Progress: Ecology baseline

Macedonian ecologists, with support from Golder, have collected data on local mammals, insects, birds, flora and aquatic species (Sept 2013 to June 2015) including the use of:

- Remote cameras;
- Aquatic invertebrate surveys in local rivers;
- Bird surveys; and
- Vegetation surveys





Work in Progress: Air Quality

Technicians from the Euromax team in Macedonia have been trained by Golder and Goce Delcev University to collect data on particulate matter, air quality and dust deposition (Dec 2013 to Apr 2015).





Work in Progress: Water

Technicians trained by SWS have been collecting data (Sept 2013 to June 2015) on water quality, stream and spring flow, groundwater level, water use and hydraulic properties of aquifers.





Schedule for the ESIA

- **Field studies:** until July/August 2015
- **Baseline analysis and reporting:** by September 2015
- **Impact assessment:** by December 2015
- **Development of Management Plans:** 2016

Field Studies

- Ecology (with Biomaster) – February to June
- Socio-economics (with Goce Delcev University) – March-April
- Stakeholder Engagement – March and September
- Met, Air Quality and Noise (with Goce Delcev University), Landscape, Cultural Heritage and Archaeology (with Strumica Museum), Soils – April/May
- Surface Water and Groundwater – throughout 2015



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.

Stakeholders are invited to contact Euromax with any comments or questions related to the project:

Euromax Resources Information Centre
Illovica 220a, Municipality of Bosilovo

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E: rbelicheva@euromaxresources.mk
T: +389 34 368 888

Corporate contact:
E: info@euromaxresources.co.uk

Euromax website:
<http://euromax-ilovitza.mk/>

All comments and questions will be recorded for follow-up actions. Any issues raised will be addressed in the ESIA Report or in future stakeholder engagement plans.



Questions?

Do you have any questions about:

- The Ilovica Copper-Gold Project
- The ESIA process
- The stakeholder engagement process?

Is there anything that hasn't been mentioned that you would like the team to consider?