



ADRIATIC METALS PLC
VARES PROJECT
ESIA DISCLOSURE REPORT

FEBRUARY 2022

ESIA DISCLOSURE REPORT

This document summarises the engagement carried out during the disclosure period of the ESIA for the Vares project, and summarises comments received, as well as indicating where and how these comments have been addressed in the ESIA and associated documentation.

ESIA DISCLOSURE PERIOD: 27.10.2021. - 27.12. 2021.

ESIA DISCLOSURE ACTIVITIES

1. ESIA and NTS (Non-Technical Summary) Distribution

ESIA material and NTS (English and Bosnian versions) are published on: EBRD website (link: <https://www.ebrd.com/work-with-us/projects/esia/df-adriatic-metals.html>); Eastern Mining website (link: <https://www.easternmining.ba/esia-information/>); website of radio Bobovac (link <http://radiobobovac.com/portal/index.php/vijesti/ostalevijesti/item/3979-procjena-utjecaja-na-okolis-i-drustvo-esia-kompanije-eastern-mining>)

NTS also, was delivered in print to the PLC members, the Municipal Council members, to residents of the affected communities - Borovica, Semizova Ponikva, Pogar, Polozac, Osredak, Przici, Tisovci, Dastansko, Visnjici, Mir and Bijelo Borje.

2. Meetings and ESIA presentations

Meetings were held with representatives of the Public Liaison Committee, representatives of Project affected communities, representatives of municipal authorities - the Mayor and the Municipal Council.

3. Radio Bobovac interviews

Several interviews were organized with representatives of the company and the environmental and social management team. In the live program, listeners of Radio Bobovac were able to ask questions about ESIA.

4. Social Media campaign

The social media campaign was intensified during the ESIA disclosure period.

5. Questions, comments, suggestion received via mail

NTS (Non-Technical Summary) Distribution / door-to-door visits

Distribution of non-technical summary was on 05.11.2021, at the community of Rupice which includes: Donja and Gornja Borovica, Semizova Ponikva, Polozac, Osredak and Pogar and also at the community of Veovaca which includes: Visnjici, Dastansko, Przici, Brezik and Tisovci. Also, during this division, households located near the route of the road were included, and distribution was performed in villages: Mir, Bijelo Borje and Vijadukt.

On that occasion, Members of the Environmental and Social Department spoke with residents from each household located in the locality. The following non-technical summaries were distributed:

- Semizova Ponikva – 4
- Polozac – 2
- Pogar – 31
- Osredak – 1
- Donja Borovica - 13
- Gornja Borovica – 15
- Visnjici - 10
- Dastansko - 39
- Przici - 15
- Brezik – 13
- Tisovci – 15
- Mir -1
- Bijelo Borje - 1
- Vijadukt - 2

Comments and questions received:

- „The new road route will be of great help as well as the Project itself, positive opinions for environmental care, I am familiar with measuring air quality in our immediate environment.”
- „I expect that nature is clean, environment is preserved and protected, that the air quality is good.”
- „I agree with this project, let the youth come and get employed.”
- „I am hoping that this project will bring good to everyone.”
- „Dear, In my opinion, Eastern Mining has taken and is taking everything necessary to protect the environment. They are very communicative with people, so I personally have no objections or suggestions. Just say praise for this company and wish it in my local community.”
- „Let something be built, my child.”
- „I already give my consent for granting a parcel for road construction.”
- „It suits me, let it work, for young people to get a job! I expect them to respect and protect water and air.”
- "I want this company to work and Vares to run again - I personally have no use from it, but I would like Vares to come to life once again and for the youth to be employed. I am retired, but I expect it because of my young sons and brides. I expect water and air to be preserved - I see how you work and I don't think there is cheating.”
- “All the activities undertaken by the Company so far have been shown in a positive light. We hope that it will be same in the future. The attitude towards young people who are given a

chance and an opportunity to find themselves there is especially positive. We hope that this will be a great economic shift for our local community as well as for the Company."

- "I hope that the mine operation will be carried out in accordance with all legal regulations."
- "Support for employment and local community development."
- "I have no objections to this Environmental and Social Impact Assessment, and I hope, and I believe, that it will be implemented in practice. I am pleased that the crusher will be dislocated from Tisovci to Rupice, because a lot has been achieved to reduce noise and dust. I would commend your understanding of working with the local community which is reflected in many examples. I wish you a lot of success in your future work. GOOD LUCK!"
- "Just let new people come and let it work. Just let new people come and let it work."
- "Support for Project!"
- "Support to Eastern Mining company in activities."
- "I fully support the project and employment of young people. Good luck in your future work!"
- "I support work of your Company. I hope that you will continue to work and it is better to do something than nothing in any case."
- "As a former employee of mining, I am happy that it is starting again in Vares. Let something happen."
- "I'm happy with the Company, it's great."

* Names of persons commenting are anonymous in this report, known to Eastern Mining.

Meetings and ESIA presentations

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| PLC session - Public Liaison Committee |
| Date: 29.10.2021 |
| Time: from 15:30 to 17:30 hrs |

Seventh session of the Public Liaison Committee. In addition to the regular topics for discussion, the focus of this session was the presentation of the Environmental and Social Impact Assessment (ESIA) by the Environmental and Social Management team to committee members. Through the sessions, the members of the Committee were acquainted with the entire process of obtaining the Environmental and Social Impact Assessment, and the receipt of this study was positively accepted by all members of this body.

| Question | Answer |
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| Does the water source named Mrijestiliste have capacity to supply villages as well? Is there a possibility for the local population to be connected to the underground powerline? | Mr. Adnan Teletovic, General Manager of Eastern Mining, stated that there are solutions for the realization of the complete situation and that everything is going according to plan and that it should be directly agreed with Elektroprivreda for further solutions, and that the Company will offer the same. From the beginning, the company is correct in its activities related to waters and that studies have been done to avoid the occurrence of wastewater. He pointed out that success had been achieved in that regard. As for Rupice, Mr. Teletovic stated that there are a couple of processes that need to be defined in terms of tailings. |
| Has the Foundation already received requests? | Mrs. Vildana Mahmutovic answered that it was, but that the applicants still did not clearly understand that the Foundation has clearly defined criteria and areas of activity. She also added information related to the Adriatic Foundation, ie that the Foundation will announce a competition for 25 scholarships for high school students and students from the municipalities of Vares, Kakanj and Breza. She also stated the conditions for applying in case one of the members needs to apply. |
| Is the cause of the dried-up water sources an extreme drought this year or something else related to the Project activities? Statement about six livestock died on farm in the village Vukanovici and asked if drought was to blame or whether there was a possibility that the heads drank mud mining from the work site in Rupice and same questions as previous regarding electricity supply. | Mr. Adnan Teletovic suggested that the company, together with the Municipality and local communities, turn to Elektroprivreda to find a technical solution to do so, to make a letter to them, and the company will certainly try to help urge to solve the problem. Mr. Adnan Teletovic explained that mud is actually a type of clay that is harmless, safe and that it has been analysed and that there are no chemicals that are dangerous. The company's activities are not related to the death of cattle/livestock. Ms. Aida Ahmedovic added that contact to Veterinary Station was suggested in that time and that it is a pity that they did not contact Veterinary Station in order to dispel any kind of suspicion. Mrs. Vildana Mahmutovic added that company Eastern Mining |

| Question | Answer |
|---|--|
| | has hired a hydrogeologist and that he will visit the sources and analyse areas. |
| Suggestion to launch an initiative between local communities to go to Zenica when works on the underground electricity line start for the company, in order to connect local communities located nearby to underground powerline. | Mr. Adnan Teletovic added that the initiative should come in front of the Municipality and local communities with the support of Eastern Mining, and that the company will certainly prepare approval for this activity, but that Elektroprivreda is obliged to implement this activity. |
| One of members expressed gratitude to Eastern Mining company for the donation for renovation project of the Children's Park in Vares Majdan. | |

* Name of persons asking question and institution they are representing are anonymous in this report, known to Eastern Mining.

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| Local community (LC) Meeting |
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| Date: 09.11.2021 |
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| Time: from 15:00 to 15:50 hrs |
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On Tuesday, 09.11.2021., in the hall of the Vares Municipality a meeting of the Eastern Mining representatives with the presidents of the local communities affected by the Project: Dragovici, Borovica, Przici, Vares Majdan, Mir, Pogar and Vares was held with the aim of presenting the Environmental and Social Impact Assessment (ESIA).

In her introductory address, Aida Ahmedovic, Coordinator for Social Management, thanked all those present for coming and invited Adnan Teletovic, Executive Director, to address them. Mr. Teletovic addressed the audience and thanked them for coming and stressed the importance of the Environmental and Social Impact Assessment for the entire project and stated that Vares will be the largest construction site in BiH next year given the planned construction of a new road route, processing plant and mine at Rupice.

Vildana Mahmutovic, Environmental and Social Manager, presented the basic characteristics of the Environmental and Social Impact Assessment and the way in which all interested parties can download and get acquainted with the complete ESIA.

Danira Zanic, Environmental and Social Associate, presented the impact on the environment through monitoring of air quality, noise, soil and biodiversity, and Aida Ahmedovic presented the social impact and activities carried out in the local community and those planned in the field of employment, land acquisition, traffic, health and safety, and archeology and cultural heritage. Also, Aida Ahmedovic informed those present that on 07.12.2021. Public hearing was planned as part of the 60 days of the ESIA disclosure, and all interested parties were invited to attend.

Comments and questions received:

- I, as the president of the one of local community, sincerely hope and want this company to start production at full capacity with maximum respect for environmental protection. This is the only chance for the prosperity of our Municipality of Vares. This project will employ young people, find their places in this company, form their families and thus improve the demographic picture of our Municipality of Vares, which is currently in poor condition. We as a local community want a fair and honest cooperation as we have had so far. I sincerely believe that our requests presented during public discussion held on 31.08. 2020 to be fully met. Our agreements so far have been sincere and fruitful. The catchphrase says: "Where there is no communication, complications arise. BRAVO!"*

* Name of persons commenting is anonymous in this report, known to Eastern Mining.

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| Focus group I |
| Date: 17.11.2021 |
| Time: from 14:00 to 16:00 hrs |

On 17.11.2021. a meeting/presentation of the Environmental and Social Impact Assessment (ESIA) with Focus group I was held at Administrative building at Tisovci. Focus group I are representatives of local associations of beekeepers, hunters, fishermen and forestry. Discussion after presentation was focused on biodiversity and water sections of ESIA.

| Question/Suggestion | Answer | Reference to the final ESIA |
|--|---|--|
| Suggestion to increase beekeeping and protect bee swarms and to harmonize nature by planting honey plants as well as shrubs, bushes, and shrubs (low vegetation) and high vegetation for habitats during recultivation and restoration of mine areas in future. * | | This topic is defined in the Biodiversity Action Plan in key measures. |
| Will there be a lot of bends on the planned haul road route, curves next to the planned crossings and because of the animal movement in that area to try to avoid their suffering in some way? Suggestion to put up warning signs so that all drivers would be aware that there is a frequent movement of animals in the area. * | Mr. Adnan Teletovic answered the question - We certainly tried to avoid climbs and curves for safety reasons, but unfortunately due to the configuration of the terrain it is very difficult to find the optimal solution. What we want is, first of all, to limit the speed of the truck by installing a device in each truck with which we will know at any time how fast the vehicle is moving. In any case, attention will also be paid to the curves in terms of enlargement if necessary. Professor Goletic added that at several locations, in consultation with the local population, a camera was set up to monitor the movement of animals. Monitoring via cameras will certainly continue and, in cooperation with the Zvijezda Hunting Association, work will be done to improve the situation. | This topic is defined in the chapter on impact assessment in the section - biodiversity, Table 5.4.10. and also in the Biodiversity Action Plan. |

| Question/Suggestion | Answer | Reference to the final ESIA |
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| <p>Is the mentioned spring/water source Studenac a spring located near the Mrijestiliste? He received an affirmative answer to the same question. Considering that at certain moments the Studenac spring has a low water flow, can it supply locations Strica, Pogar, Sjenokos and Rupice in those conditions? *</p> | <p>Professor Goletic answered - In the first seven days, a hydrotechnical system with a reservoir at the Rupice site will be supplied from that water source, and then water will be put into the circular closed system, and this source will only be a supplement in terms of what is lost within the system. With the water permit for use issued by JKP Vares, and according to the Law on Waters, the supply of local population from the water source has priority. Mr.Adnan Teletovic also joined this discussion and replied: "That in the month of August, during the greatest heat (the greatest droughts in the last 100 years), continuous water measurements were carried out and that there were no problems with the water supply. The company provided a back-up reservoir as a reserve, regardless of the fact that there are two water mains, one from Vruci potok and the other from Borovicki potok. Water will also be provided to help supply the population of Gornja and Donja Borovica, as there is enough water to supply it ".</p> | <p>This topic is defined in the Impact Assessment chapter.</p> |
| <p>Representative expressed gratitude for presentation and explanations related to the field of beekeeping. He especially thanked the company Eastern Mining for the donation and said that he would justify the donated funds in the future. *</p> | <p>Mr. Adnan Teletovic emphasized that he is glad to participate in projects where progress can be seen, and that part of the profit will be allocated to programs that will improve life in the local community.</p> | |

* Name of persons asking question and institution they are representing are anonymous in this report, known to Eastern Mining.

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| Focus group II |
| Date: 23.11.2021. |
| Time: from 15:00 to 16:00 hrs |

On Tuesday, 23.11.2021, a meeting for the presentation of the Environmental and Social Impact Assessment (ESIA) was held with the Focus group II at the Information centre Vares. Focus group II are representatives of local tourism association, scouts, library and organization focused on culture and history promotion and prevention.

| Question | Answer | Reference to the final ESIA |
|--|---|--|
| How is the recycling material from the plateau and the water from the reservoirs disposed of? Who will carry out the measurements of discharged waste elements that pollute the environment? Will the local population be able to use the road that will be used for the needs of the Company? Is there a financial guarantee that your company can provide to the bank before the start of works as a guarantee to the state of BiH and that these funds cannot be withdrawn until the mine is rehabilitated? The question of the operation of crushers and the impact of wind on the dust they create because they contain high level of sulphur that dries the forest. Who will be responsible if the Company does not stick to the plan? * | Mrs. Vildana Mahmutovic briefly explained that material was located at the Veovaca landfill and protected according to the procedures provided for such types of disposals. As the barite will not be processed, it will be disposed of in a new tailing facility, the construction of which will be planned. We leave the possibility that over the years, if there is a need for barite on the market, it can always be put back into operation from area where it was disposed of. It is covered and protected with geotextile material until it is moved to tailing facility. The water from four reservoirs has been released and is not harmful to the environment, and the toxic water from the three reservoirs has been poured into one large reservoir, and a way to solve this problem will be devised. Mrs. Vildana Mahmutovic explained that it will work with authorized institutions, and everything is explained in more detail in the ESIA. As part of the answer to this question, examples of some companies that did not complete the task of environmental protection were mentioned. Mrs. Vildana Mahmutovic explains that the possibility of use has been left with the development of signalling systems and other solutions. Mrs. Mahmutovic explains how the Law on Mining determines exactly how the problem is regulated while the ore is being exploited, concession fees are paid to the state, and certain funds | The topic of connections for the implementation of measures of waste elements is defined in the chapters on Greenhouse Gases and Hydrology. The topic related to the new route is defined in the chapter Introduction and Project Description. |

| Question | Answer | Reference to the final ESIA |
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| | <p>are allocated to the Rehabilitation Fund. There is an account of where these funds are deposited and who can manage them. Mrs. Vildana Mahmutovic explained that they will take all protection measures, but that dust as dust and metal deposition can occur. At the same time, they left space for interested persons to be provided with contact numbers for information and all other issues. Mrs. Vildana Mahmutovic explains that the Company has all the environmental permits for which it took them a very long time. MS. Aida Ahmedovic also emphasized that such a project is very important at this time when the economy is stagnant, young people are leaving and it is difficult to see a way out of everything.</p> | |
| <p>Whether there are changes in relation to the previously presented route of the haul road? *</p> | <p>Ms. Aida Ahmedovic and Mrs. Vildana Mahmutovic each from their field of work answered alternately that there were deviations and shifts of the route, somewhere due to the terrain, and in Semizova Ponikva and other places to move the route away from private residential building.</p> | |

ESIA FEEDBACK FORM – comment received after presentation in written form:

* Dear Sirs, after studying your entire project on Environmental and Social Impact Assessment, I can say with certainty that there are no concerns or suggestions on my part. Everything was decisively written and done, and based on and therefore it can be estimated that this is a project whose main role is to improve the situation for the Municipality of Vares and the citizens of the said Municipality. As the President of the Association of Scouts Zvijezda Vares, we would like to thank you for your contribution and help for Vares and we wish you luck in achieving your goals regarding the project. With respect!

* Name of persons asking question and institution they are representing are anonymous in this report, known to Eastern Mining.

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| Focus group III |
| Date: 1.11.2021 |
| Time: from 14:00 to 15:00 hrs |

On 01.12.2021. a meeting was held with Focus group III for the presentation of Environmental and Social Impact Assessment at the Administrative building at Tisovci. Focus III group are religion institution representatives from Vares.

| Question | Answer | Reference to the final ESIA |
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| <p>Are there any negative occurs that are expected and how will they be resolved?</p> <p>As for the water at the Mrijestiliste water source, is the population of the area in agreement, given that certain counter-effects were mentioned in the conversation with the parishioners? *</p> | <p>Mr.Adnan Teletovic replied that we can currently list dust as a negative phenomenon, but a solution to this problem has already been planned by regularly sprinkling the roads with water, and near populated areas where the route will pass, parts of the route will be paved. In terms of capacity, there will be no problems as this has been one of the driest years and measurements made at that spring have shown that there is enough water for the area. And we already have two water supply systems in Rupice for the needs of the mine, one from Vruci potok and one from Borovicki, so all the water that will be used will be recirculated in the system, that is, the water will be purified and reused. Our goal is to cover all aspects in order to make it as acceptable as possible from the environmental aspect, but also from the social aspect, and we would certainly not prioritize the Project in relation to the population.</p> | <p>This issue is addressed in the chapter Alternative Assessment - 6.4.6. Water management alternatives. It is also found in the Non-Technical Summary</p> |

* Name of persons asking question and institution they are representing are anonymous in this report, known to Eastern Mining.

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| Municipal Council session |
| Date: 30.11.2021 |
| Time: from 14:00 to 16:00 hrs |

On 30.11.2021. in the hall of the Municipality of Vares, a presentation of the study Environmental Impact Assessment (ESIA) was held by the representatives of Eastern Mining to the councilors of the Municipal Council Vares.

| Question | Answer | Reference to the final ESIA |
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| <p>Does the use of wood as well as the work of the sawmill factory create a high level of dust deposition in the Dastansko area, which according to the ESIA contains high levels of lead, nickel and arsenic above the national standard. It turns out that the area is already polluted with particles of heavy toxic metals, which may be due to the Company's previous activities. I find it hard to believe that this is a consequence of the above, by that logic we can expect a similar result of dust deposition in other local areas and given the corrupt country we live in there is a justified fear that the initial existing data on air and soil quality may in some way would a "reserve" be obtained for later, actual air and soil pollution?</p> <p>How will the use of water from Zagarski potok, for which the level of pollution is planned, be resolved, given that it has so far been used for stray dogs housed in the old building of the Iron Ore Mine?</p> <p>Are there endemic species at the sites?</p> <p>What about all aspects in the case of selling the Mine's investment to another company that will not care about protecting the local</p> | <p>Mrs. Vildana Mahmutovic answered the questions that detailed research was performed for all four seasons and it was stated that the pollution values are low and that the air is classified in the form of the first category of low value, but lead, nickel, arsenic and other metals were found during the research.</p> <p>. The obligation of the Company in the coming period is to continue monitoring pollution and changes. Measurements were also performed by the Institute that has accreditation for such activities. Zagarski potok will be culverted with leaving gaps for species that gravitate to the area, the natural streambed will be preserved and there will be no change in water quality. As part of the second question, the third question was answered that endemic species will not be endangered. Mr. Adnan Teletovic replied that in case of sale of the Company, although there are no current indications, the Municipal Council and the Municipality of Vares should support the new buyer, provided that the obligations of the Company that would buy the site would be to preserve the current tendency to research and preserve the environment. The research will continue, and work will be done on the expansion of the site. He also answered the question regarding the rehabilitation/sanitation of the terrain after the research works. In parallel with the research works, already explored drillholes are being closed and repaired. In the coming period, there will be a special geological service that will focus on further exploration and closure of drillholes. We have at least</p> | <p>Topics related to endemic species are specified in the chapter Biodiversity, as well as in the Biodiversity Action Plan. Should we also address air quality here?</p> |

| Question | Answer | Reference to the final ESIA |
|--|---|-----------------------------|
| <p>community? What about the sanitation of the terrain after the drilling after the research works on the micro locations where the drilling works were completed?</p> | <p>one inspection per year, so we are looking to put each well in its original condition, and that is also our obligation.</p> | |
| <p>How will the transport network affect the local community?</p> | <p>Vildana Mahmutovic explained that trucks will be sprayed with water, as well as the route itself where it's needed. Asphaltting will be carried out in certain places, and at the same time the route will be relocated near water protection zones.</p> | |
| <p>One council member praised the work of the Company so far and appealed to the management to listen to local companies in order to use their capacity in projects and jobs that can offer Eastern Mining in their research and work.</p> | | |
| <p>Comment form council member "I would like to thank you for visit and ESIA presentation and say that the Company is already leaving a strong and recognizable mark both in local communities and beyond. And she mentioned that it would be good for our Municipality as well as for BIH to have more such companies."</p> | | |

* Name of persons asking question are anonymous in this report, known to Eastern Mining.

FEEDBACK RECEIVED ON EMAIL

| Questions, comments, suggestion received via mail | Answer | Further conversation |
|---|---|---|
| <p>Dear, With the aim of transparent insight into the scope of research presented in the Biodiversity Action Plan/Figure 1. Appearance of the Vares project page no. 3 and Figure 6. Agreed habitat management areas page no. 25, please provide me with the Shape File of these maps shown in the above document. Thank you very much for your understanding!</p> <p>Elvedin Sabanovic PhD</p> | <p>Dear Mr. Sabanovic, thank you for your interest in our project and research in the field of environment that we conducted in the Municipality of Vares. Thank you for taking the time to participate in our public presentation in the hall of the Municipality of Vares 07.12.2021. when we answered your questions. Before we provide you with the requested data (especially in the Shape File format and the entire Study on Biodiversity Research, which we said to provide at a public presentation), we suggest that we organize a meeting with our associate for biodiversity, Prof. PhD Sefket Goletic, in order to better understand your need for these documents, given that these are copyrighted works. Also, prof. PhD Sefket Goletic, who spent the whole year researching biodiversity, will certainly be more competent to answer your additional questions.</p> | <p>Dear, Thank you for your answer.</p> <p>Since the potential meeting is in the best interest of your company, I will be very happy to respond if you organize it as it was said at the presentation held in Vares. Best regards!</p> <p>Elvedin Sabanovic PhD</p> |
| <p>Dear Sirs, Please if you are able to provide me with a map from the published material on biodiversity under the name "Figure 6. Agreed habitat management areas" in kml format.</p> <p>Anonymous</p> | <p>Dear, Thank you for your interest in our project and research in the field of environment that we conducted in the Municipality of Vares. Thank you for taking the time to participate in our public presentation in the hall of the Municipality of Vares 07.12.2021. when we answered your questions. Before we provide you with the requested data (especially in the Shape File format and the entire Study on Biodiversity Research, which we said to provide at a public presentation), we suggest that we organize a meeting with our associate for biodiversity, Prof. PhD Sefket Goletic, in order to better understand your need for these documents, given that these are copyrighted works. Also, prof. PhD Sefket Goletic, who spent the whole year researching biodiversity, will certainly be more competent to answer your additional questions.</p> | <p>Dear, I look forward to hearing from you. I understand what it says in the mail. But without the required documents, primarily maps of the area and the full section on biodiversity, I am not able to prepare for the meeting. So the undocumented meeting itself plays no role to me. I look forward to meeting you. But please allow me to prepare well so I am ready to come to the meeting.</p> <p>And it is possible that I will be satisfied with the received data, so I will not have any additional questions at the meeting. Kind regards</p> <p>Anonimus</p> |

| Questions, comments, suggestion received via mail | Answer | Further conversation |
|--|--|----------------------|
| <p>Did the company plan to protect private buildings and property-land from possible erosion during the construction of the haul road, ie soil movement under the road or part of the ore to be transported to pollute the private land. Since my property is located 50 meters from the road that will transport ore and the ground is very soft with a large slope, there is a real possibility of landslides on my property. Is it planned to build a retaining wall or something similar to prevent possible landslides.</p> <p>Jasenko Malbasic</p> | <p>Dear, Mr. Malbasic, thank you for your inquiry and interest in environmental issues. Regarding the route of the road and the possibility of erosion, we would like to emphasize that these issues are addressed in The Soil, Contaminated Land and Erosion Control Management and according to the company's policies, no works or usurpation of private property without the consent of the owner. The contract signed with the landowner clearly defines these conditions. You express fear for the plots/parcels that are in the immediate vicinity and certainly our policies and procedures apply to them as well. ESIA and accompanying plans are just guidelines and what we are currently working on, and related to the route of the road is the development of the main project of the road Rupice-Tisovci (approx. 25 km). The main project will include a complete road with detailed solutions when it comes to cuts, embankments, rainwater drainage, etc., and for sections of the road where there are or are found to be possible from erosion, landslides, undercutting and similar processes, appropriate remedial measures will be given for these parts in order to stabilize the road and prevent the possibility of endangering other buildings, private property, land, etc. If you need more details, feel free to contact Ms. Aida Ahmedovic at phone number: 062 021 158, to organize a meeting with our project team.</p> <p>Respectfully, Department of Environment and Social Management.</p> | <p>/</p> |

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| Public presentation ESIA |
| Date: 07.12.2021 |
| Time: from 14:00 to 18:00 hrs |

On Tuesday, 7.12.2021. in the hall of the Municipality of Vares representatives of Eastern Mining held a public presentation of the Environmental and Social Impact Assessment (ESIA). Public presentation was organized in two terms, during work hours and after. Presentation was with support from Wardell Armstrong representative, Kate Harcourt company environmental and social consultant and all followed by EBRD representative Freddy Shaoul.

| Question | Answer |
|---|--|
| Admir Cizmo asked how the impact of pyrite decomposition on Rupice will be regulated? | Mr. Adnan Teletovic replied: "Regarding pyrite, the change that has taken place from the PFS study to the FS study is that we have eliminated barite as a concentrate due to the current market situation, although we have left the possibility for potential use in the future. The goal is to return most of the tailings that will be produced during processing back to the mine, because the underground chambers will be filled with cement paste, which, from the ecological aspect, is much less likely to cause any leaching. I agree with you that this material will stay on the tailings for a while, but in any case it will be a dried material that will have a certain level of humidity, so there will be no dust, because it will be in a semi-dry condition, where it will not spoil. " |
| Admir Cizmo asked how wastewater from the tailings will be treated? | Mrs. Vildana Mahmutovic answered - When the ore is extracted, there will be a temporary storage facility where all wastewater will be collected and treated. We have 13 buckets set up at the Rupice site, where we tried to simulate what kind of water we can expect. All wastewater was sent for analysis. In this field, we have hired expert Mr. Joe Crummy, who is a doctor of science in the field of acid waters. What will be done in the next period is to define how to neutralize mining waters during tailings disposal so that an acidic environment is not created. As for the tailings that are planned on Veovaca, we collect all leachate and they are not discharged into the Mala Rijeka, but after adequate treatment, they return to our plant by recirculation. Sanitary and wastewater that we treat and leachate from tailings are returned to the plant and thus reduce the water intake from Lalica mlin. |

Mr. Elvedin Sabanovic praised work so far and pointed out that he is an expert in the field of biodiversity. In this regard, he said: "When it comes to vascular flora, Vares is an environment that was recognized as rich long time ago. I think that the Biodiversity Action Plan, in the part of the vascular flora, is insufficient, the zero situation on the terrain is somewhat different. You mentioned that there are 8 rare, endemic species of plants, and there are certainly 40 species. " He suggested that other experts on the issue be involved and pointed out that the best period for spring-summer flora is to go out on the field because the zero condition is not good.

Mrs. Vildana Mahmutovic answered that in addition to the Biodiversity Action Plan, detailed research was done and included in the study of 370 pages, conducted by the University of Zenica under the leadership of prof. PhD Sefket Goletic. She suggested that an operational meeting be organized and that the study also be made available.

Camil Omerhodzic took the word and pointed out that there are over 600 tombstones in Vares, and that in the area of Rupice there is Gradina, an Illyrian settlement 2000 years old. In addition, he mentioned the presence of over 50 species of wild orchids in the Vares area and stressed the importance of caring for and preserving these treasures.

Ms. Aida Ahmedovic emphasizes that the company's goal is to preserve the environment, as well as protect the cultural heritage of this area.

Enida Imamagic asked the question; „Do you have a concrete plan and more information for opening a clinic in Vares“

Mr. Adnan Teletovic replied: "The contract with the clinic we are currently negotiating with has not yet been finalized. Talks are still ongoing, they also talked to representatives of the Municipality. Two sites are currently under consideration. What we will do in the next period is to organize a meeting with the representatives of the clinic who will give more information about the possibilities they offer. "

Stjepan Simic asked the question: "Is it possible to find ESIA online in one of the official languages of BiH?"

Mrs. Vildana Mahmutovic replied that the complete ESIA was published on the EBRD and Eastern Mining websites in Bosnian and English languages. Ms.Aida Ahmedovic added that ESIA is also on the page of Radio Bobovac.

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| ESIA Dissemination |
| Date: 08.12.2021 |
| Time: from 14:00 to 16:30 hrs |

The dissemination event was held on 8 December 2021 with the aim of presenting the ESIA study and its results. This event brought together representatives of federal and cantonal government institutions and agencies such as British Embassy BiH, Ministry of agriculture, forestry and water management ZDK, Federal Ministry of Spatial Planning, Ministry of energy, mining and industry FBiH, Ministry of Environment and Tourism FBiH, Sava River Water Agency, Ministry of Economy, Forestry ZDK, Institute "Kemal Kapetanovic" Zenica, Enova Sarajevo, Eastern Mining E&S team, German Corporation for International Cooperation GIZ, JKP Vares, European Bank for Reconstruction and Development EBRD and Wardell Armstrong International WAI.

After the presentation, attendees had the opportunity to ask a question and give their comments. This event passed in a pleasant and positive conversation. The exchanged opinions and received comments were in the tone of praise for the completed study, the company's commitment to fulfilling all aspects of the environment and society, and that this approach and way of working sets the company apart from others in the region.

SOCIAL MEDIA CAMPAIGN REPORT

| Internal social media coverage | Date | Stakeholders | Nature of engagement and topics presented/discussed | Link |
|--|------------|--|--|---|
| Facebook, Twitter, Instagram, LinkedIn, Website Eastern Mining & Adriatic Metals | 27.10.2021 | Followers, Audience, Subscriptions Local Community, Employees, Employees family, Investors, Government, Business Partners. | We have published our Environmental and Social Impact Assessment for public inspection. To read the documentation or send an inquiry, visit our website. | https://www.facebook.com/EasternMiningBiH/photos/a.2310345489286693/3048122098842358/ https://www.easternmining.ba/esia-information/ https://www.adriaticmetals.com/sustainability/esia/ |
| Facebook, Twitter, Instagram, LinkedIn, Website Eastern Mining & Adriatic Metals | 29.10.2021 | Followers, Audience, Subscriptions Local Community, Employees, Employees family, Investors, Government, Business Partners. | On 29.10.2021. The seventh session of the Committee for Relations with the Local Community was held and the receipt of this study was positively accepted by all members of this body. | https://www.facebook.com/EasternMiningBiH/photos/a.2310345489286693/3052177305103504/ |
| Facebook, Twitter, Instagram, LinkedIn, Website Eastern Mining & Adriatic Metals | 10.11.2021 | Followers, Audience, Subscriptions Local Community, Employees, Employees family, Investors, Government, Business Partners. | Interview with Paul Cronin CEO at Adriatic Metals plc for ESIA study | https://www.facebook.com/EasternMiningBiH/photos/a.2310345489286693/3059861694335065/ |
| Facebook, Twitter, Instagram, LinkedIn, Website Eastern Mining & Adriatic Metals | 19.11.2021 | Followers, Audience, Subscriptions Local Community, Employees, Employees family, Investors, Government, Business Partners. | Interview on Radio Bobovac about ESIA Project with Vildana and Aida | http://radiobobovac.com/portal/index.php/podcast/item/3977-razgovor-o-projektu-esia-kompanije-eastern-mining |
| Facebook, Twitter, Instagram, LinkedIn, Website Eastern Mining & Adriatic Metals | 26.11.2021 | Followers, Audience, Subscriptions Local Community, Employees, Employees family, Investors, Government, Business Partners. | Interview with Adnan Teletovic on current activities and ESIA on the link below: | https://www.facebook.com/EasternMiningBiH/photos/a.2310345489286693/3072464669741434/ |
| Facebook, Twitter, | 02.12.2021 | Followers, Audience, Subscriptions | 30.11.2021. Representatives of our company had the | https://www.facebook.com/EasternMiningBiH/photos/a.2310345489286693/3072464669741434/ |

| Internal social media coverage | Date | Stakeholders | Nature of engagement and topics presented/discussed | Link |
|--|------------|---|---|---|
| Instagram, LinkedIn, Website Eastern Mining & Adriatic Metals | | Local Community, Employees, Employees family, Investors, Government, Business Partners. | honour and opportunity to hold a presentation of the study Environmental and Social Impact Assessment (ESIA) to councillors of the Municipal Council of Vares. You can listen to the presentation at the link below: | ngBiH/photos/a.2310345489286693/3076750585979509/ |
| Facebook, Twitter, Instagram, LinkedIn, Website Eastern Mining & Adriatic Metals | 03.12.2021 | Followers, Audience, Subscriptions Local Community, Employees, Employees family, Investors, Government, Business Partners. | Announcement | https://www.facebook.com/EasternMining/photos/a.2310345489286693/3077439699243931/ |
| Facebook, Twitter, Instagram, LinkedIn, Website Eastern Mining & Adriatic Metals | 10.12.2021 | Followers, Audience, Subscriptions | Respecting the EBRD PRs, we approach all stakeholders in a completely transparent and open manner. After a series of presentations and meetings with various stakeholders, on December 7, 2021. we held a public presentation of the Environmental and Social Impact Assessment. The presentation was also attended by representatives of the EBRD, the company Wardell Armstrong Ltd, which made the assessment, as well as our foreign consultants. We thank everyone for their participation, comments and praise, and we hope that we will continue to cooperate successfully to the mutual satisfaction. | https://www.facebook.com/EasternMining/photos/a.2310345489286693/3082597428728158/ |
| | | Local Community, Employees, Employees family, Investors, Government, Business Partners. | #ESIA #Vares #EBRDPRs | |

| External media coverage | social | Dates | Stakeholders | Nature of engagement and topics presented/discussed | Link |
|-------------------------|---------|------------|---|--|---|
| Klix.ba web portal | Bosnian | 27.10.2021 | National, regional and local population | Adriatic Metals made an environmental and social impact assessment, a milestone in the development of the Vares mine | https://www.klix.ba/biznis/adriatic-metals-sacinio-procjenu-utjecaja-na-okolis-i-drustvo-prekretnica-u-razvoju-rudnika-u-varesu/211027123 |
| Vijesti.ba | | 28.10.2021 | National, regional and local population | Environmental and Social Impact Assessment: A Milestone in the Development of the Vares Mine | https://vijesti.ba/clanak/550276/procjena-uticaja-na-okolis-i-drustvo-prekretnica-u-razvoju-rudnika-u-varesu |
| Biznis.ba | | 28.10.2021 | National, regional and local population | Environmental and Social Impact Assessment: A Milestone in the Development of the Vares Mine | https://biznis.ba/adriatic-metals-procjena-uticaja-na-okolis-i-drustvo-prekretnica-u-razvoju-rudnika-u-varesu/ |
| www.24sata.info | | 28.10.2021 | National, regional and local population | Environmental and Social Impact Assessment: A Milestone in the Development of the Vares Mine | https://24sata.info/adriatic-metals-procjena-uticaja-na-okolis-i-drustvo-prekretnica-u-razvoju-rudnika-u-varesu/ |
| www.fena.ba | | 28.10.2021 | National, regional and local population | Environmental and Social Impact Assessment: A Milestone in the Development of the Vares Mine | https://fena.ba/article/1236221/adriatic-metals-sacinio-procjenu-utjecaja-na-okolis-i-drustvo-rudnika-u-varesu |
| www.vecernji.ba | | 28.10.2021 | National, regional and local population | Environmental and Social Impact Assessment: A Milestone in the Development of the Vares Mine | https://www.vecernji.ba/vijesti/prekretnica-u-razvoju-rudnika-u-varesu-napravljena-procjena-utjecaja-na-okolis-i-drustvo-1534488 |

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|----------------------|------------|---|---|---|
| www.radiosarajevo.ba | 28.10.2021 | National, regional and local population | Gold Rush / The British made an assessment: This is a turning point in the development of the mine in Vares | https://radiosarajevo.ba/vijesti/bosna-i-hercegovina/britanci-sacinili-procjenu-ovo-je-prekretnica-u-razvoju-rudnika-u-varesu/435040 |
| Poslovne novosti | 28.10.2021 | National, regional and local population | | Print Publication |
| www.bljesak.info | 28.10.2021 | National, regional and local population | Adriatic Metals has prepared an Environmental and Social Impact Assessment, which is a turning point in the development of the mine in Vares - | https://www.bljesak.info/gospodarstvo/tvrtke/adriatic-metals-pripremio-procjenu-utjecaja-na-okolis-i-drustvo-sto-je-prekretnica-u-razvoju-rudnika-u-varesu/363444 |
| www.obican.info | 28.10.2021 | National, regional and local population | The British company Adriatic Metals, owner of Eastern Mining, which owns a concession for exploration and exploitation in Bosnia and Herzegovina, made an Environmental and Social Impact Assessment (ESIA) on the Vares Project with two exploration sites Veovaca and Rupica, where significant quantities of precious metals are located. in line with international best practices. | https://www.obican.info/adriatic-metals-sacinio-procjenu-utjecaja-na-okolis-i-drustvo-sto-je-prekretnica-u-razvoju-rudnika-u-varesu/ |
| www.energetika.ba | 28.10.2021 | National, regional and local population | Adriatic Metals - Environmental and Social Impact Assessment: A Milestone in the Development of the Vares Mine | http://energetika.ba/adriatic-metals-procjena-uticaja-na-okolis-i-drustvo-prekretnica-u-razvoju-rudnika-u-varesu/ |
| | 29.10.2021 | Local community relations committee | In the hall of the Municipality of Vares, October 29, 2021. The seventh meeting of the | http://radiobobovac.com/portal/index.php/vijesti/drustvo/item/39 |

Eastern Mining Local
Community Relations
Committee was held on

[38-odrzana-sedma-sjednica-odbora-za-odnose-s-lokalnom-zajednicom-eastern-mininga](#)
