

PROPOSED INVESTMENT PROJECT
„Provision of Additional Fresh Water Supply from an Existing Tube Well for
Processing Purposes and Irrigation of Rehabilitated Land“
at the Minesite of DPM Krumovgrad.

PROJECT SUMMARY

For the purpose of independent industrial and household water supply of Dundee Precious Metals, the Company built a Tube Well with Infiltration Lateral by the Kessibir riverbed. The water abstraction from the well was initially authorized by Permit No 31530328/04.03.2013 for ground water abstraction by a new water catchment facility, and later amended by Permit No PP-3065/15.03.2015 and Resolution No PP-3077/10.04.2017.

The purpose of this investment Project is to meet a higher freshwater demand at the operation stage of the Ada Tepe Mine.

The change request was filed for additional fresh water volumes to be abstracted from the existing tube well, which was initially used for “industrial water supply to meet process needs”. The current project includes “water supply for other purposes“ – irrigation of grass and decorative plants, hose-down of industrial sites, etc.

The investment project implementation will change the parameters of the effective ground water abstraction permit to enable additional ground water supply for industrial purposes and irrigation of rehabilitated land.

The Process Plant operations require additional volume of fresh water supply from an external source (tube well with infiltration lateral), as the estimate water volume is 127,000 m³ per year.

After commissioning of the site and completion of landscape improvements on it, the maintenance of the rehabilitated land and after-care activities will require dust suppression and hose-down of the access roads and industrial sites, and therefore one more water abstraction need should be included in the permit, namely “*Water supply for other purposes*“.

The “other purposes” of the permit will provide additional water volume for irrigation and dust suppression of roads and industrial sites.

This investment project does not require construction of any new facilities. The additional fresh water supply will not require construction of any new pipelines, as the existing ones will be used.

The permit amendment is solely about change to the authorized water abstraction volume, with no change to the structural parameters of the facility and/or other conditions of the effective permit.