



TARA RESOURCES AG & BRSKOVO MINE DOO

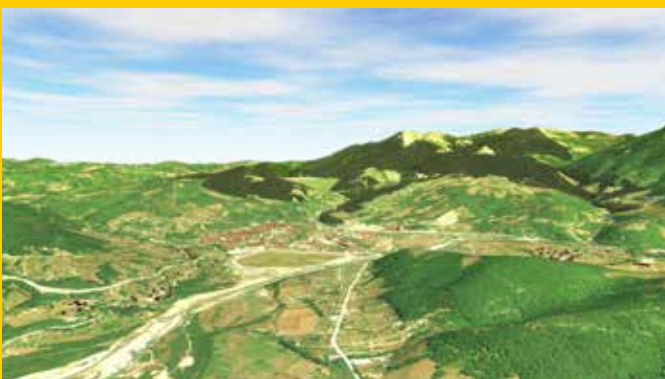
In 2010, a new exploration and mining concession was granted, and drilling commenced to confirm an economic resource. In 2018, the company owning the Concession was acquired by Swiss mining company Tara Resources AG and renamed to Brskovo Mine DOO to reflect the long history of mining in the region.

The Tara Resources team has significant experience in zinc mining and smelting.



Exploration drilling in the project area

NEW BRSKOVO MINE OPERATIONS



Currently, there are old waste rock dumps, open-pits and underground tunnels from the former operations spread over this former mining area. Water is flowing through these exposed areas, leading to contaminated water being discharged into rivers that flow to the Tara River. By building the new mine in this location and utilizing leading environmental practices for waste and water management, we will be able to rehabilitate the old mining areas, and capture and treat any contaminated water.

All planned facilities have been designed to the leading global practices and will meet all Montenegrin and EU standards.

The Brskovo Mine will be one of the largest zinc mines in Europe. Zinc is an important metal for the environment, protecting steel against corrosion and extending the life of infrastructure and vehicles, and is an important raw material in global energy transition.

The new Brskovo Mine will consist of two open-pit mines, a processing plant that produces zinc, lead and copper concentrates that also contain silver, and a waste management facility.

The open-pits, processing plant and the waste management facility will all be in the former mining operations in the hills above Mojkovac, far away from the urban area. Due to the hilly terrain of the region, the mining area will be largely hidden from Mojkovac, the planned ski-fields and the national parks in the area.



Processing plants of new Brskovo Mine



Old mining facility Brskovo

ENVIRONMENTAL MANAGEMENT

Tara Resources recognizes that Brskovo is in a region of high importance for tourism and conservation of natural beauty, including the Tara River, Bjelojevička River and the Durmitor and Biogradska Gora National Parks. For this reason, construction, operation, and closure are to be performed in a way that will ensure the natural environment is protected and tourism potentials are supported.

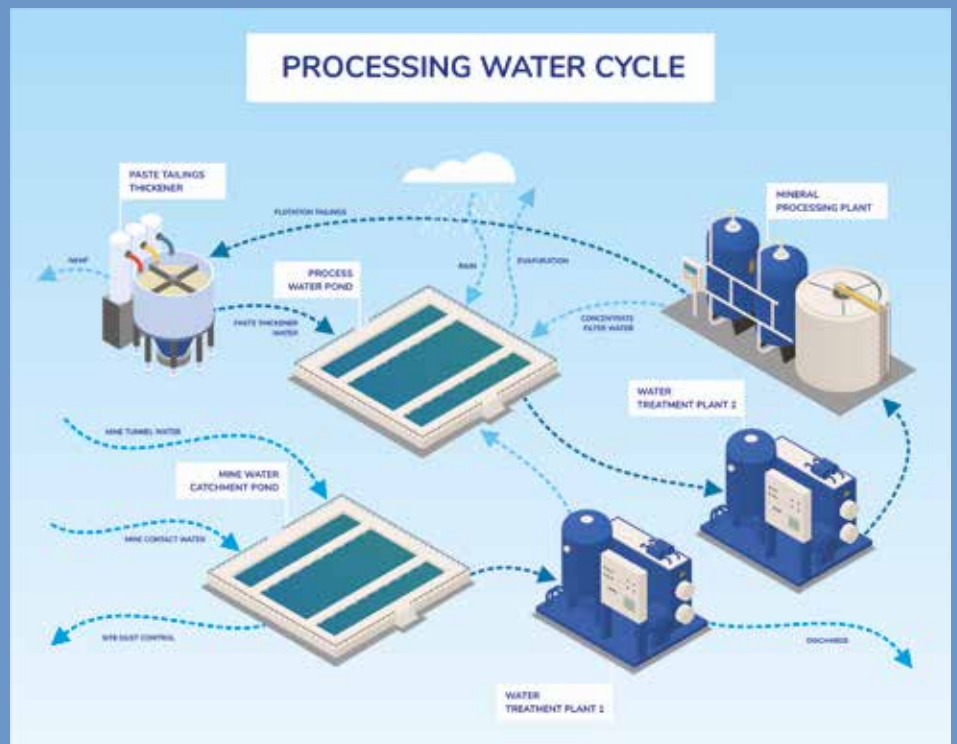
A detailed environmental baseline monitoring program has been ongoing since Q2 2019 and will continue during project life. This monitoring covers: water, air, land, noise, biodiversity, cultural heritage and climatic conditions.

The Brskovo Mine environmental team works with leading international and Montenegrin mining and environmental experts to ensure that environmental management plans and designs will meet Montenegrin, EU standards and IFC guidelines, (including Equator Principles)

WATER MANAGEMENT

All water used in our process will be captured and recycled to the plant. Discharges from the old mining and rail tunnels will also be captured and used in the plant. Any discharged water will be treated with water treatment plants.

This approach ensures that only clean water will flow from the project area.



Brskovo Mine- future mining operations

WASTE MANAGEMENT

Mining waste from the open-pits and processing waste from the plant will be combined and stored in dry, solid form, called an Integrated Waste Management Facility, located next to the open-pits in the project area, well away from the town of Mojkovac.

This has many advantages: it requires a smaller footprint, and the facility can be built in stages and rehabilitated during operations, sealing each stage and covering it with grasses and shrubs, returning the area to its natural appearance.

CULTURAL HERITAGE

The project area contains some remains of a medieval township and historic memorials. Brskovo Mine is supporting local archaeologists and the relevant authorities in their process to excavate and review sites, and to sensitively relocate sites where appropriate.



SUPPORT TO COUNTRY AND REGIONAL DEVELOPMENT

- ECONOMIC IMPACTS, EMPLOYMENT OPPORTUNITIES

FINANCIAL IMPACT:

- The construction of the mine involves a capital investment of approximately €150M.
- The mine would contribute significantly to Montenegro's GDP, generating export sales of approximately €100M per annum, becoming one of Montenegro's largest exporters.
- The mine will also pay concession fees and corporate taxes of approximately €10M per annum. Approximately €3M per annum of the Concession fee would be allocated to Mojkovac Municipality.

Brskovo Mine aims to be one of the biggest employers in the country, employing approximately 700 people in construction, and 450 direct jobs and 200 indirect jobs during operations.



Updates about Brskovo Mine are disclosed and disseminated on a regular basis by Brskovo Mine Team via official website. Interested parties can get additional information in Community Centre.



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