

Appendix 15-F

Community Presentations and Consultation Materials

AJAX PROJECT

**Environmental Assessment Certificate Application / Environmental Impact Statement
for a Comprehensive Study**



KGHM

INTERNATIONAL

AJAX PROJECT

November 2014

Acquisition and Corporate Transition

KGHM Polska Miedź S.A.



Acquired Quadra-FNX Mining
Ltd. – March 2012



KGHM International Ltd.
(KGHMI)



Operations and Advanced Projects

- ***Morrison/McCreedy***, Sudbury, (ON) ***Victoria Project***, under development.
- ***Robinson Mine*** (NV) and ***Carlota Mine*** (AZ), USA.
- ***Franke Mine***, Chile
- ***Sierra Gorda*** (J.V) commissioning phase, Chile

Ajax Project Ownership - KAM

KGHM Polska Miedź S.A.



KGHM–Ajax Mining Inc. (KAM) was established in October 2010 under a Joint Venture Agreement with AME. KGHM S.A. earned 51% ownership in the Ajax Project



KGHM S.A. Increases ownership in the Ajax Project to 80%, April 2012



Ajax Project: KGHMI assumes operational responsibility in September 2012

Ajax Mine History

- In 1988, Afton Mines, controlled by Teck, began development of the Ajax West and East open pits.
- Though production commenced in 1989, weak copper prices lead to a three-year hiatus in production from 1991-1994 until the mine eventually closed in 1997.
- During the periods of production, it is estimated 17 Mt were mined and 13 Mt milled.
- Abacus acquired the Ajax/Afton properties in 2002 from Teck.



Upgraded Peterson Creek crossing

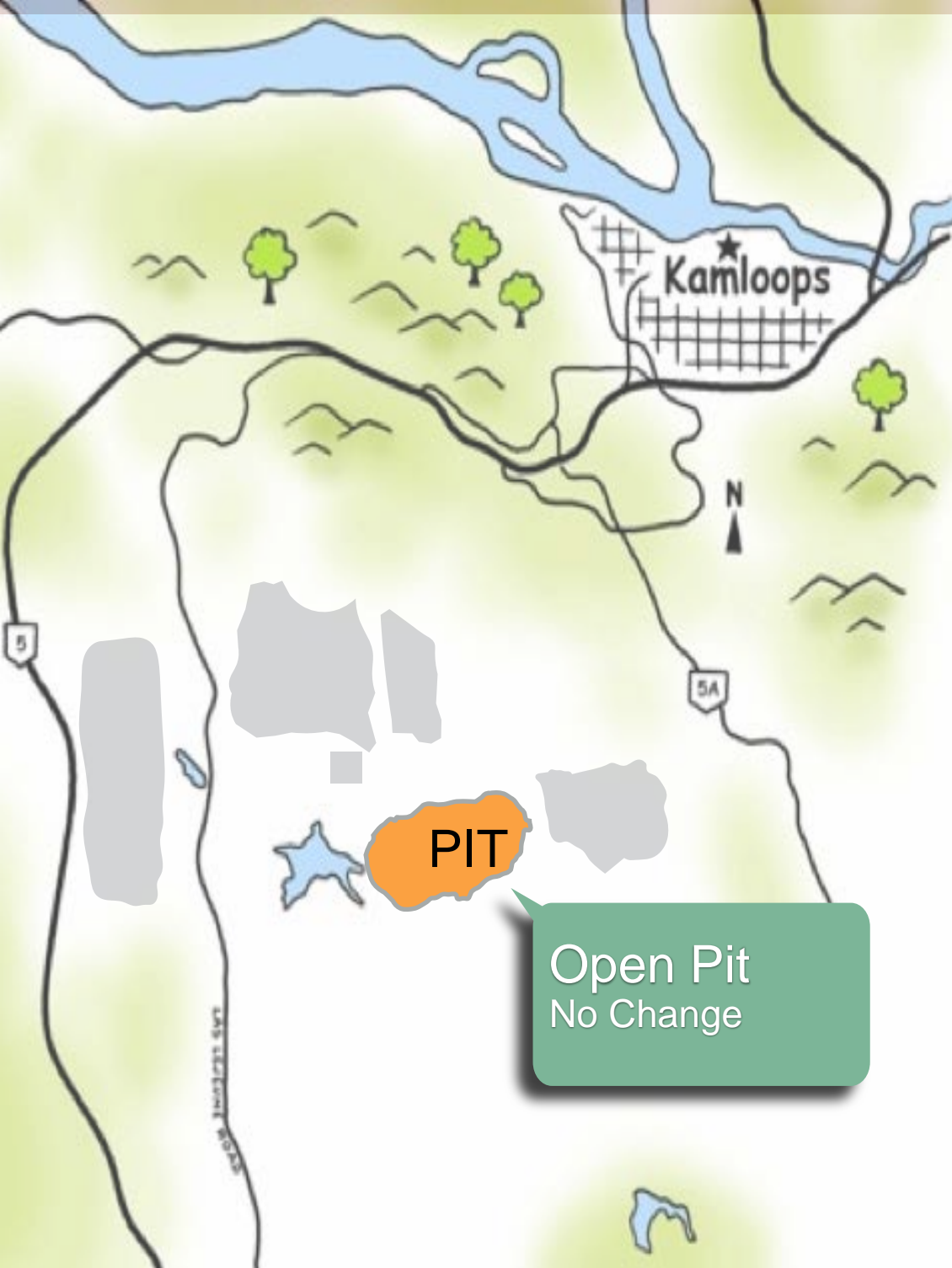
Recently completed work on historic facilities:

- Significant upgrade and reconstruction of the Alkali Creek Diversion around the historical Afton Tailings Storage Facility (HTSF).
- Re-construction of a damaged seepage pond dam associated with the HTSF.
- Partnership with TRU to perform research on re-vegetation of tailings.
- Upgrade of Peterson Creek crossing used by the project team, local ranchers, and other industrial participants.

City of Kamloops

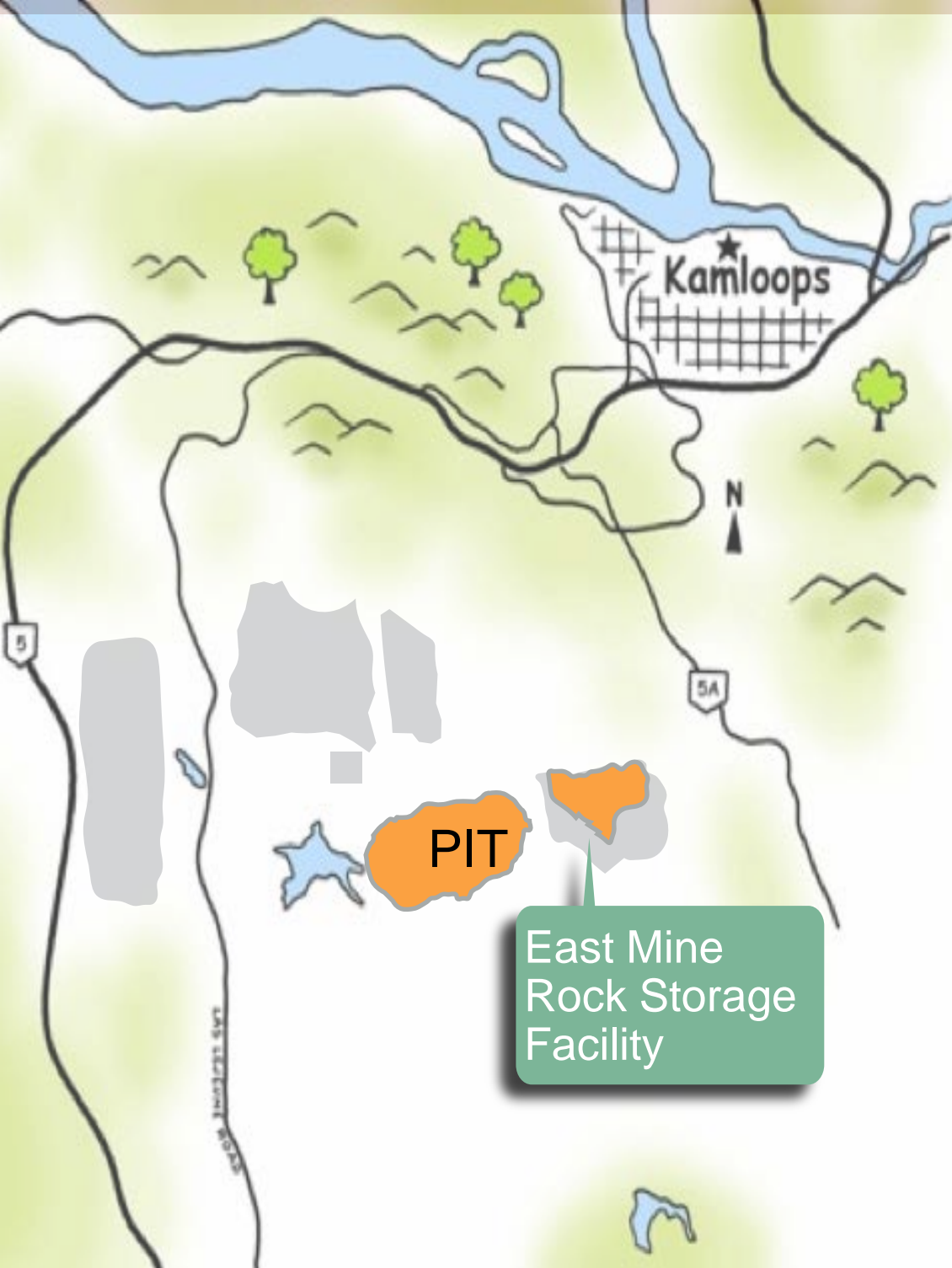


Project Re-Configuration



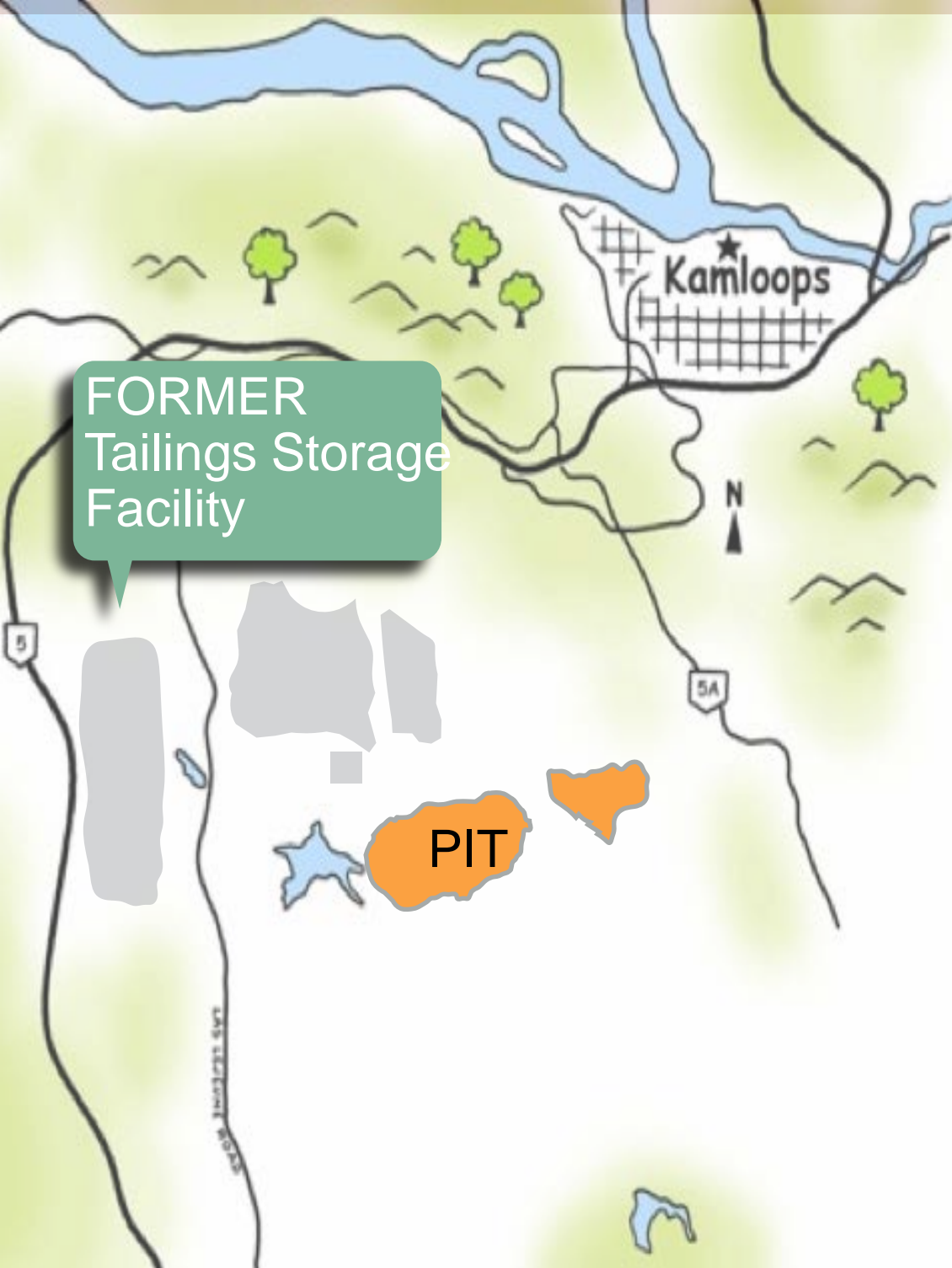
Open Pit
No Change

Project Re-Configuration



East Mine
Rock Storage
Facility

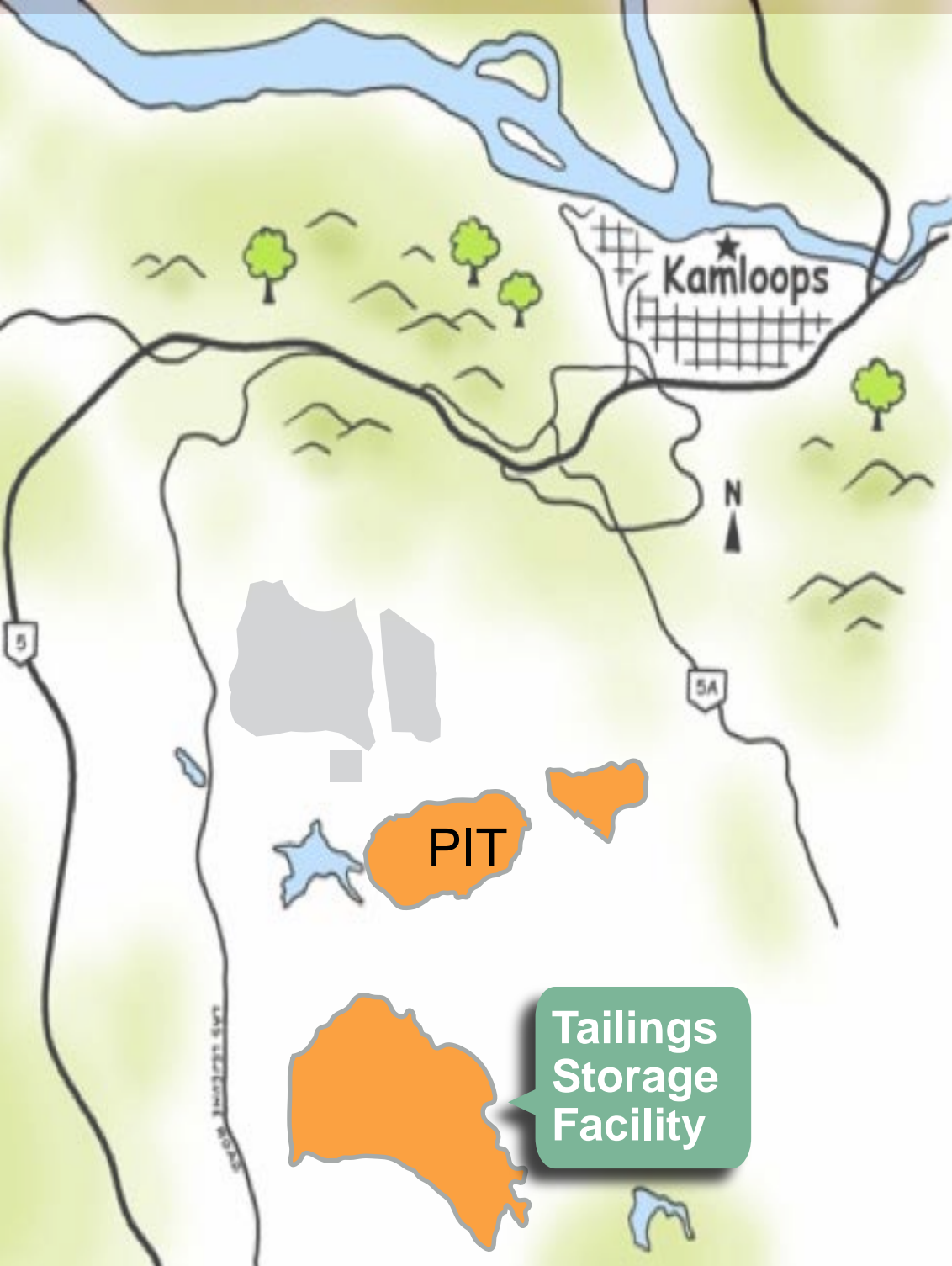
Project Re-Configuration



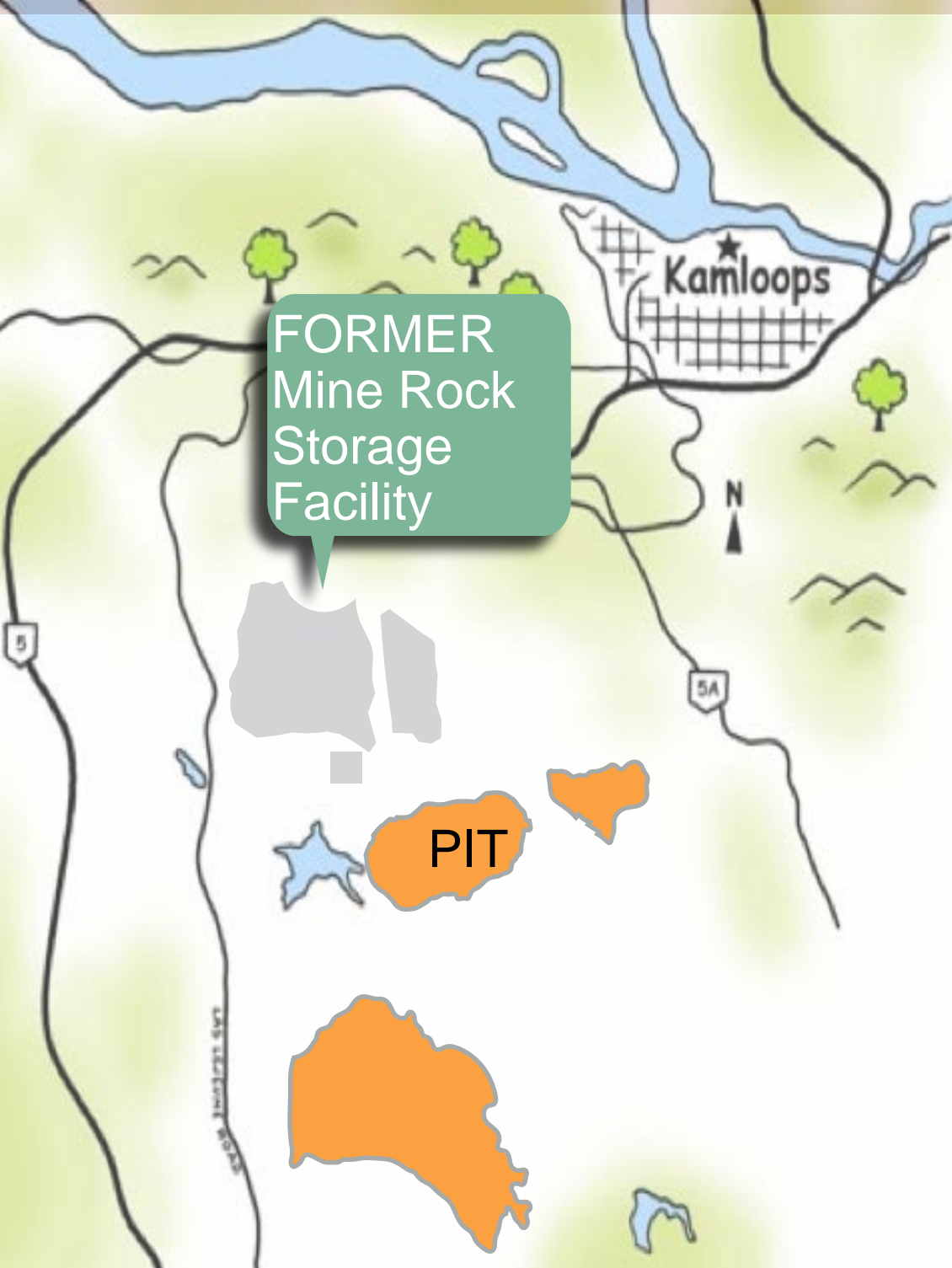
FORMER
Tailings Storage
Facility

PIT

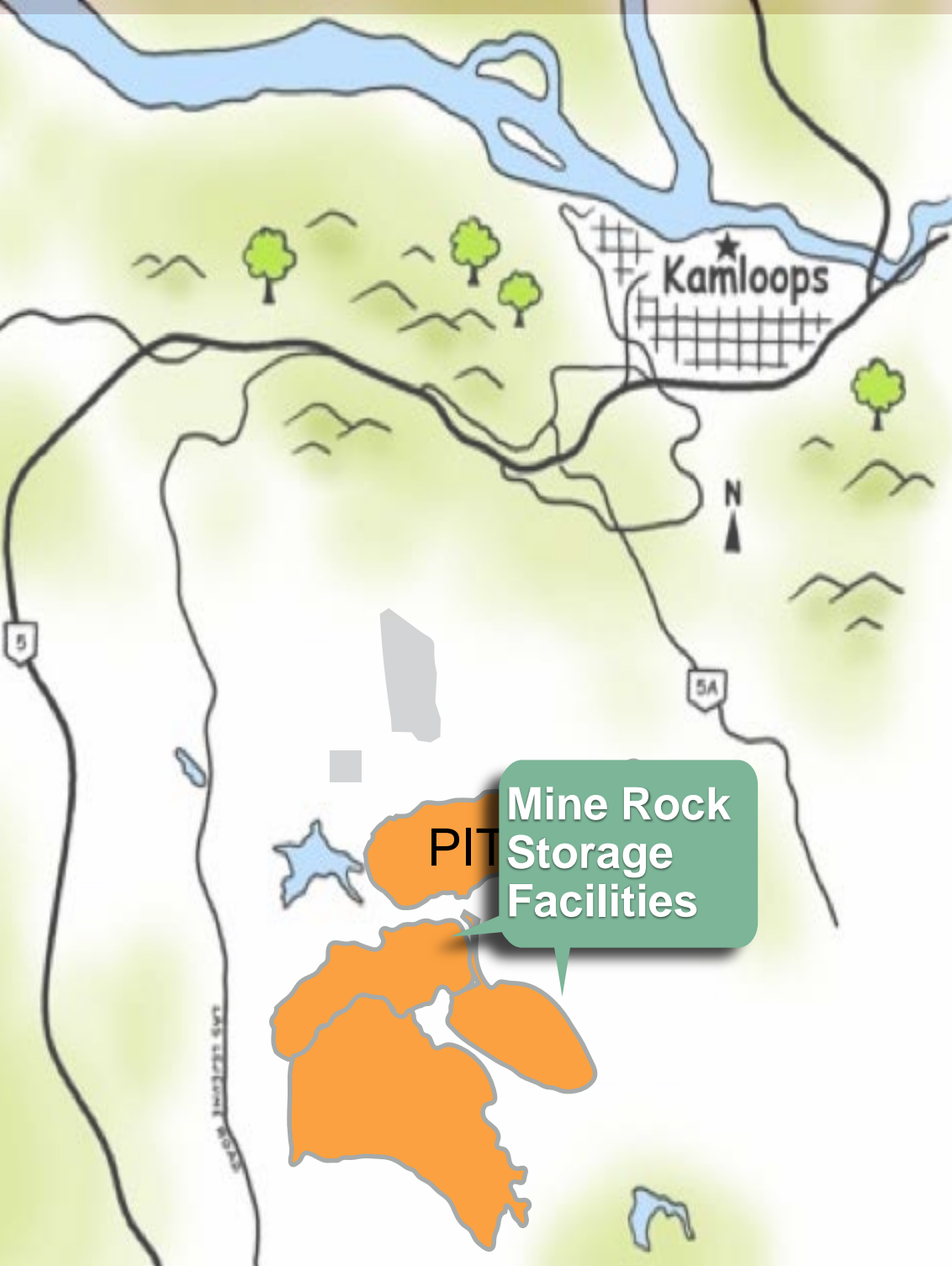
Project Re-Configuration



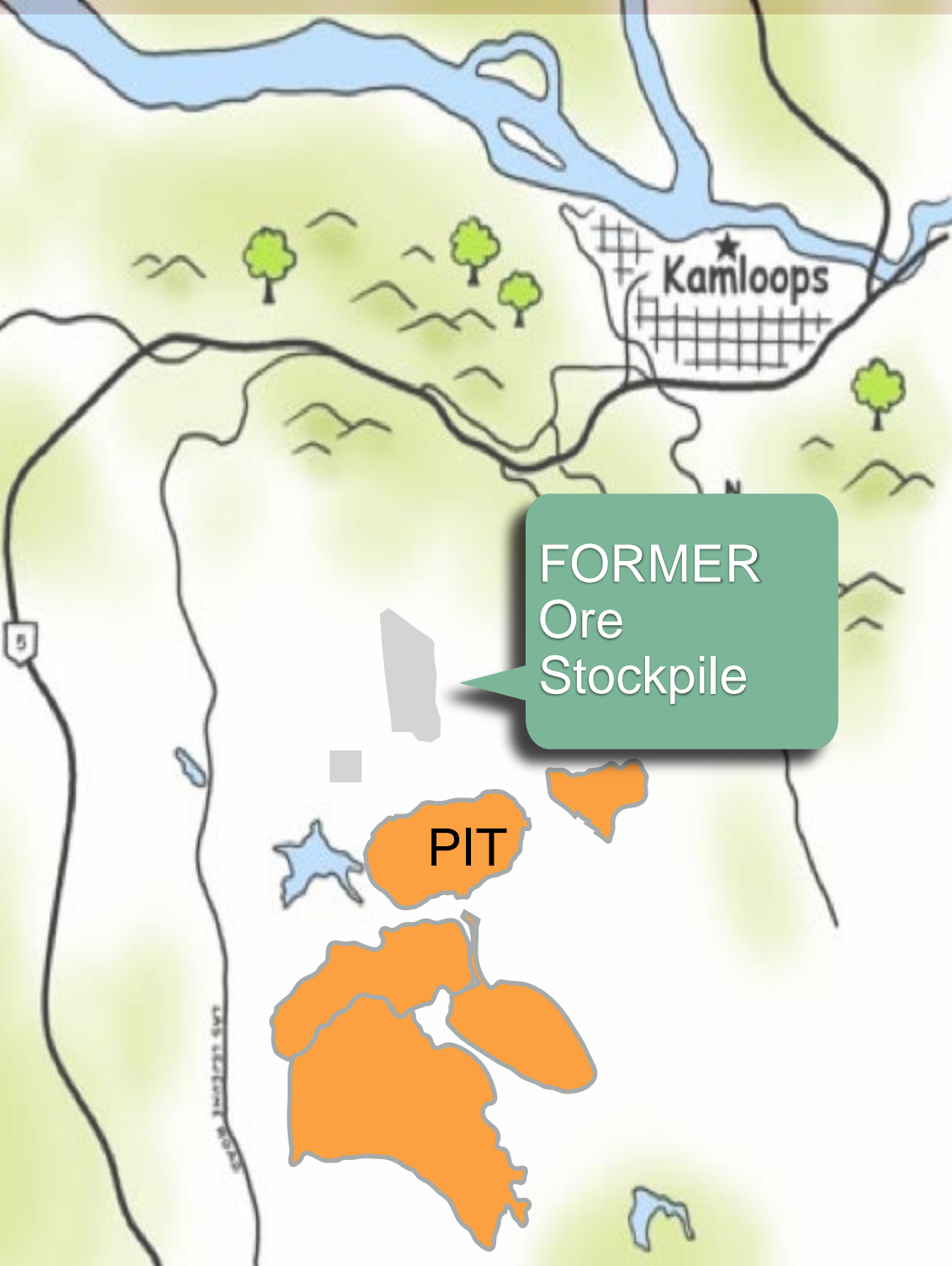
Project Re-Configuration



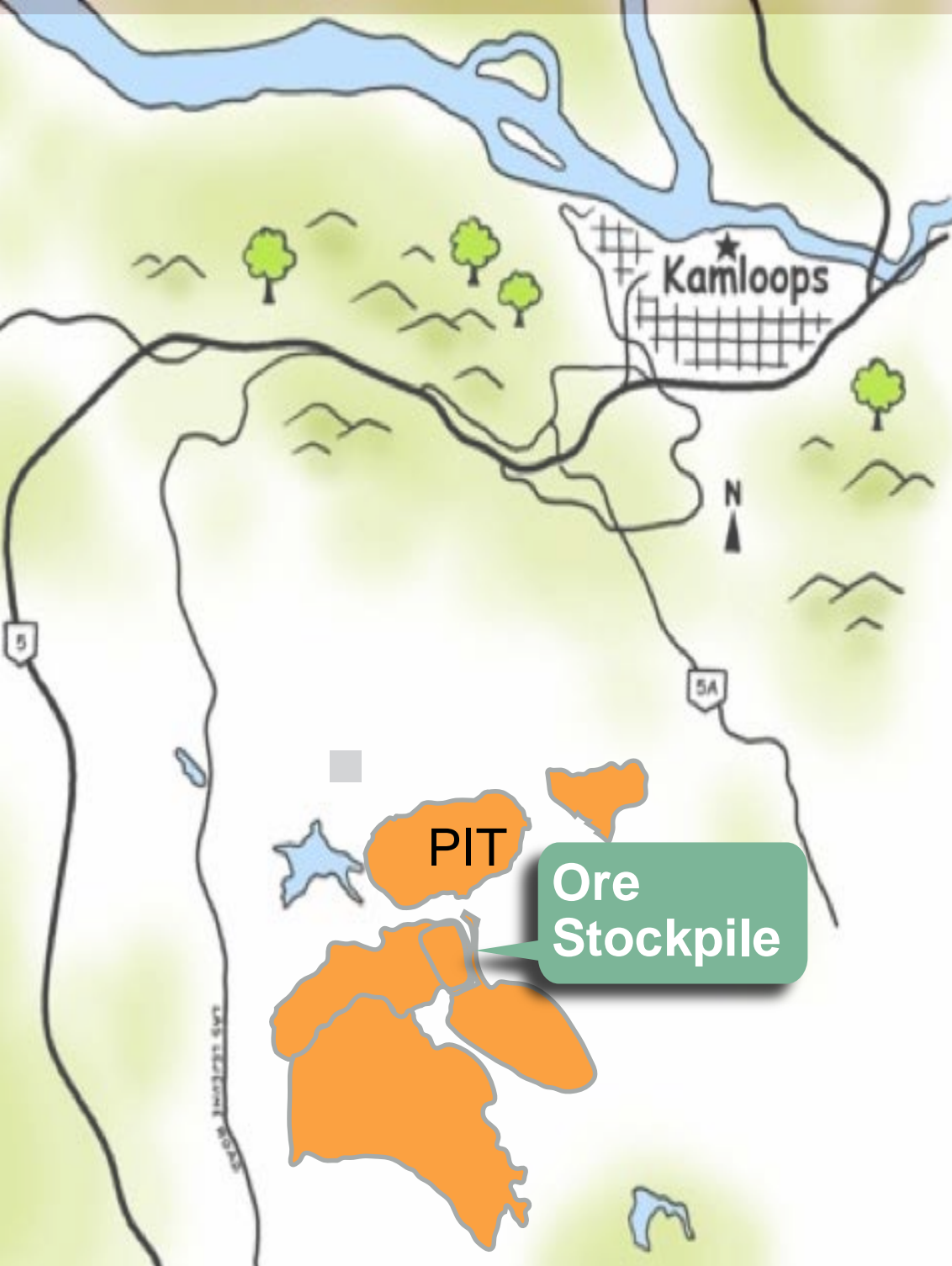
Project Re-Configuration



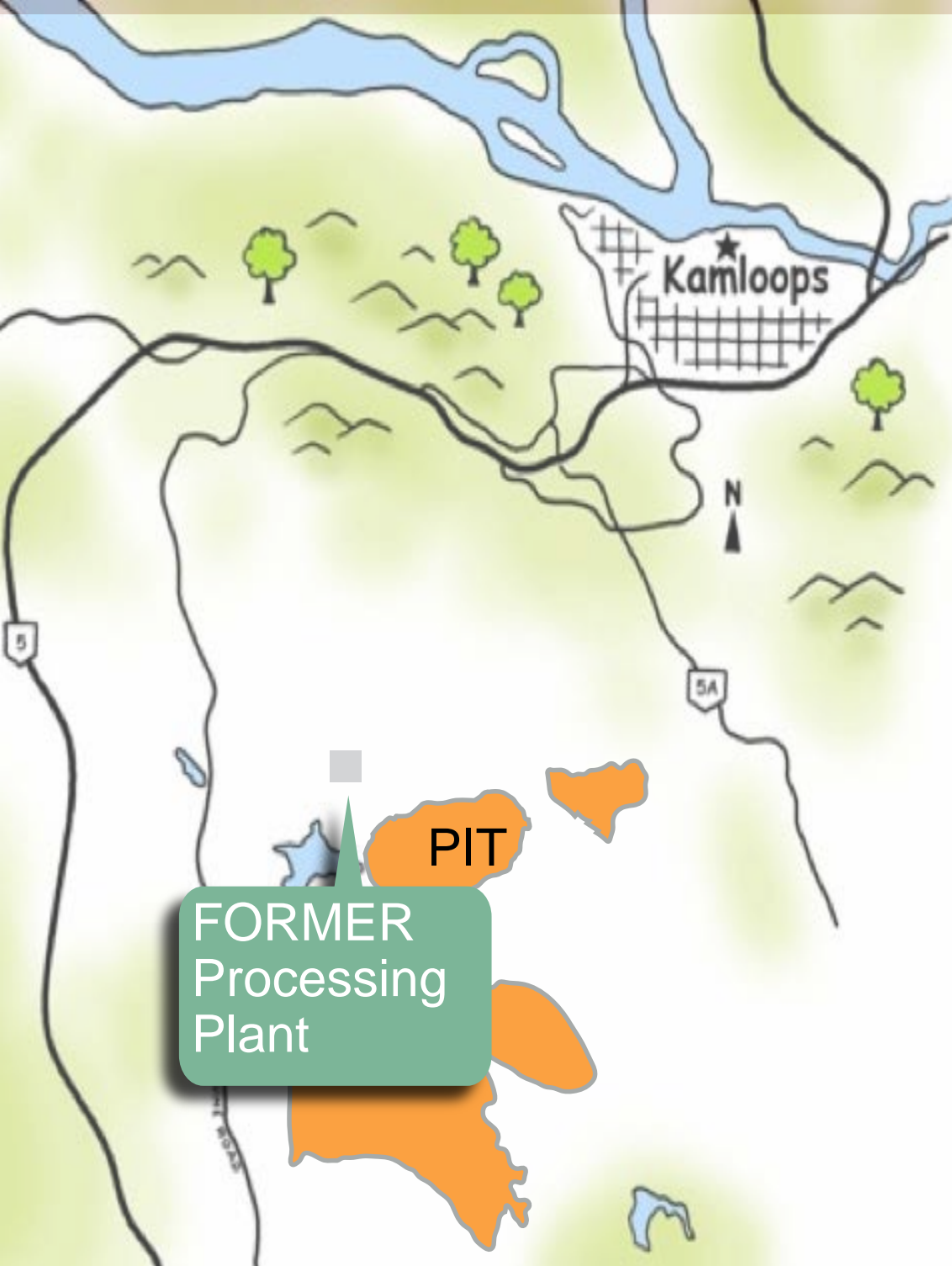
Project Re-Configuration



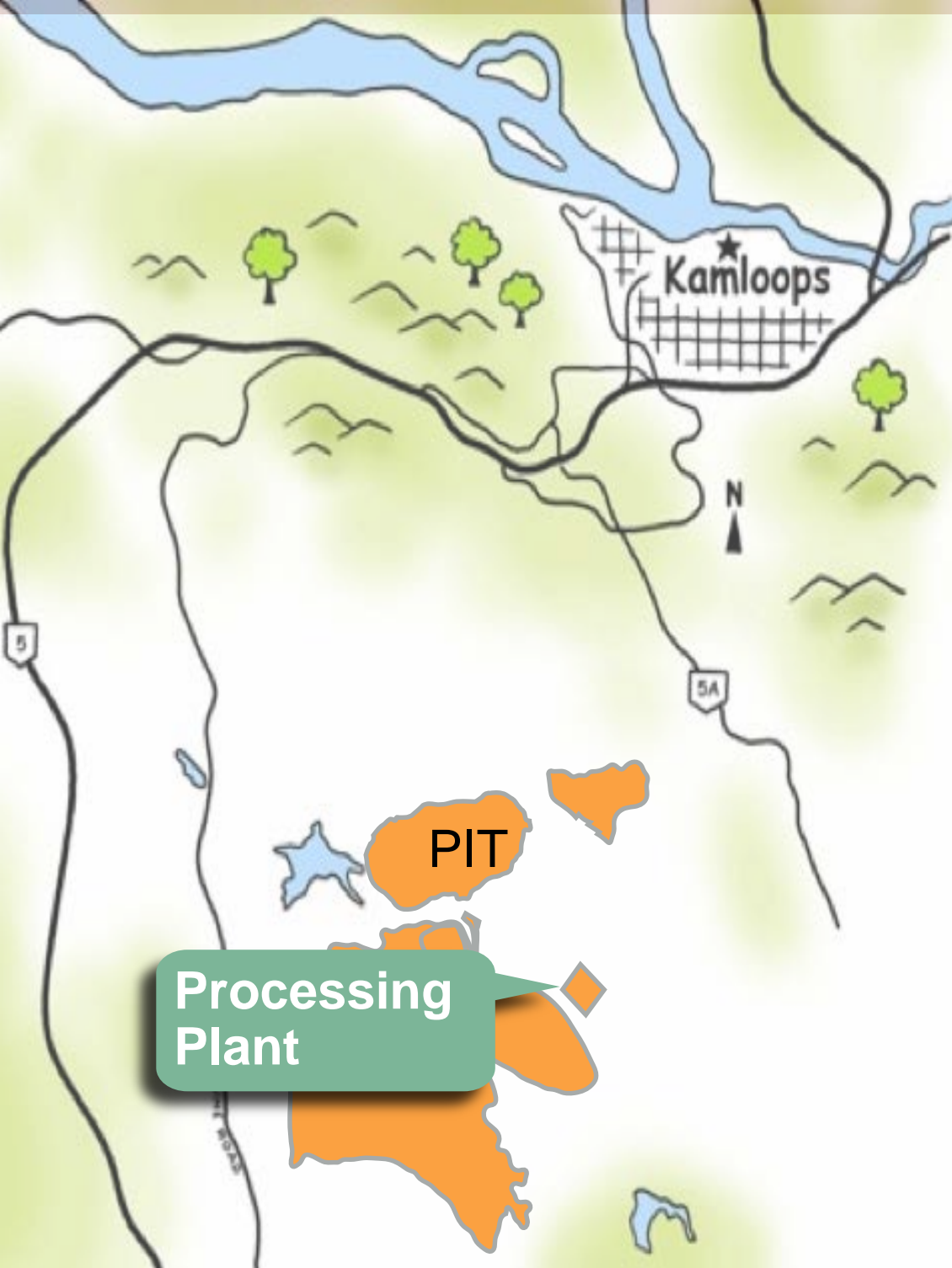
Project Re-Configuration



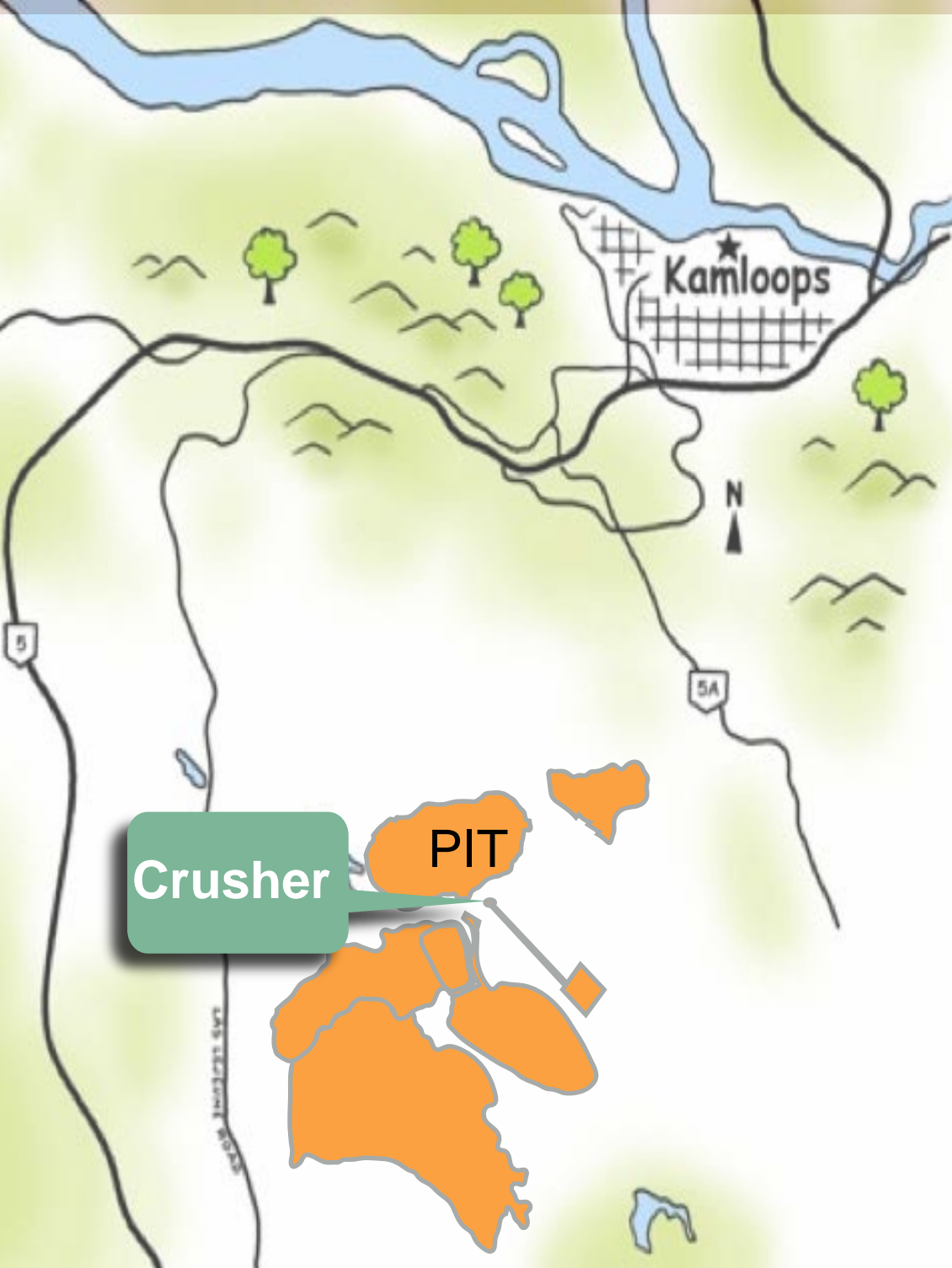
Project Re-Configuration



Project Re-Configuration



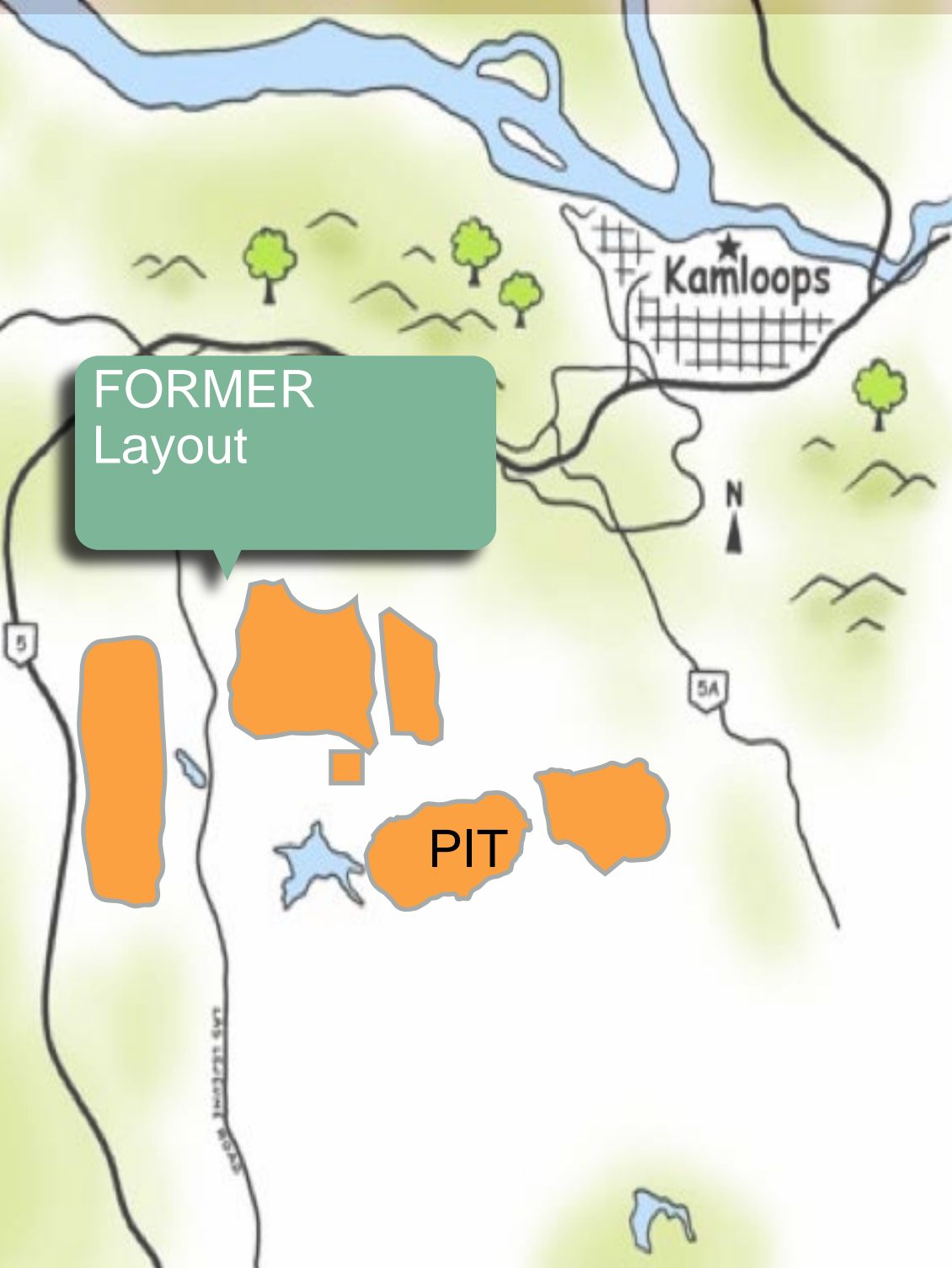
Project Re-Configuration



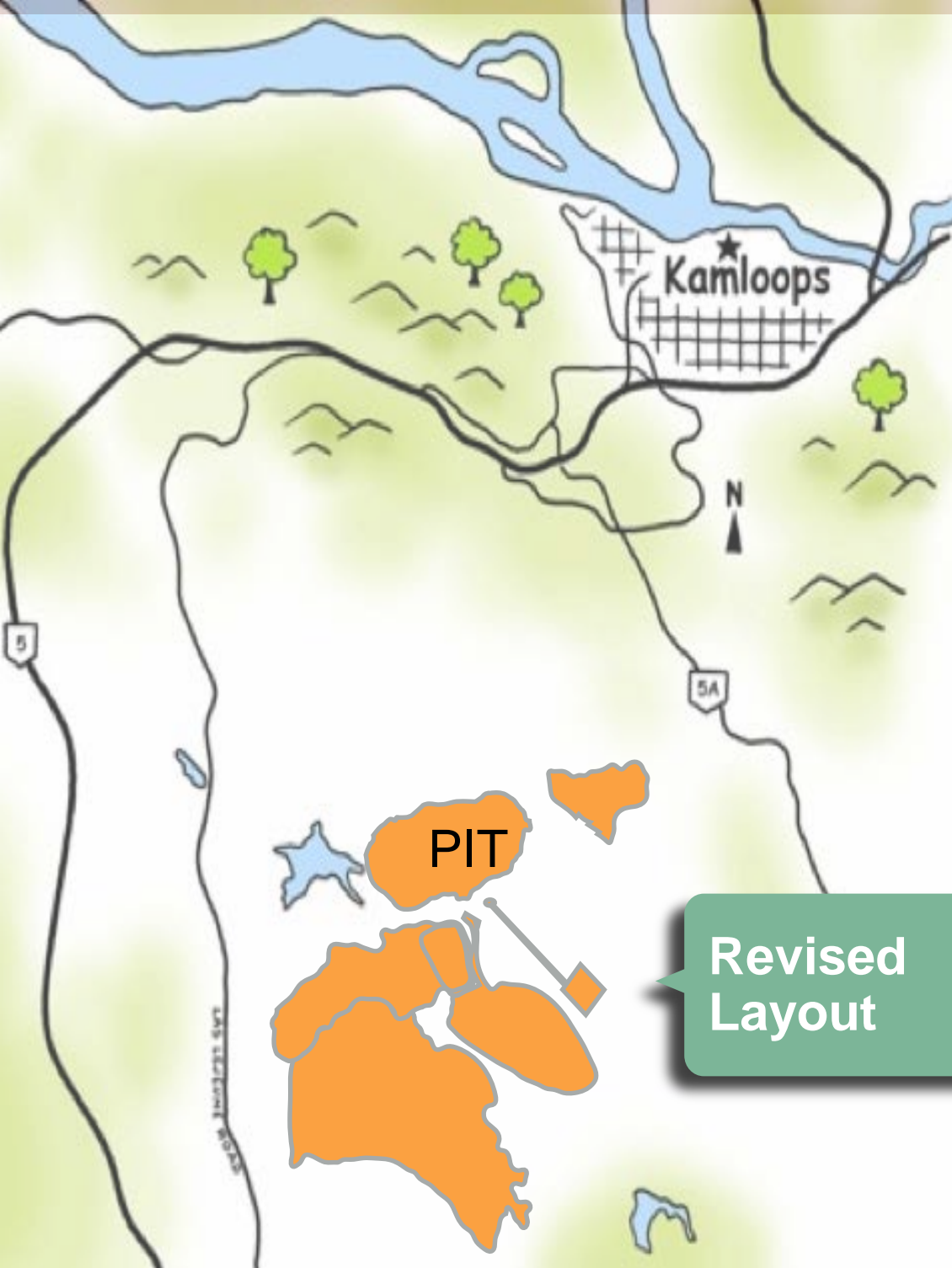
Crusher

PIT

Project Re-Configuration

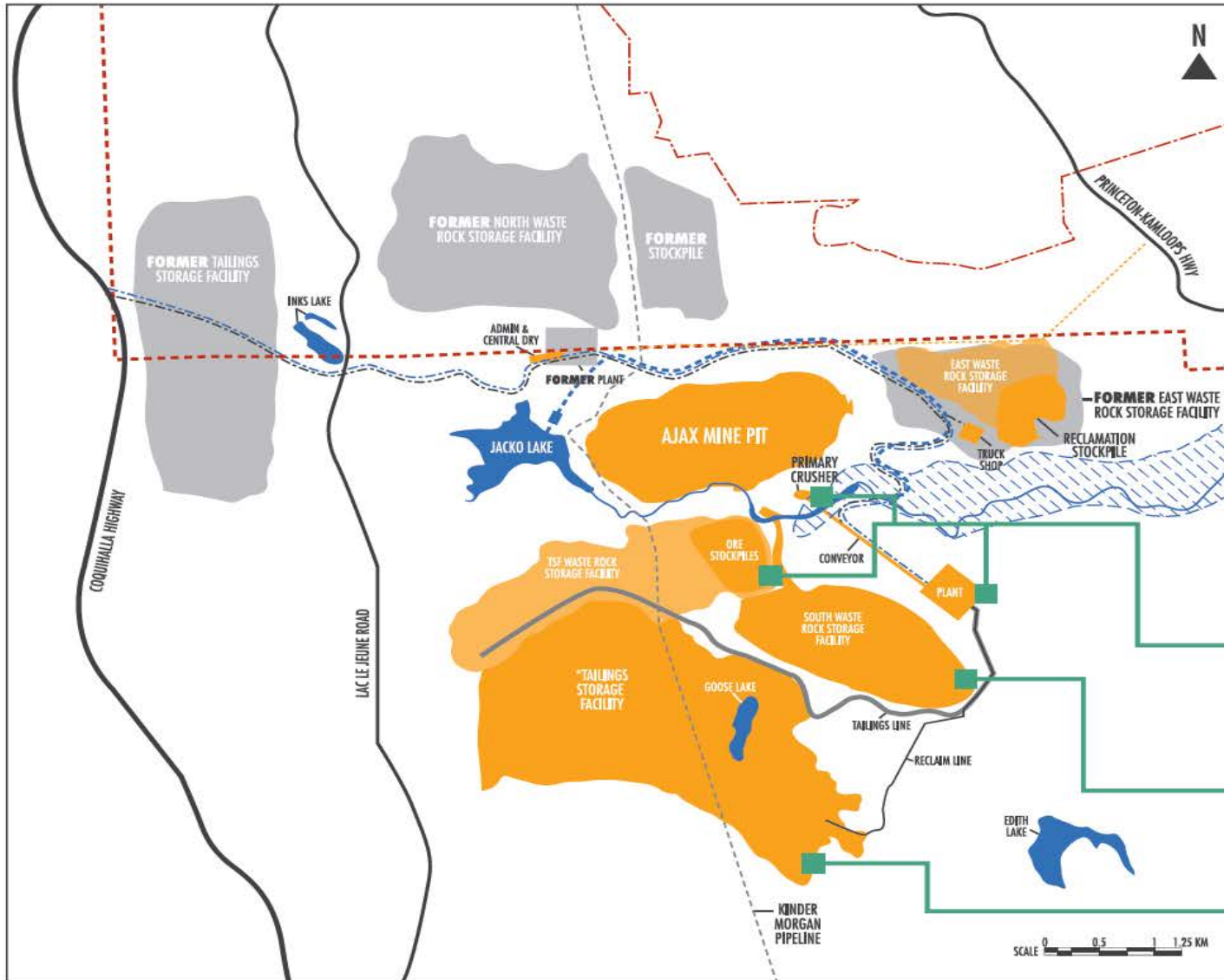


Project Re-Configuration



Revised
Layout

NEW AJAX MINE GENERAL ARRANGEMENT



LEGEND:

- - - URBAN GROWTH BOUNDARY
- - - CITY OF KAMLOOPS BOUNDARY
- - - POWERLINE PROPOSED
- - - ROADS PROPOSED
- - - WATERLINE PROPOSED
- - - PETERSON CREEK DIVERSION
- PETERSON CREEK
- PETERSON CREEK AQUIFER
- FORMER FACILITY LOCATIONS
- NEW FACILITY LOCATIONS

KEY LOCATION CHANGES:

PROCESSING PLANT, CRUSHERS AND TEMPORARY ORE STOCKPILES HAVE MOVED MORE THAN TWO KILOMETRES FARTHER AWAY FROM THE CITY. MOVING THESE FACILITIES CLOSER TO THE PIT WILL ALSO REDUCE HAUL TRUCK USE.






THE WASTE ROCK STORAGE FACILITY HAS MOVED 4½ KILOMETRES FROM ABERDEEN NEIGHBOURHOODS. THE ORIGINAL LOCATION WAS PREVIOUSLY LOCATED 1½ KILOMETRES FROM THE COMMUNITY.

THE TAILINGS STORAGE FACILITY MOVES 2½ KILOMETRES AWAY FROM THE COQUIHALLA HIGHWAY. OUR CONVENTIONAL TAILINGS STORAGE FACILITY WAS PREVIOUSLY PROPOSED TO BE LOCATED AT INKS LAKE.

*PENDING KGM Ajax filing in a position to release the results of its consultation drilling program.



Legend

-  Proposed Pond
-  Proposed Road
-  Proposed Water Line
-  Proposed Conveyor
-  City Boundary

Click an item on the map for more information




Image © 2014 Province of British Columbia
 © 2014 Google
 Image City of Kamloops

Google earth

Project Factsheet Comparison

Component	June 2013 (AIR/EIS Guidelines)	Current
Mine Life	23 y	23 y
Production Rate	60,000 tpd	60,000 tpd
Mining	In-pit crushing	No in-pit crushing Pit limits and mining methods remain similar
Ore Stockpiles	North of Open Pit	South of Open Pit
Mill Location	North of Open Pit	South of Open Pit
Mill Process	Conventional flotation and gravity concentration	Conventional flotation and gravity concentration
Mine Rock Storage Facilities	North and East	South, East, and Embankment (TSF), Pit backfilling
Transmission Line	Corridor to East	Corridor to East
Site Access	Lac Le Jeune Road	Inks Lake Interchange

Project Factsheet Comparison

Component	June 2013 (AIR/EIS Guidelines)	Current
<i>Tailings Technology</i>	Thickened tailings Dry-stack TSF	Conventional slurry Subaerial placement
<i>Tailings Storage Facility Location</i>	North-west of Open Pit	South-west of Open Pit
<i>Water Source</i>	Kamloops Lake	Kamloops Lake (exploring recycled effluent opportunities)
<i>Freshwater line</i>	Corridor north-west of site	Along existing road alignments
<i>Mine Effluent Discharge</i>	None	None
<i>Watercourses/Waterbodies in Immediate Area</i>	Petersen Creek Inks Lake Jacko Lake	Petersen Creek Goose Lake Jacko Lake

Environmental Studies

- Air Quality;
- Greenhouse Gas Management;
- Surface Water Quality and Quantity;
- Groundwater Quality and Quantity;
- Domestic Water Quality;
- Human Health and Ecological Risk Assessment;
- Country Foods;
- Healthy Living and Education;
- Economic Growth;
- Labour Force, Employment and Training;
- Income;
- Business;
- Property Values, Economic Diversification;
- Infrastructure, Public Facilities and Services;
- Community Health and Well-Being;
- Visual Impact/Aesthetic Features (including shading);
- Land and Resource Use;
- Outdoor Recreation;
- Dark Sky;
- Rare Plant;
- Rare and Sensitive Ecological Communities, Grasslands;
- Migratory Birds;
- Game Birds;
- Raptors;
- Mammals;
- Geology, Landforms and Soils;
- Fish Populations and Fish Habitat (Jacko Lake et al.);
- Terrestrial Invertebrates;
- Amphibians; and
- Reptiles.

Common Mitigation

- Committed to Zero Harm for our employees, our communities and the environment. We believe that the best mines are the safest mines.
- Designed and operated to meet/exceed applicable regulatory requirements.
- Monitoring and adaptive management employed to ensure compliance.
- Environmental Management System's have been and will continue to be implemented (e.g. Wildlife, Water, Waste Management, Spill Response, etc.).
- The Project is being planned with closure in mind.
- Reclamation has been implemented and will continue throughout the life of the mine.

Common Concern / Mitigations – Water

- Water and possible effects studied during environmental assessment.
- Proposed to be a zero-discharge facility with water recycled on site to its greatest extent.
- At peak operation, water use will be less than 0.5% of Kamloops Lake lowest flows.
- Adjusted the GA, including moving infrastructure to avoid the Cherry Creek watershed (Inks Lake).
- Temporary berming of north-east arm of Jacko Lake.

Common Concern / Mitigations – Wildlife

- Wildlife and possible effects studied during environmental assessment.
- Reduced haul distances, number of haul trucks.
- Speed limits for safety and to avoid wildlife.
- Dampening ore on conveyor and covering ore storage piles to reduce dust.
- Unnecessary lighting avoided; shielded where needed, automated to turn off when not needed.
- Include, where possible, culturally-valued plant species in reclamation.

Common Concern / Mitigations – Access

- Access and possible effects studied during environmental assessment.
- Currently accessed off of Lac Le Jeune Road.
- Originally proposal was to improve Lac Le Jeune access.
- Now planning a new access off of Coquihalla Highway, near Inks Lake.
- Goose Lake Road would be split (2.5 km west of Long Lake/Goose Lake Road, 4.5 km east of Long Lake/Goose Lake Road).
- Portion of road removed is not needed for access to private land.

Economic Opportunities

- Up to 1800 jobs during construction.
- Approximately 500 jobs during operations.
- Approximately \$60 million annual payroll.
- Committed to building strong and lasting partnerships in the community.
- Committed to hiring locally.
- Training to prepare local people for opportunities.

500 GOOD-PAYING FAMILY JOBS

Accountant
Administrator
Assayer
Auto Mechanic
Bit Grinder
Blaster
Boilermaker
Bucker/Case Splitter
Business Analyst
Buyer
Cable Bolter
Cableman
Cage Tender
Carpenter
Chemical Technician
Chemist
Communications and
Public Relations Officer
Control Room Operator
Crusher Operator
Cyclone Operator
Diamond Driller
Dig Operator
Dozer / Grader
Operator
Driller
Electrical Engineer
Electrician
Employee Relations
Officer
Environmental
Engineer

Electrical Engineer
Electrician
Employee Relations
Officer
Environmental Engineer
Environmental
Technologist
Equipment Operator
Fillman
Filter Operator
Floor Operator
Gasfitter
Geological Engineer
Geologist
Geotechnical Engineer
Haulage Truck Operator
Health and Safety
Officer
Heat/Vent/
Refrigeration Mechanic
Heavy Duty Mechanic
Heavy Equipment
Operator
Hoistman
Human Resources
Officer
Instrumentation
Mechanic
Janitor
Junior Analyst
Labourer
Lube Journeyman
Machinist
Marketing Officer
Materials Analyst

Mechanical Engineer
Metallurgical Technician
Metallurgical Engineer
Mill Operator
Mill-Services Utilityman
Millwright
Mine Manager
Mine Systems Specialist
Miner
Mineral Process
Engineer
Mining Engineer
Mining Technologist
Mobile Crane Operator
Network Analyst
Pebble Crusher
Utilityman
Personnel Driver
Pipefitter
Plant Analyst
Plumber
President, General
Manager
Pressure Washer
Process Engineer
Process System
Technician
Project Engineer
Protective Services
Officer
Pumpman
Purchasing Agent
Refrigeration Mechanic

Rock Mechanic
Engineer
Safety & Public Affairs
Officer
Senior Design
Draftsman
Shaft Man
Shovel Operator
Steel Fabricator
Surveyor
Systems Analyst
Systems Support
Technician
Technical Supervisor
Engineer
Technical Support
Analyst
Timberman
Tire Repairman
Tool Crib Attendant
Trackman
Trammer
Utilityman
Ventilation Technician
Warehouseman
Wash Bay Attendant
Water / Sewer
Treatment Operator
Welder

Other Information Sources

- Project website: <http://www.ajaxmine.ca/>.
- Updated Google Earth 3D Animation available online.
- Updated 3D digital model with video fly-over - available online.
- Updated print materials – available at our office, by mail, fax, or download.
- Drop in for coffee at: 124 Seymour Street.
- Telephone: 250-374-5446.
- Guided site tours available (weather permitting).

- Or, request information through MNBC or directly from John or Ryan.





KGHM

INTERNATIONAL

AJAX PROJECT

January 21, 2015

Biography

- My Mother is Hellen Askew
- My Father was Wally Deneault
- My Grandmother was Annie Deneault from the Tk'emlups te Secwepemc
- My Grandfather was Albert Deneault from the Skeetchestn Reserve
- Why I did not grow up on the Skeetchestn reserve

Ajax Mine History

- In 1988, Afton Mines, controlled by Teck, began development of the Ajax West and East open pits
- Though production commenced in 1989, weak copper prices lead to a three-year hiatus in production from 1991-1994 until the mine eventually closed in 1997
- During the periods of production, it is estimated 17 Mt were mined and 13 Mt milled
- Abacus acquired the Ajax/Afton properties in 2002 from Teck
- October 2010 KGHM S.A. earned 51% ownership stake in the Ajax Project and formed KGHM-AJAX Mining Inc.
- April 2012 KGHM S.A. exercised their option to increase ownership to 80%

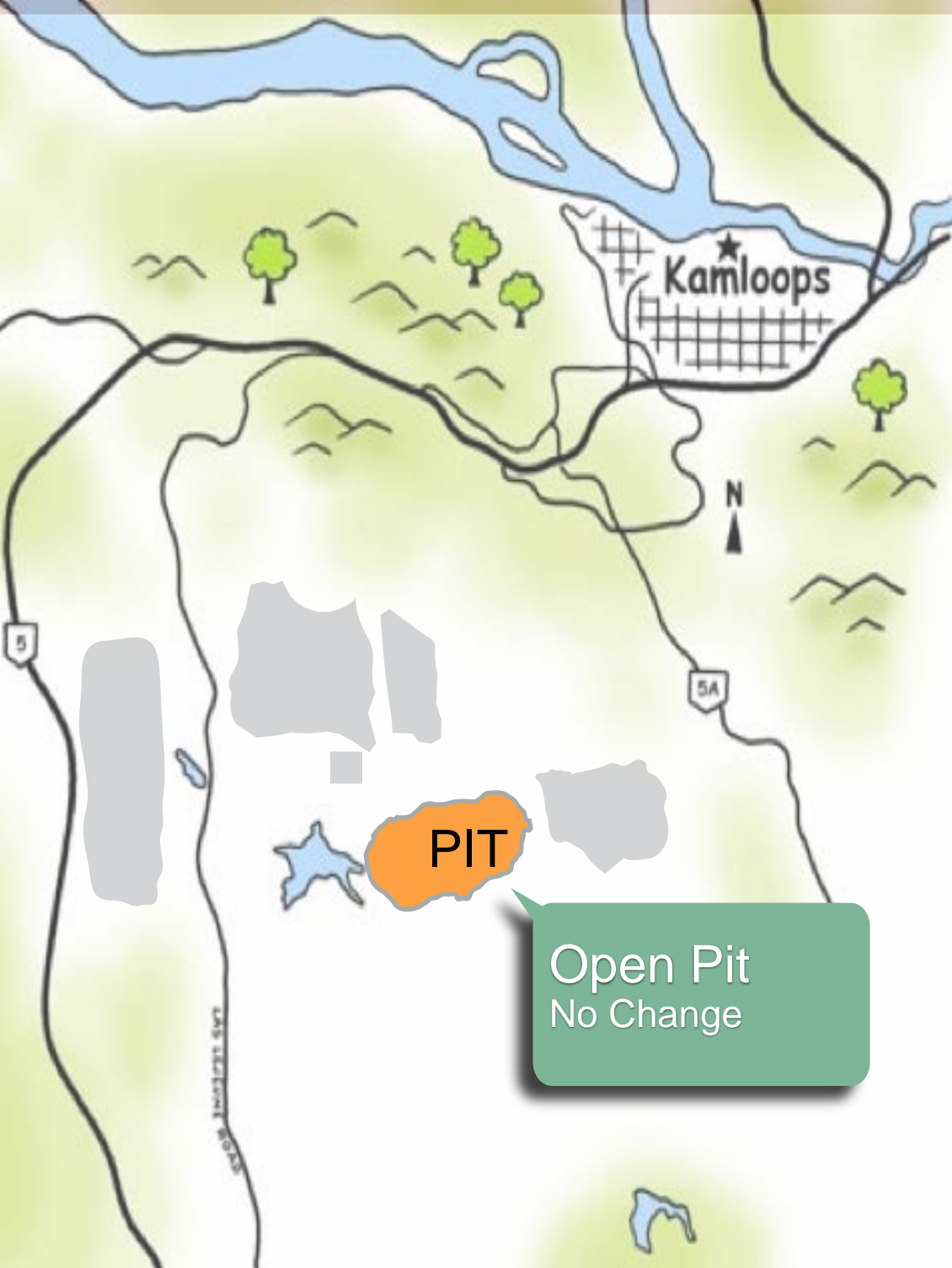
The Updated General Arrangement

- September 2012 KGHM International, western hemisphere subsidiary of KGHM S.A., Took over operational control and direction of the Ajax Project
- From September 2012, when KGHM took over operations on the Ajax project, to August of 2013 KGHM continued on a path to write the Environmental Assessment Application while at the same time analyzing the overall project
- August 2013, KGHM decided to delay the Environmental Assessment Application to reevaluate and optimize the Ajax Project
- May 2014, KGHM publically rolled out the updated general arrangement

City of Kamloops

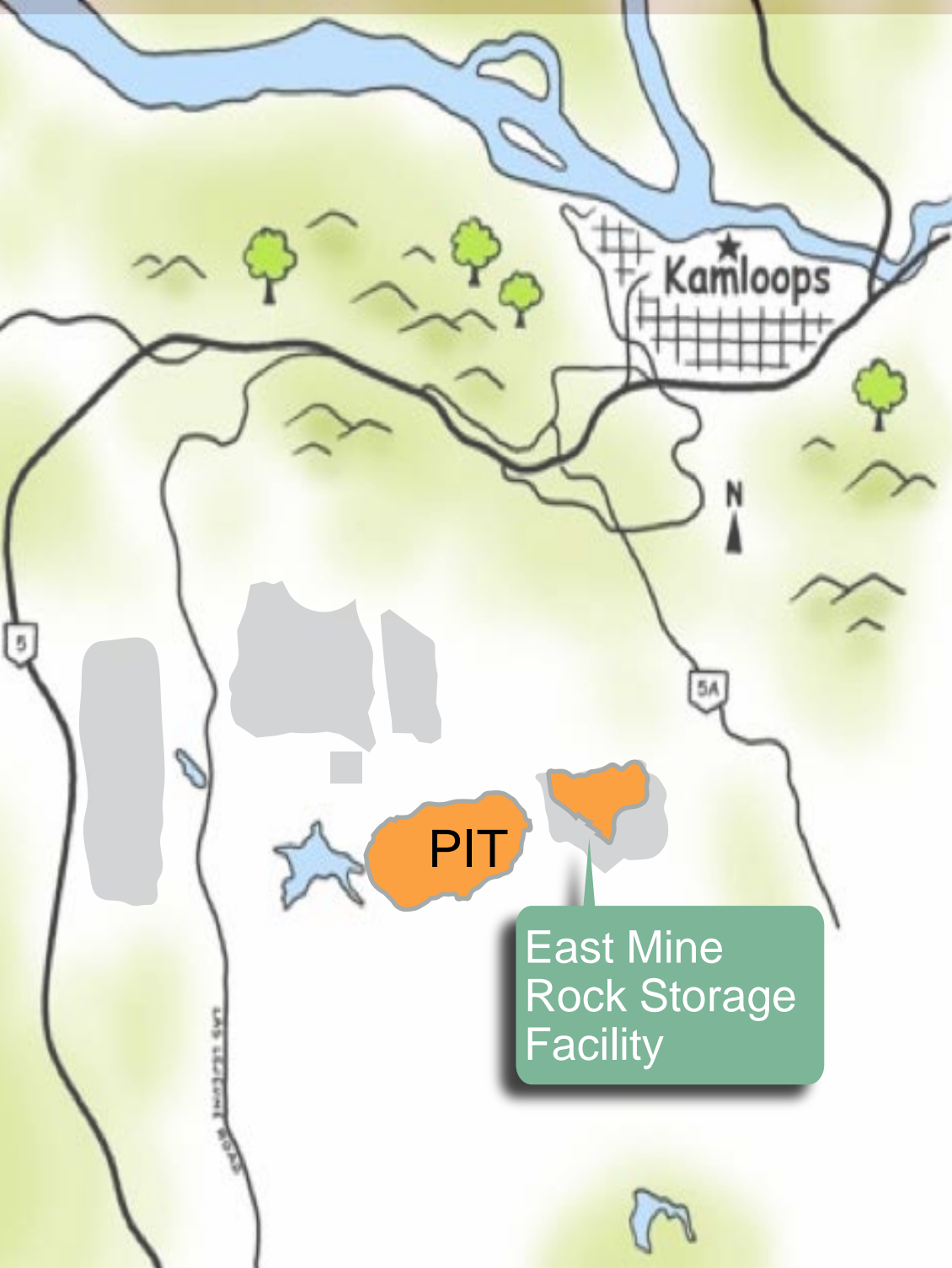


Project Re-Configuration

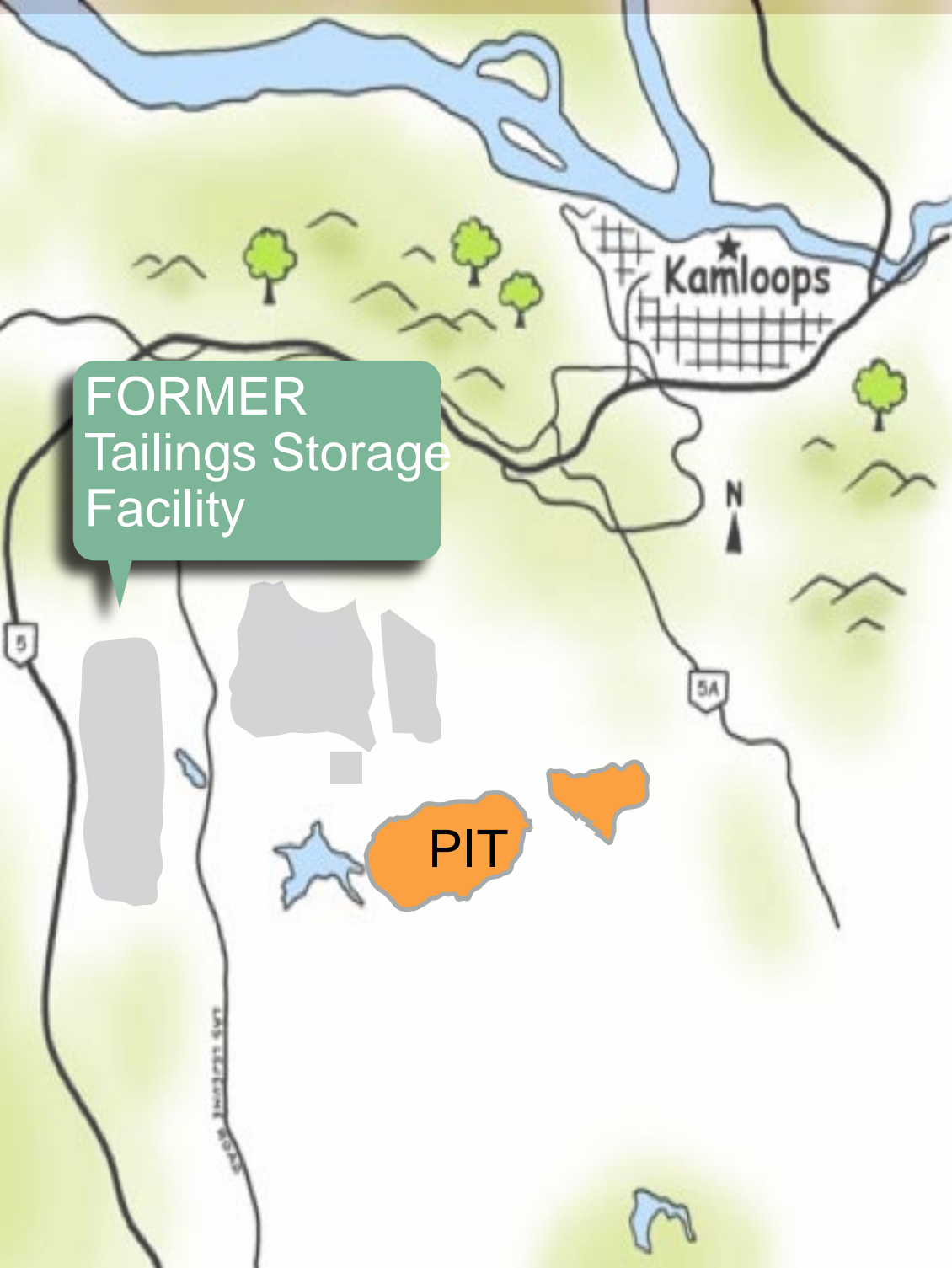


Open Pit
No Change

Project Re-Configuration



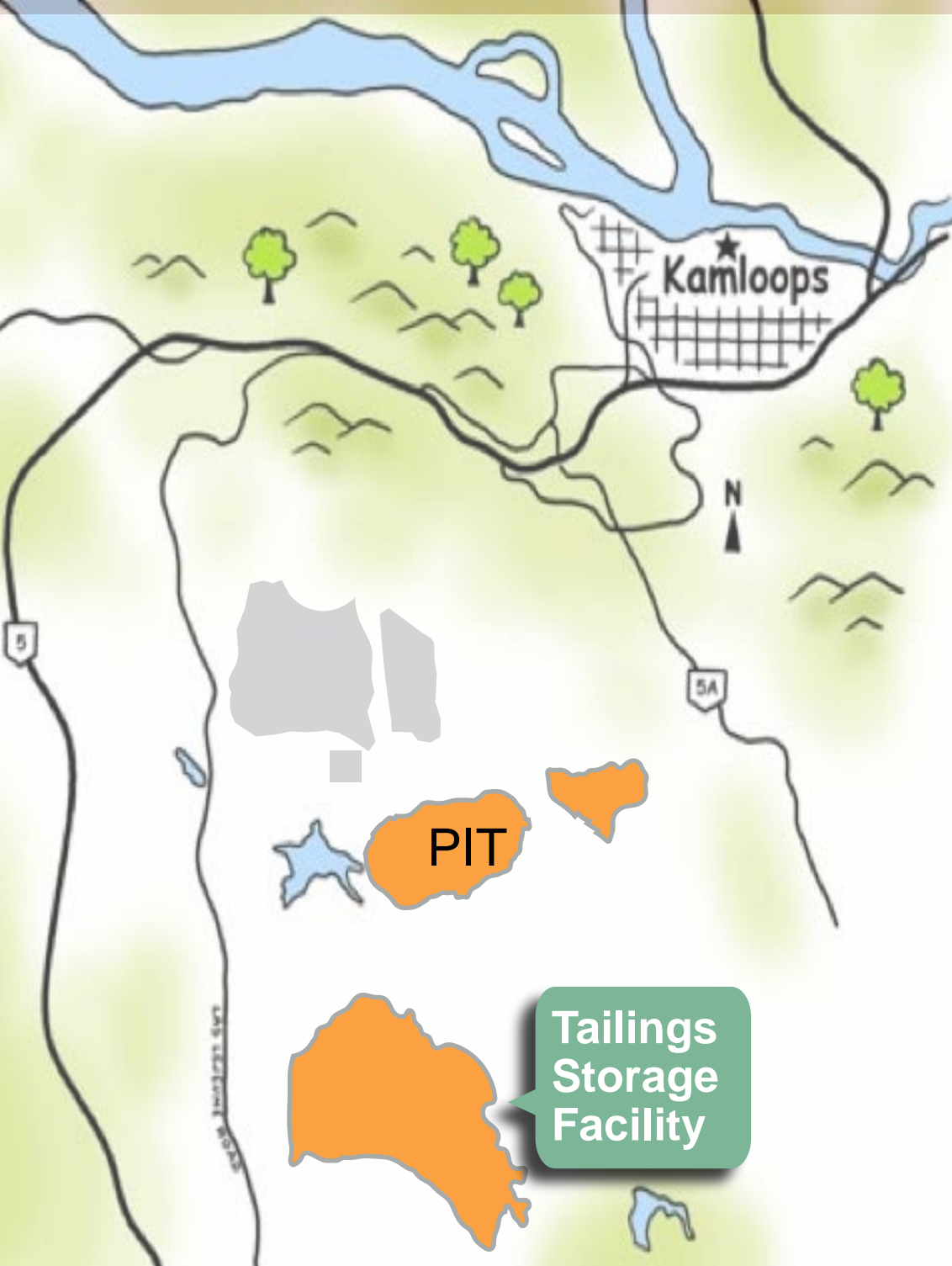
Project Re-Configuration



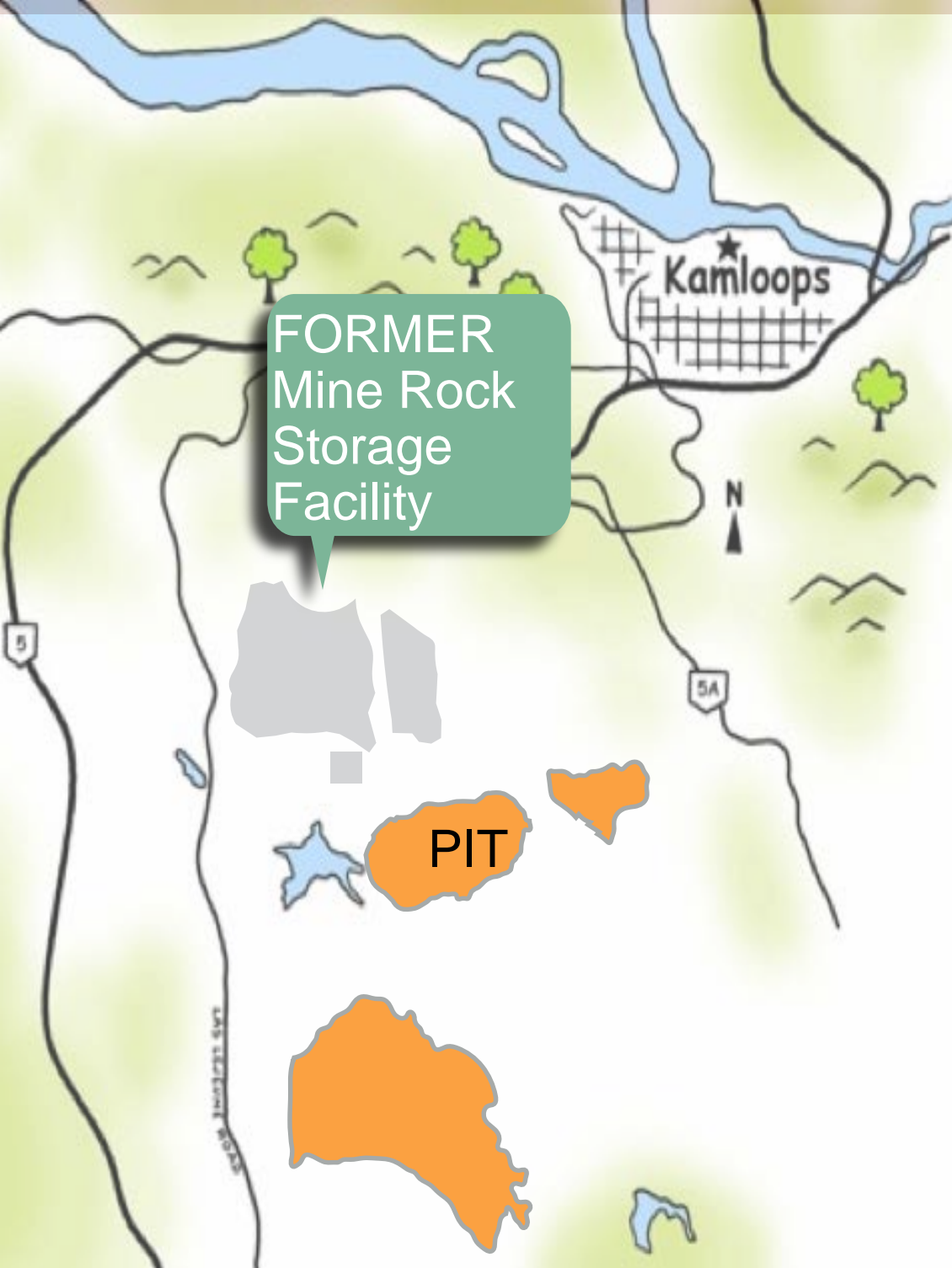
FORMER
Tailings Storage
Facility

PIT

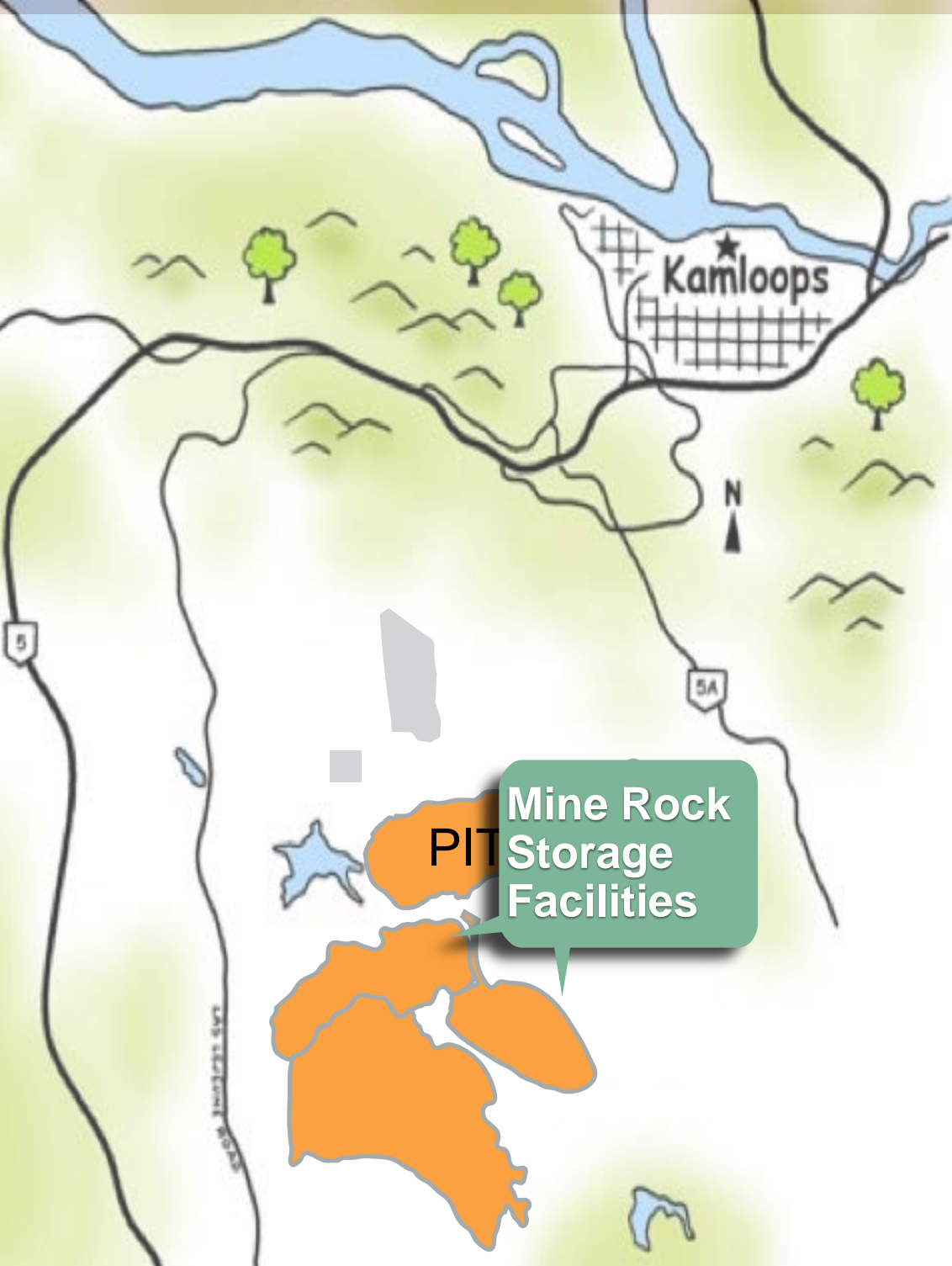
Project Re-Configuration



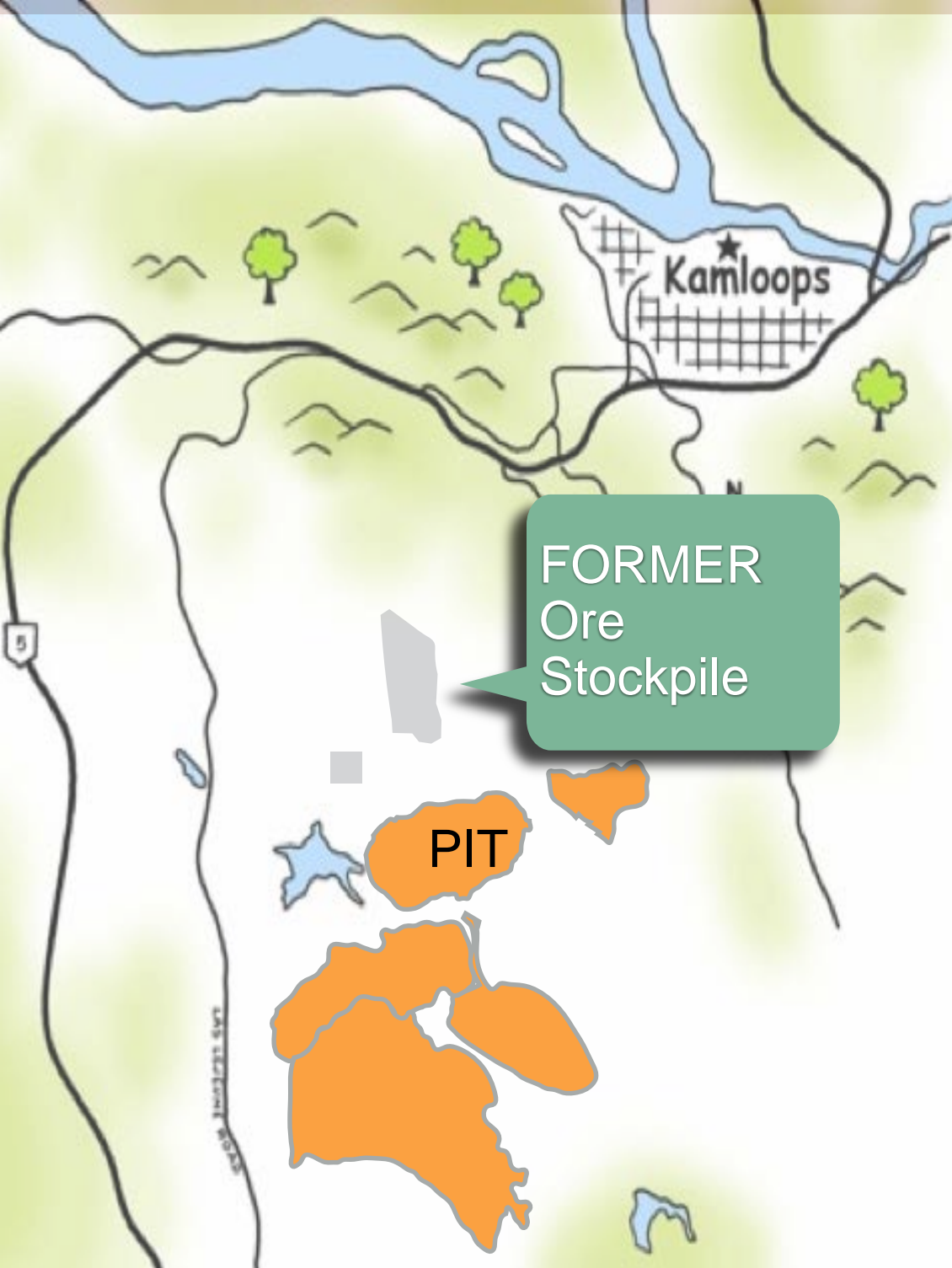
Project Re-Configuration



Project Re-Configuration



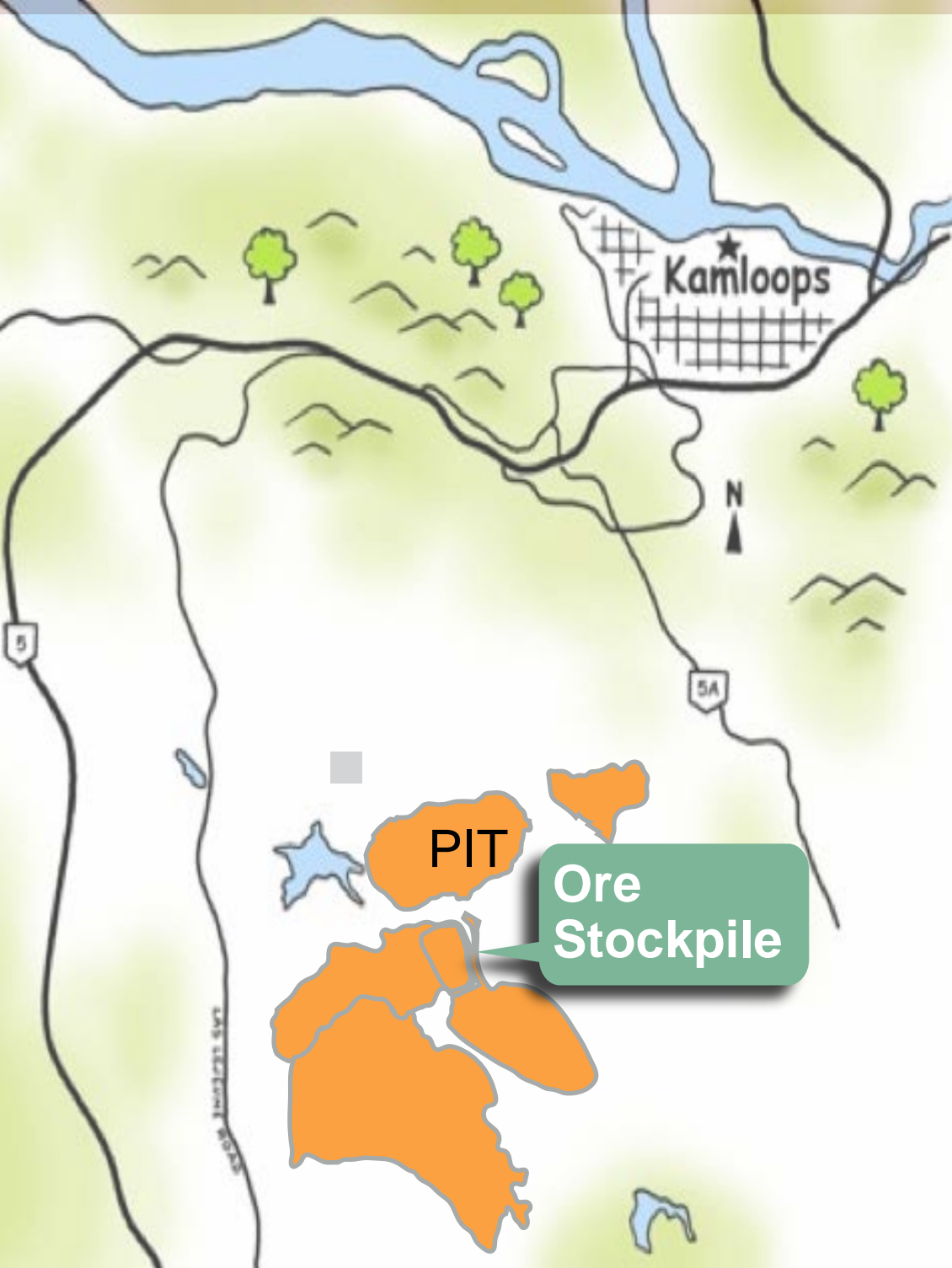
Project Re-Configuration



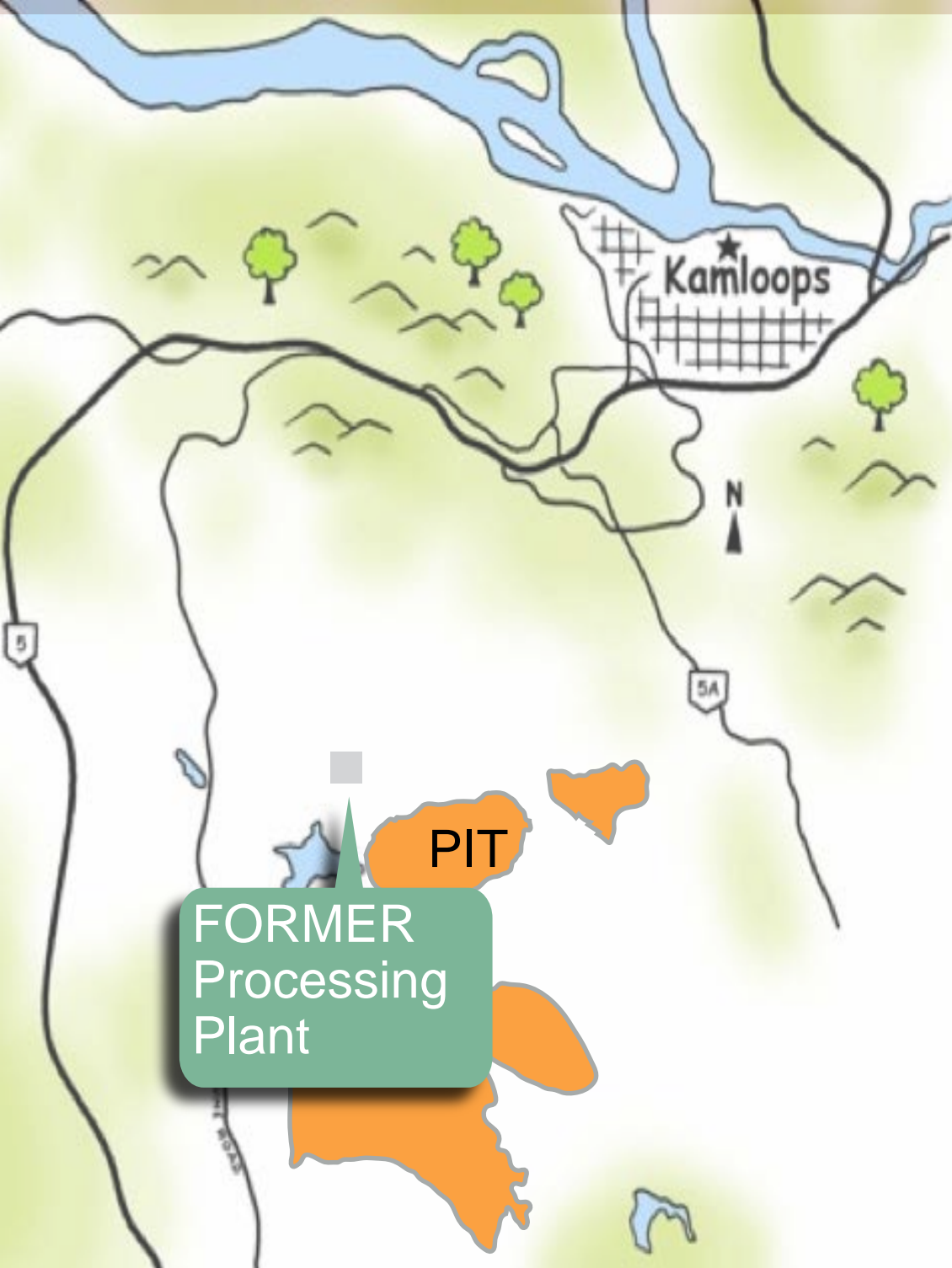
FORMER
Ore
Stockpile

PIT

Project Re-Configuration



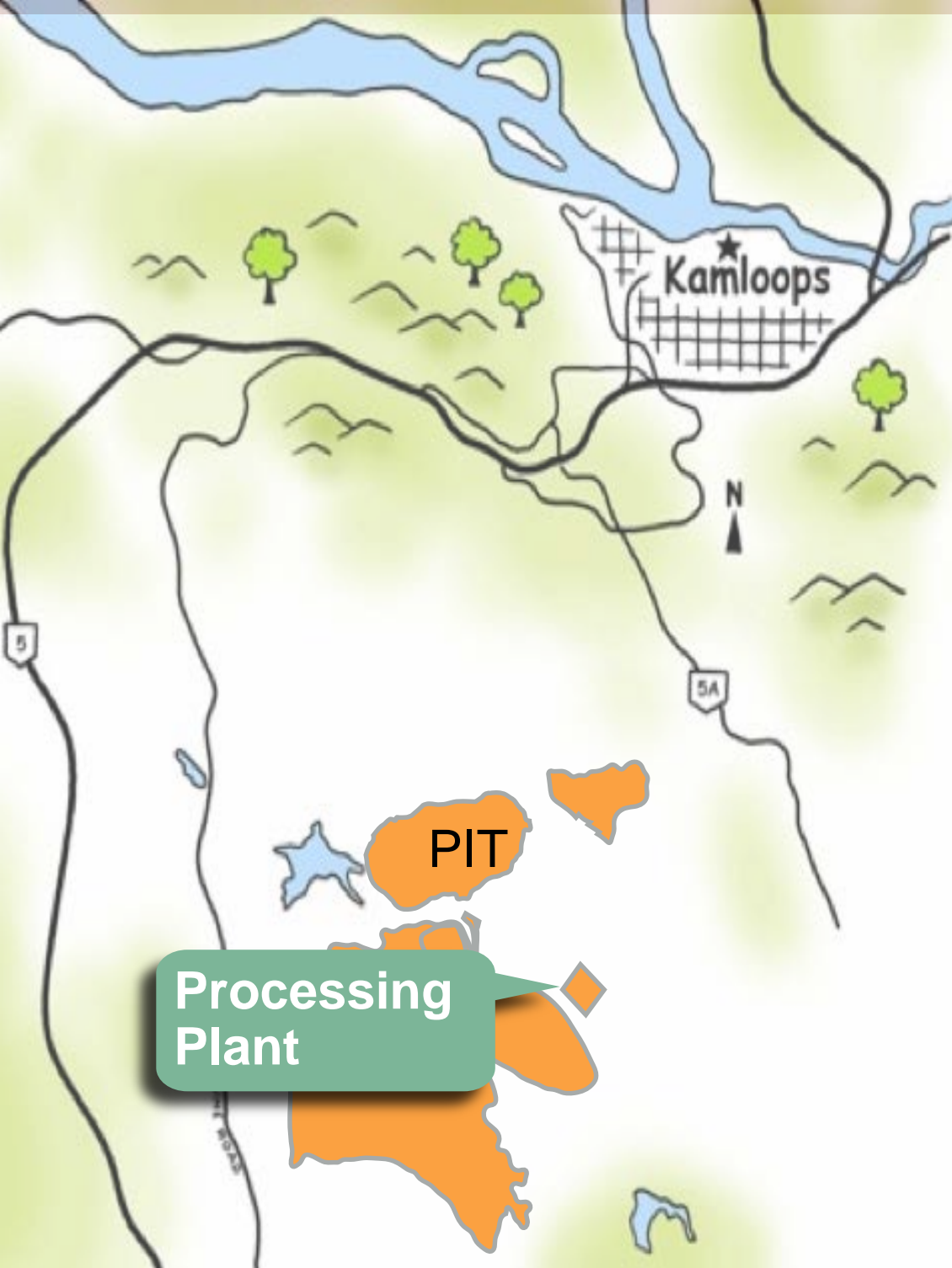
Project Re-Configuration



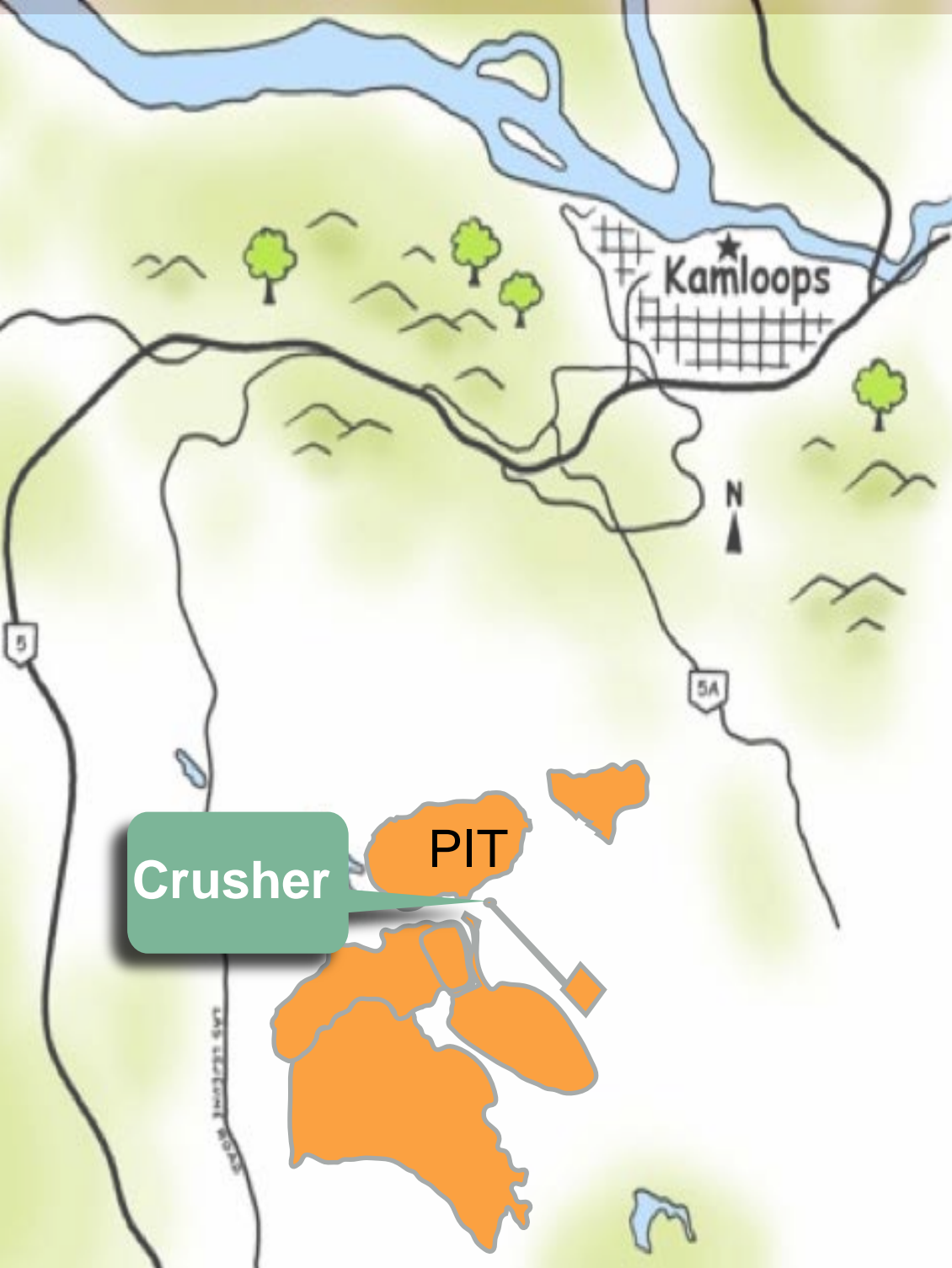
FORMER
Processing
Plant

PIT

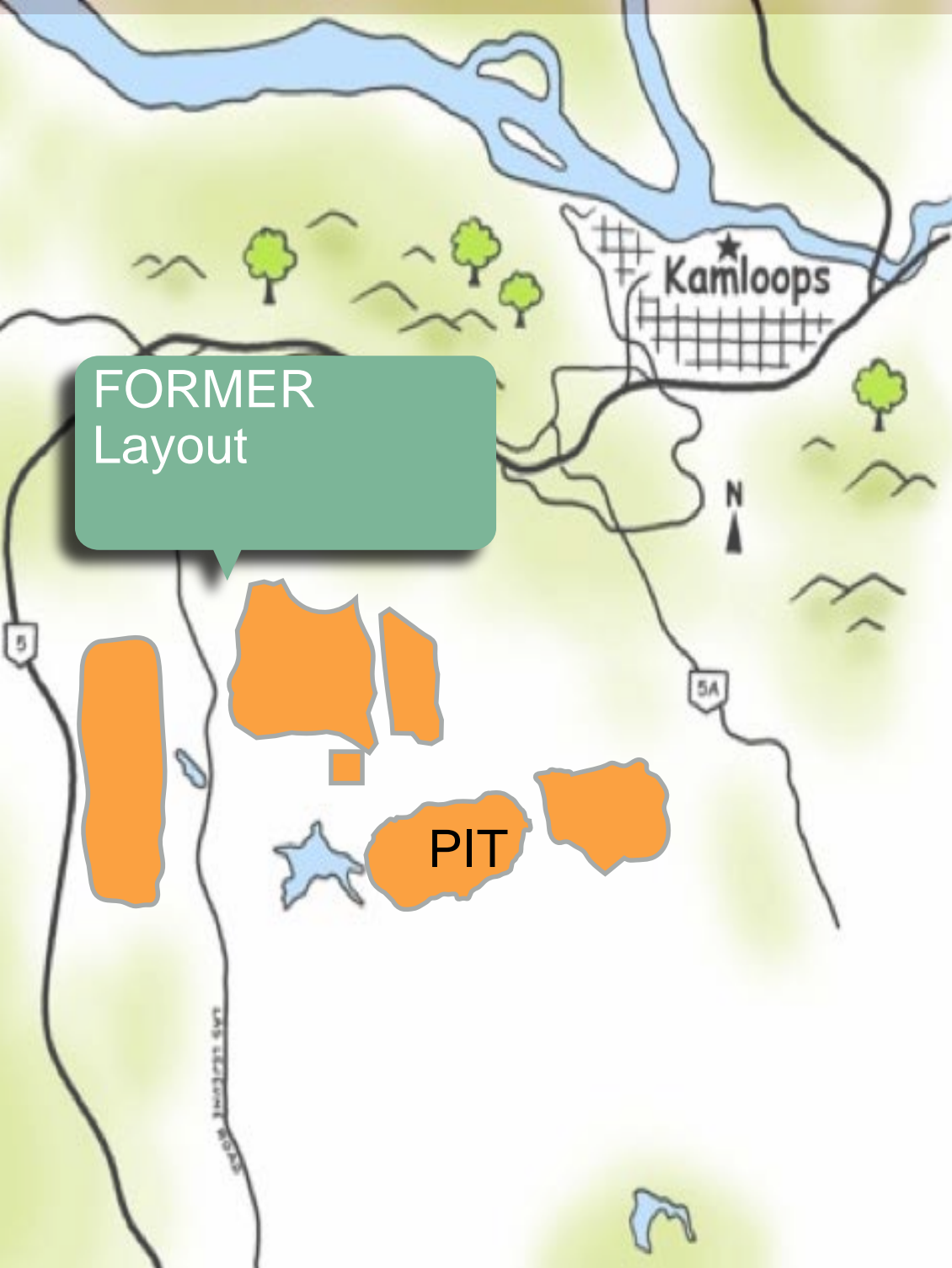
Project Re-Configuration



Project Re-Configuration



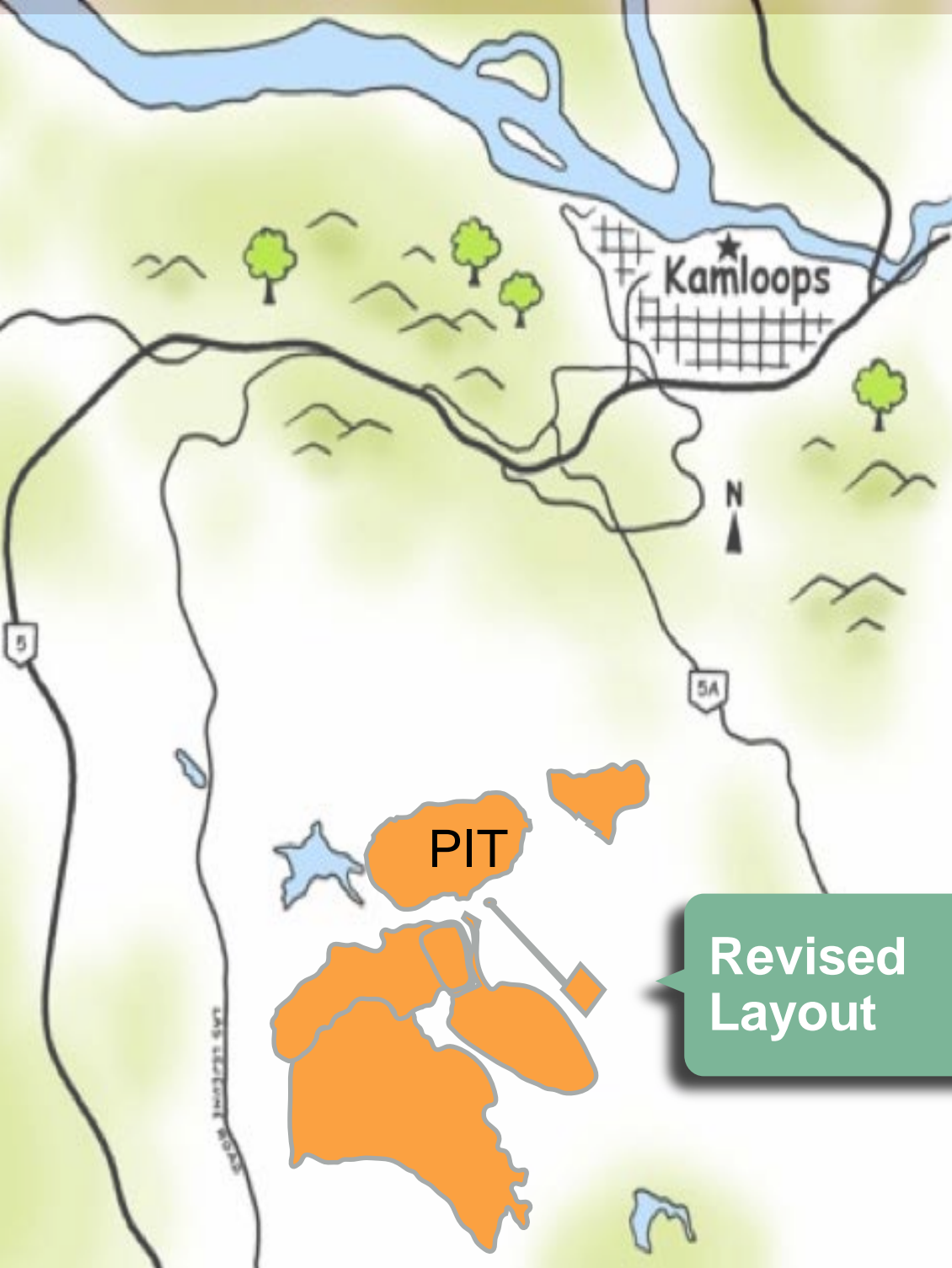
Project Re-Configuration



FORMER
Layout

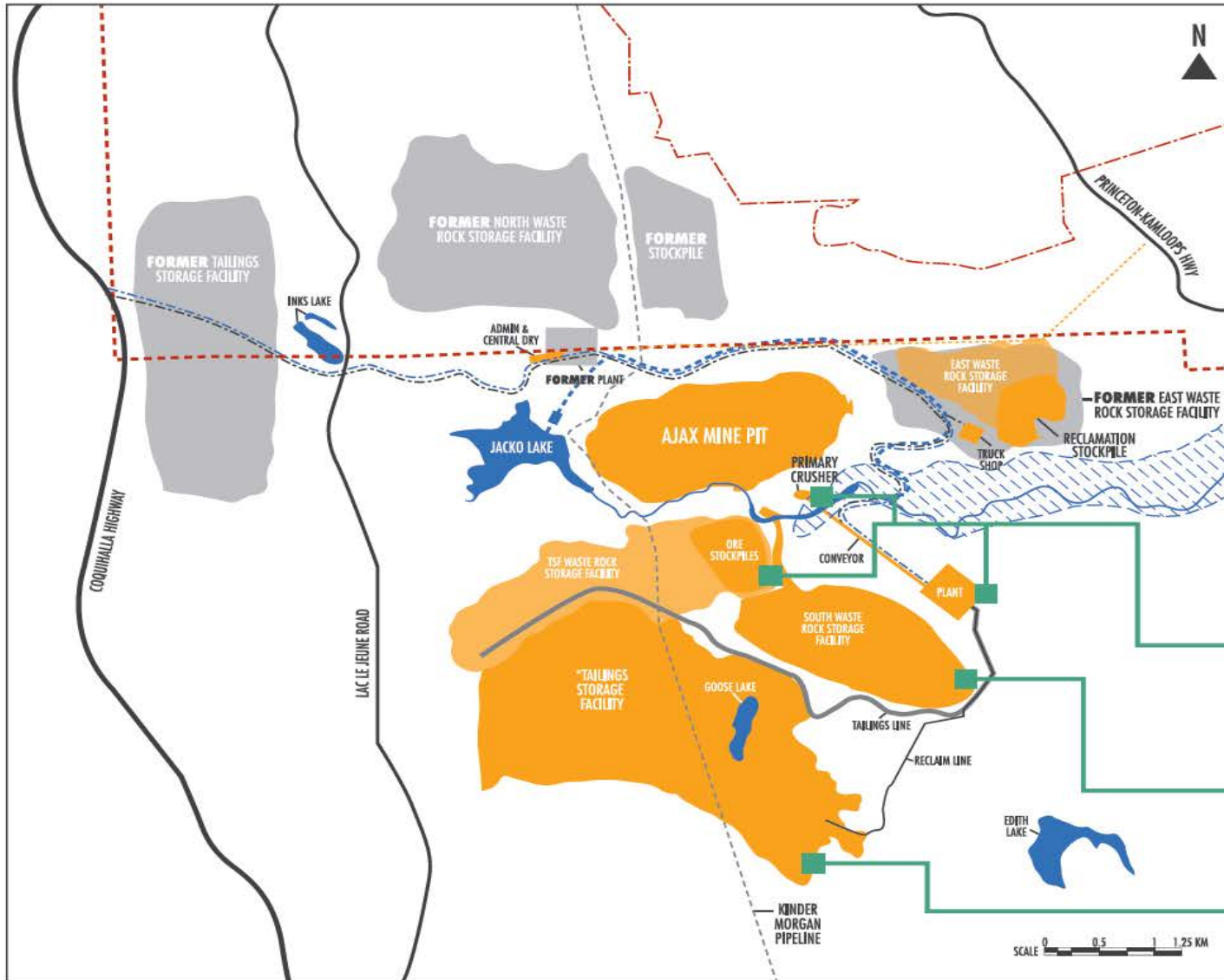
PIT

Project Re-Configuration



Revised
Layout

NEW AJAX MINE GENERAL ARRANGEMENT



LEGEND:

- - - URBAN GROWTH BOUNDARY
- . . . CITY OF KAMLOOPS BOUNDARY
- - - POWERLINE PROPOSED
- - - ROADS PROPOSED
- - - WATERLINE PROPOSED
- - - PETERSTON CREEK DIVERSION
- PETERSTON CREEK
- PETERSTON CREEK AQUIFER
- FORMER FACILITY LOCATIONS
- NEW FACILITY LOCATIONS

KEY LOCATION CHANGES:

PROCESSING PLANT, CRUSHERS AND TEMPORARY ORE STOCKPILES HAVE MOVED MORE THAN TWO KILOMETRES FARTHER AWAY FROM THE CITY. MOVING THESE FACILITIES CLOSER TO THE PIT WILL ALSO REDUCE HAUL TRUCK USE.

THE WASTE ROCK STORAGE FACILITY HAS MOVED 4½ KILOMETRES FROM ABERDEEN NEIGHBOURHOODS. THE ORIGINAL LOCATION WAS PREVIOUSLY LOCATED 1½ KILOMETRES FROM THE COMMUNITY.






THE TAILINGS STORAGE FACILITY MOVES 2½ KILOMETRES AWAY FROM THE COQUIHALLA HIGHWAY. OUR CONVENTIONAL TAILINGS STORAGE FACILITY WAS PREVIOUSLY PROPOSED TO BE LOCATED AT INKS LAKE.

*PENDING KGM Ajax Mining Inc. a position to release the results of its consultation drilling program.





Legend

-  Proposed Pond
-  Proposed Road
-  Proposed Water Line
-  Proposed Conveyor
-  City Boundary

Click an item on the map for more information




Image © 2014 Province of British Columbia
 © 2014 Google
 Image City of Kamloops

Google earth

Project Factsheet Comparison

Component	June 2013 (AIR/EIS Guidelines)	Current
Mine Life	23 y	23 y
Production Rate	60,000 tpd	60,000 tpd
Mining	In-pit crushing	No in-pit crushing Pit limits and mining methods remain similar
Ore Stockpiles	North of Open Pit	South of Open Pit
Mill Location	North of Open Pit	South of Open Pit
Mill Process	Conventional flotation and gravity concentration	Conventional flotation and gravity concentration
Mine Rock Storage Facilities	North and East	South, East, and Embankment (TSF), Pit backfilling
Transmission Line	Corridor to East	Corridor to East
Site Access	Lac Le Jeune Road	Inks Lake Interchange

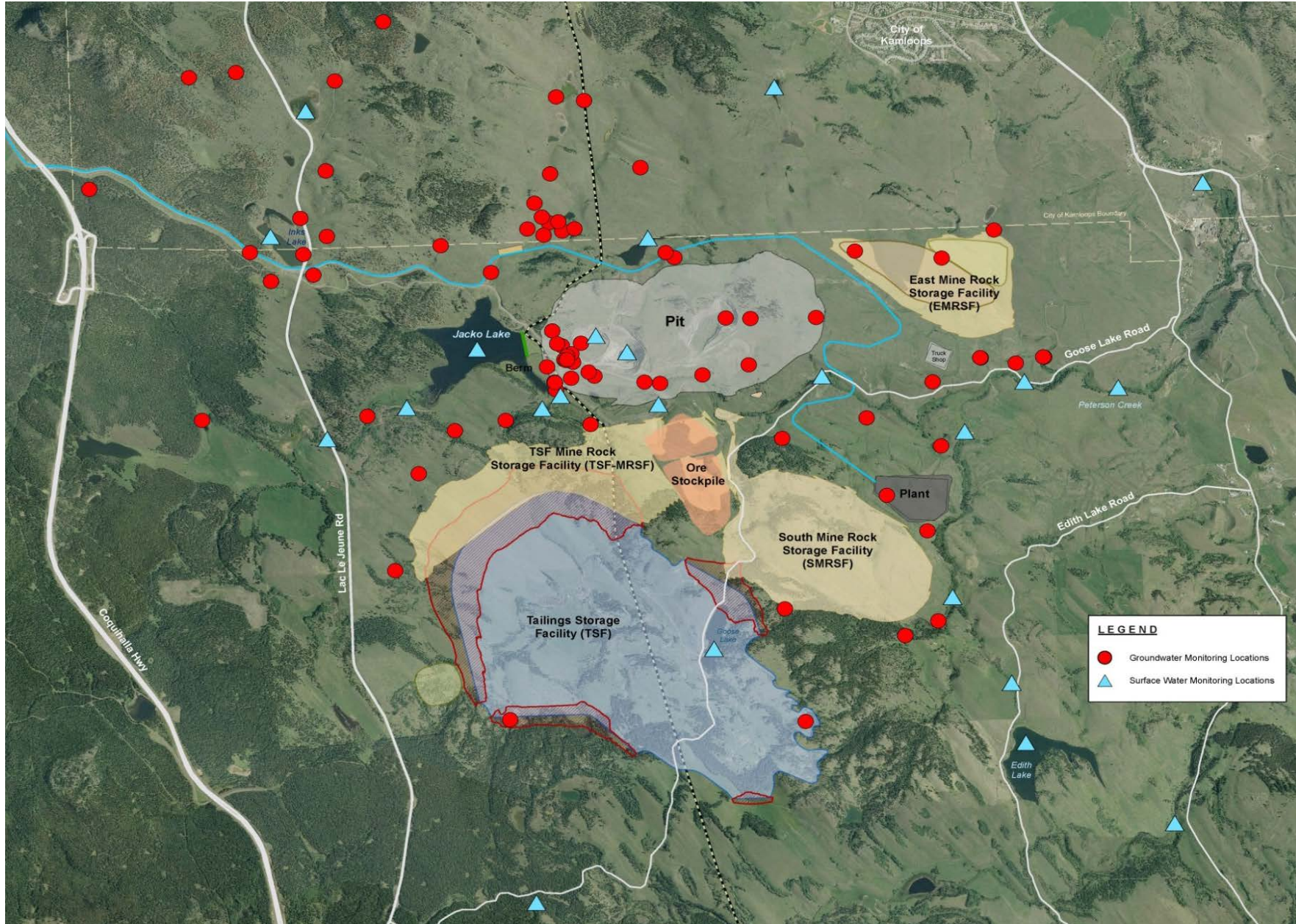
Project Factsheet Comparison

Component	June 2013 (AIR/EIS Guidelines)	Current
<i>Tailings Technology</i>	Thickened tailings Dry-stack TSF	Conventional slurry Subaerial placement
<i>Tailings Storage Facility Location</i>	North-west of Open Pit	South-west of Open Pit
<i>Water Source</i>	Kamloops Lake	Kamloops Lake (exploring recycled effluent opportunities)
<i>Freshwater line</i>	Corridor north-west of site	Along existing road alignments
<i>Mine Effluent Discharge</i>	None	None
<i>Watercourses/Waterbodies in Immediate Area</i>	Petersen Creek Inks Lake Jacko Lake	Petersen Creek Goose Lake Jacko Lake

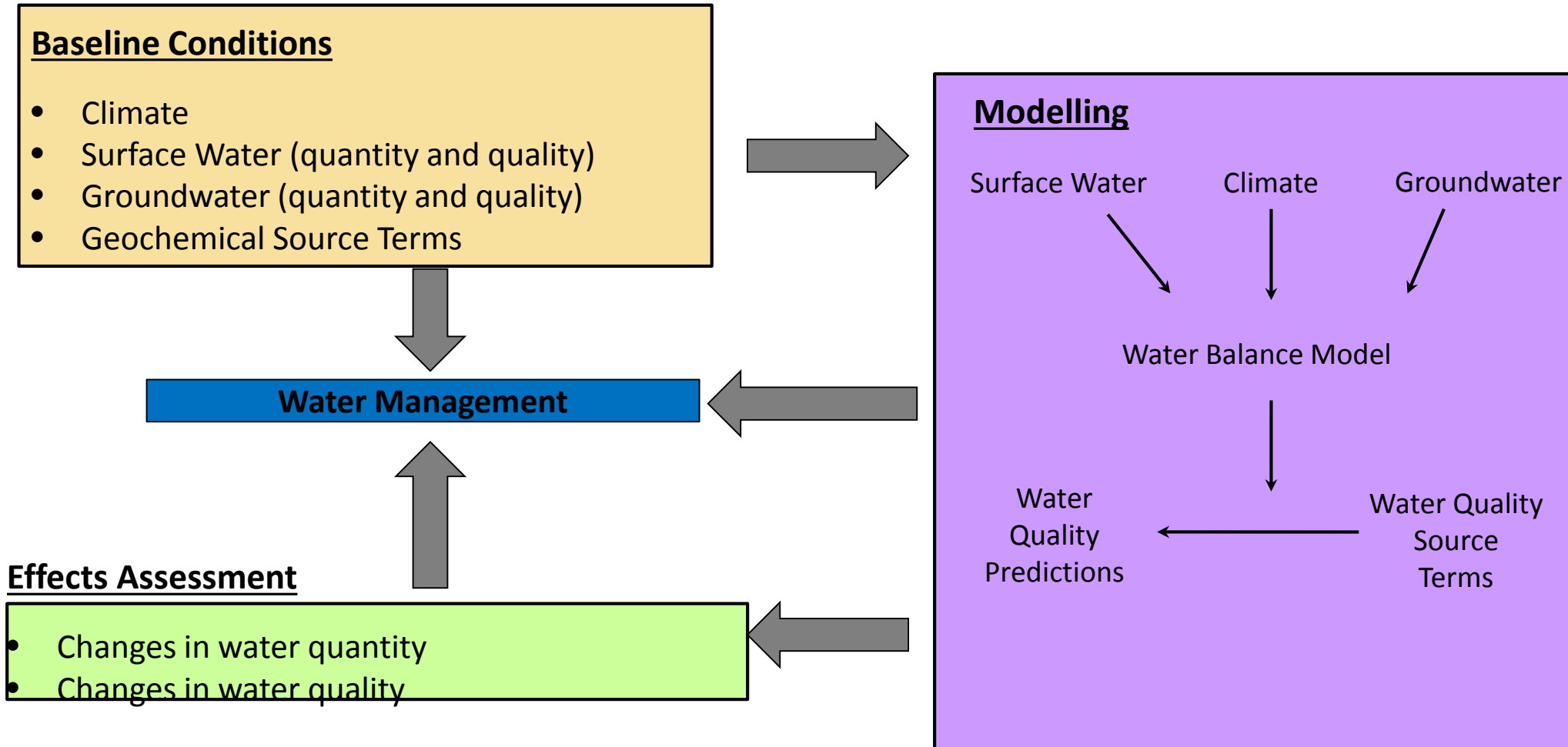
Environmental Studies

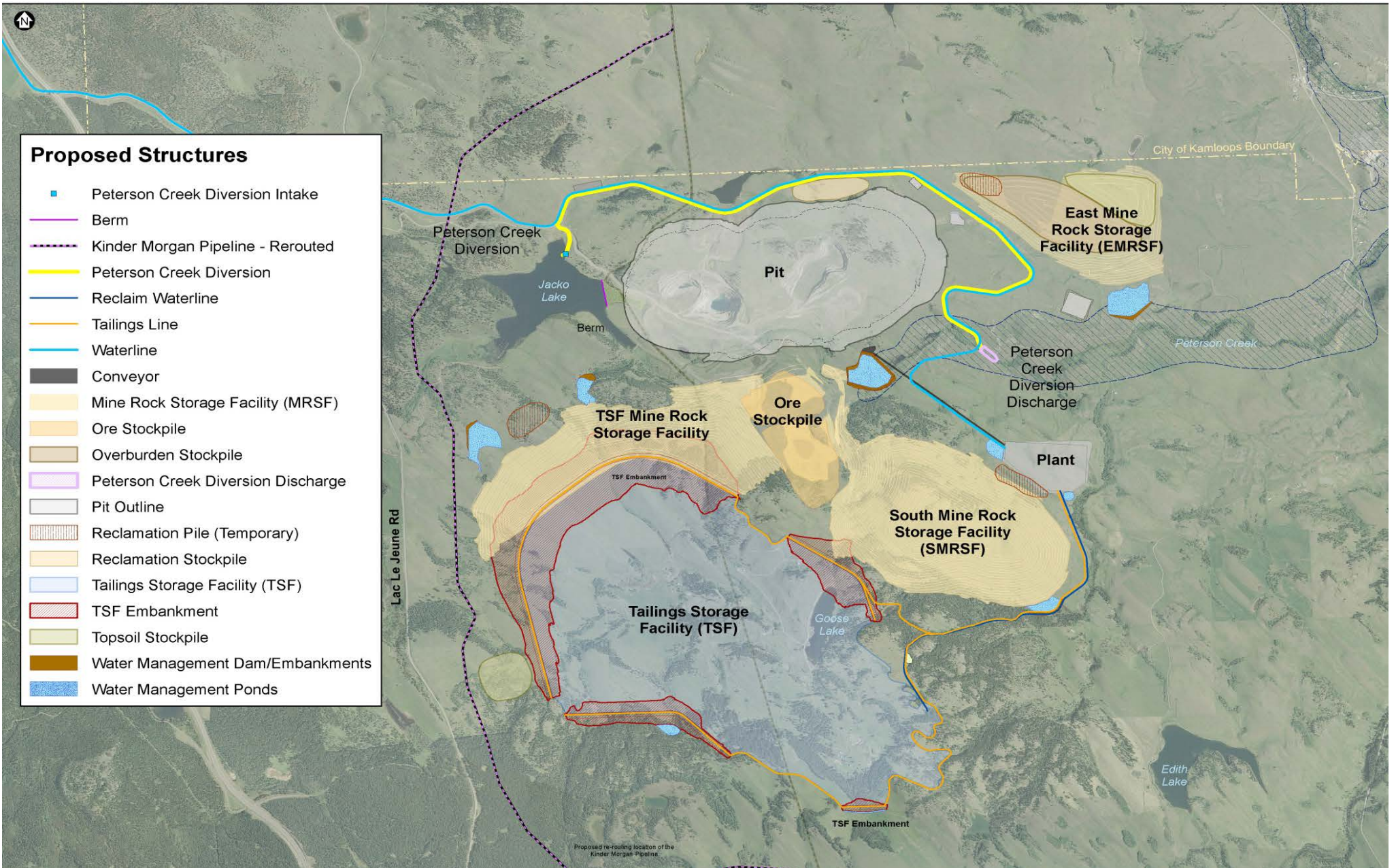
- Air Quality;
- Greenhouse Gas Management;
- Surface Water Quality and Quantity;
- Groundwater Quality and Quantity;
- Domestic Water Quality;
- Human Health and Ecological Risk Assessment;
- Country Foods;
- Healthy Living and Education;
- Economic Growth;
- Labour Force, Employment and Training;
- Income;
- Business;
- Property Values, Economic Diversification;
- Infrastructure, Public Facilities and Services;
- Community Health and Well-Being;
- Visual Impact/Aesthetic Features (including shading);
- Land and Resource Use;
- Outdoor Recreation;
- Dark Sky;
- Rare Plant;
- Rare and Sensitive Ecological Communities, Grasslands;
- Migratory Birds;
- Game Birds;
- Raptors;
- Mammals;
- Geology, Landforms and Soils;
- Fish Populations and Fish Habitat (Jacko Lake et al.);
- Terrestrial Invertebrates;
- Amphibians; and
- Reptiles.

Surface and Groundwater Monitoring Locations



Development of Water Management





Dust Control – Mine Operations

- **Mine Roads** – Water and suppression agents
 - Weather dictates when suppression agents to be used
 - An all-natural mineral with no chemicals added
- **Blasting** – Procedure and Method
 - Delayed sequence blasting
 - Proper blasting procedures critical
- **Dumping** – Minimal
 - No additional dust suppression procedures necessary

Dust Control – Processing

- **Crusher**
 - Enclosed Building
 - Dumping through a plastic curtain
 - Negative pressure bag house will collect dust
 - Water sprays will be used when temperatures are above freezing
- **Conveyor belt**
 - Covered
 - Water spray at each belt change over
 - Negative pressure bag houses will be utilized to capture dust from the transfers
- **Ore stock Pile**
 - Cover over the entire stockpile
 - Fed onto a conveyor belt to mill processing
 - Negative pressure bag house will collect dust

Economic Opportunities

- Approximately 1800 jobs during construction
- Approximately 500 jobs during operations
- Approximately \$60 million annual payroll
- Committed to building strong and lasting partnerships in the community
- Committed to hiring Tk'emlups te Secwepemc members
- Will provide training opportunities

Employment Opportunities

- Environmental Monitors/Inspectors
- Truck Drivers
- Unskilled labor
- Heavy Duty Operators
- All apprenticeship programs
- Administration
- Safety and Security
- Heavy Duty Mechanics
- Warehousing

Once you're employed with KGHM, the sky is the limit!!!

Other Information Sources

- Project website: <http://www.ajaxmine.ca/>
- Updated Google Earth 3D Animation website: www.ajaxmine3d.ca
- Updated 3D digital model with video fly-over - available online
- Updated print materials – available at our office, by mail, fax, or download
- Drop in for coffee at: 124 Seymour Street
- Telephone: 250-374-5446
- Guided site tours available (weather permitting)



KGHM

INTERNATIONAL

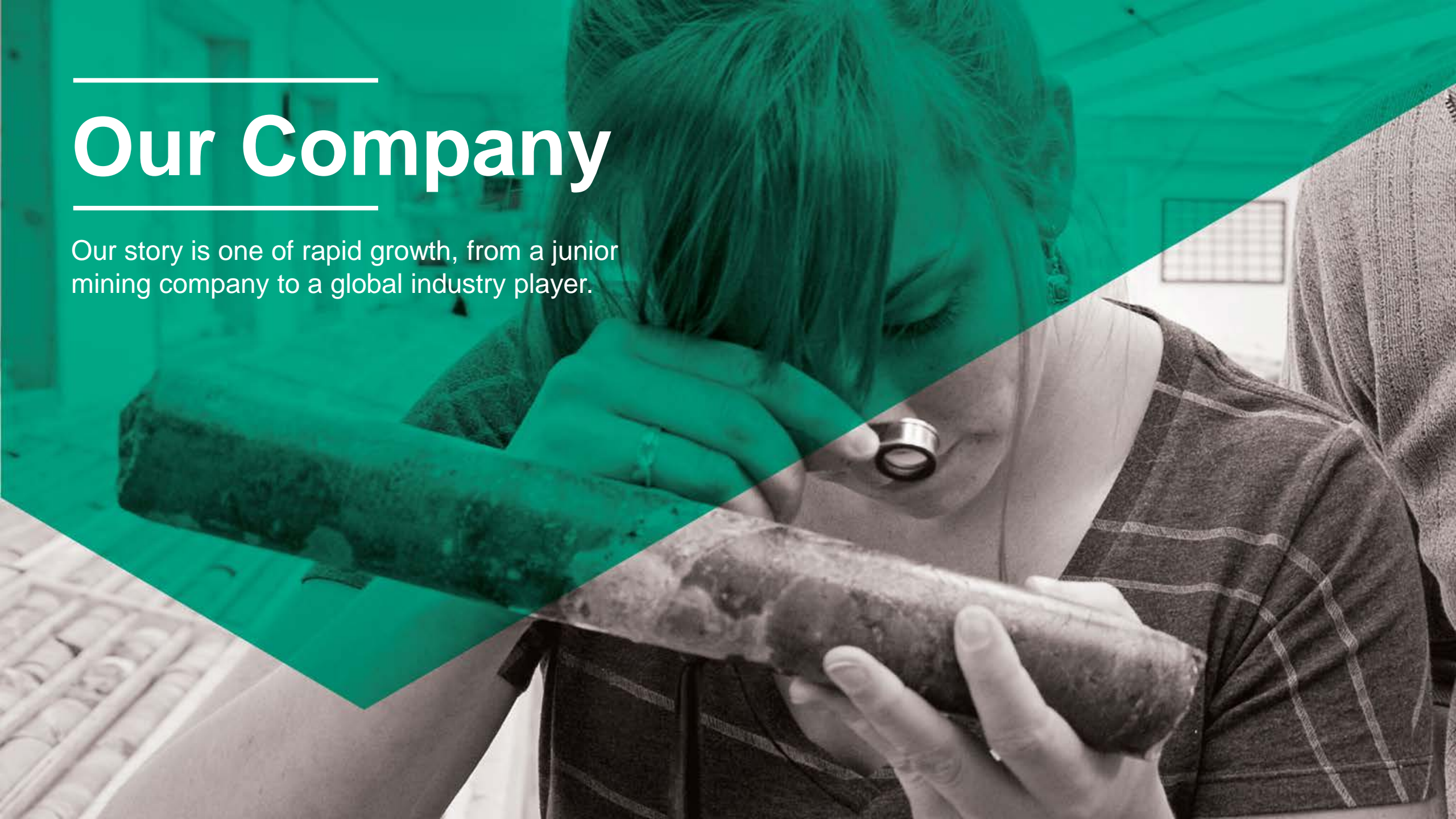
AJAX PROJECT

February 2015



Our Company

Our story is one of rapid growth, from a junior mining company to a global industry player.



KGHM

KGHM International is a wholly owned subsidiary of KGHM Polska Miedź S.A.

KGHM Operations and Projects

Underground Operations

- Lubin, Rudna, Polkowice-Sieroszowice Mines (PL)
- Morrison Mine / McCreedy West Mine (ON)

Open Pit Operations

- Carlota Mine (AZ)
- Robinson Mine (NV)
- Franke Mine (Chile)

Projects

- Sierra Gorda Project Phase II – Advanced Project
- Ajax Project – Advanced Project
- Victoria Project – Development (Underground)
- Malmbjerg Project



Ajax Project Ownership - KAM

● KGHM Polska Miedź S.A.

● **OCTOBER 2010**

KGHM–Ajax Mining Inc. (KAM) was established under a Joint Venture Agreement with AME. KGHM S.A. earned 51% ownership in the Ajax Project

● **APRIL 2012**

KGHM S.A. Increases ownership in the Ajax Project to 80%

● **SEPTEMBER
2012**

**KGHMI assumes
operational
responsibility of
the Ajax Project**

Project Overview

Our vision is to develop a world-class mine that is safe, profitable, and environmentally responsible; a project that will create economic benefit and lasting positive legacies for First Nations, governments, and the people of Kamloops, British Columbia and Canada.



The Mine Today - 2015



Project Details



The Copper/Gold Project is located south of the City of Kamloops and sits entirely within the Thompson-Nicola Regional District (TNRD).

23

year
mine
life

MINE OUTPUT

65,000

tonnes-per-day (TPD)
processing capacity

109

million pounds of copper
annually produced

99,000

ounces of gold
annually produced

Our Location

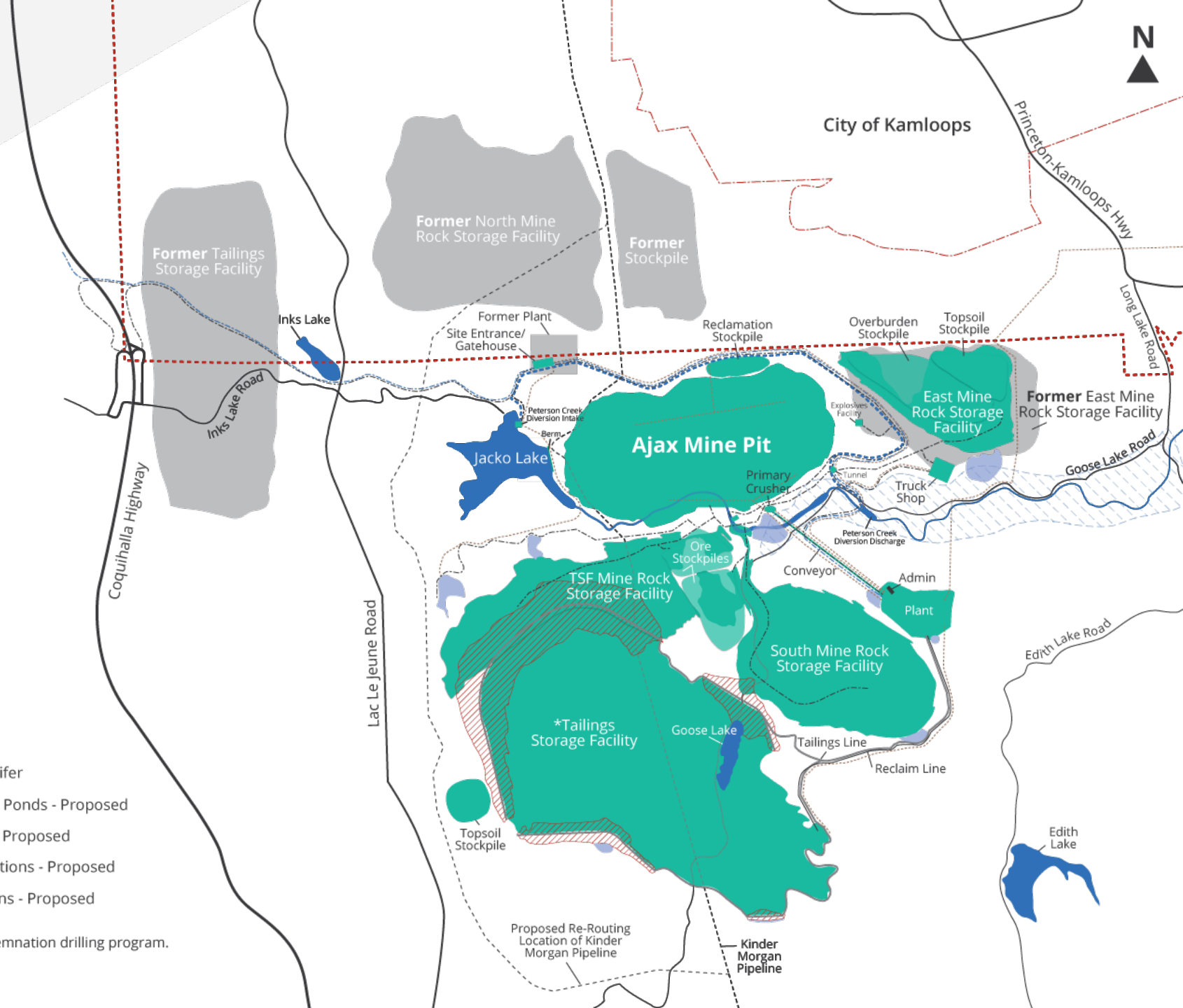
- Present Day
- Former General Arrangement
- New General Arrangement

Legend:



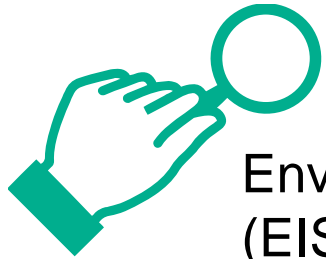
- | | |
|-------------------------------------|--------------------------------------|
| Urban Growth Boundary | Peterson Creek |
| City of Kamloops Boundary | Peterson Creek Aquifer |
| Powerlines - Proposed | Water Management Ponds - Proposed |
| Roads - Proposed | TSF Embankments - Proposed |
| Waterlines - Proposed | Former Facility Locations - Proposed |
| Peterson Creek Diversion - Proposed | New Facility Locations - Proposed |

* Pending KGHM Ajax Mining Inc. being in a position to release the results of its condemnation drilling program.
 * Drawing depicts Ajax at the end of the mine's life.



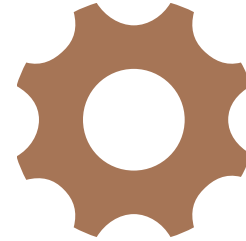
Former and Current project design video

Project Development Schedule



2015-2016

Environmental Impact Statement (EIS) submission and review



2019-2042

Operations: 23 year Mine Life currently proposed



2016-2019

Project Construction



2042-2047

Closure and Reclamation: expected 5 years

Mining In The 21st Century



APPLYING ENVIRONMENTAL SCIENCE

In the past, environmental scientists had, at best, a limited role in the mine planning process. Today, mine planning is driven by environmental study, with engineers and environmental scientists working hand-in-hand.



LOCATING FACILITIES

Modern mines carefully place their facilities to reduce impacts, not just to achieve operational efficiency.



PLANNING FOR CLOSURE

Mines used to be built with little, if any, regard for how they were closed. Today, mines are planned from the start so they can be safely and sensitively closed.



RECLAMATION

Modern mines do not wait to begin reclamation. Reclamation starts right away, with full bonding in place so that funds are always available.



ENSURING COMPLIANCE

Today, rigorous standards are continually upheld and enforced by regulatory agencies.

Setting High Standards

OUR COMMITMENT TO THE AIR WE SHARE

Not only will Ajax meet all applicable standards for ambient air quality, we are committed to helping Kamloops meet its airshed management goals. Ajax is not building a smelter. We will ship “concentrate” (a sand/clay mixture with about 25 per cent copper) in enclosed tanker trucks. To control dust, our ore stockpile will be covered and we will use state-of-the-art controls throughout our operations.



KGHM Ajax Air quality whiteboard video

Setting High Standards

MODERN DUST SUPPRESSION TO PROTECT AIR QUALITY

We plan to use the latest generations of diesel-powered equipment; engines that meet EPA standards for particulate and nitrogen oxide emissions. We will also use a smaller fleet of larger trucks to further save fuel, reduce emissions, and lessen road dust.

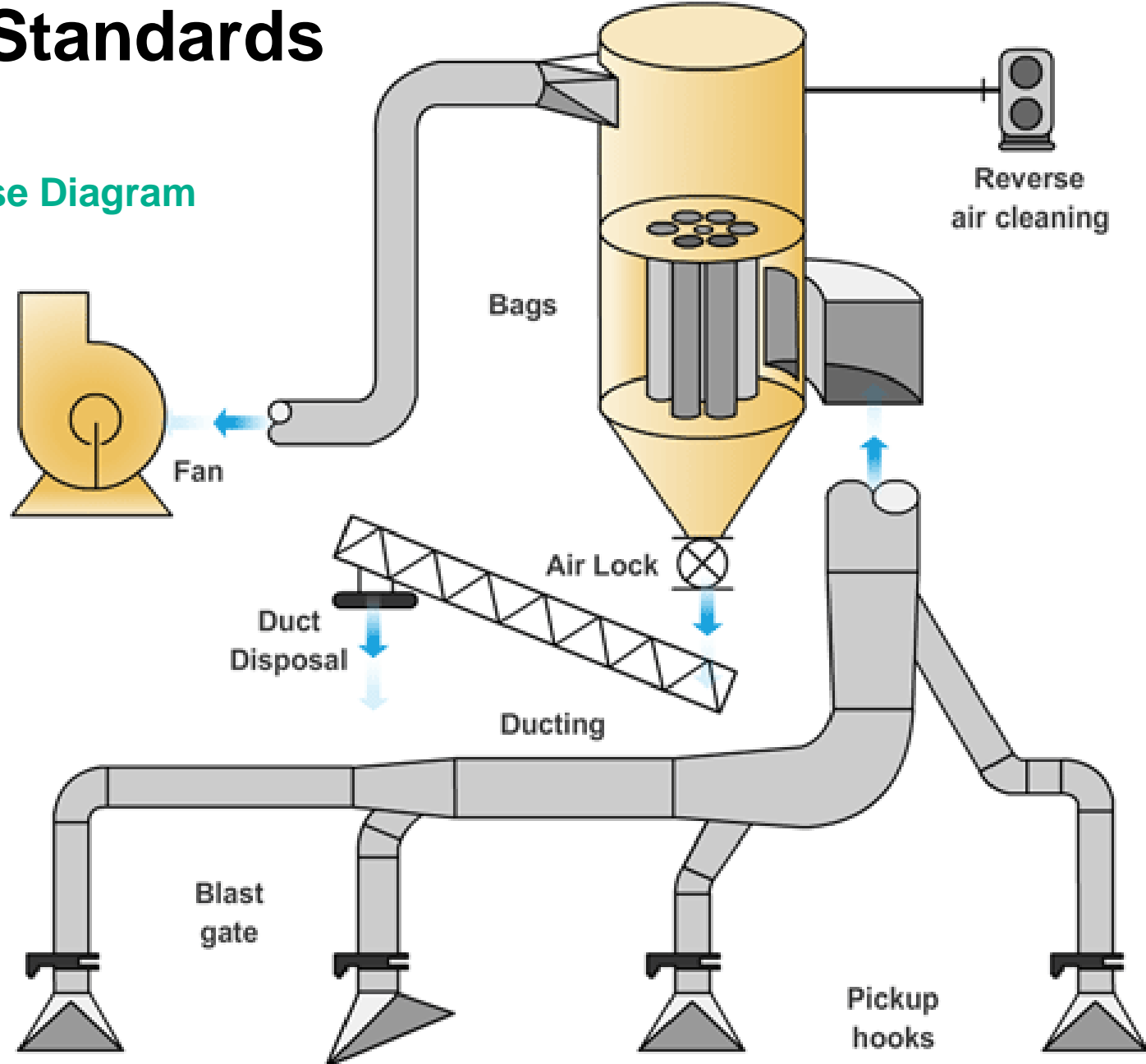


Animated Gyrotory crusher

Rock Truck dumping into Gyratory Crusher video

Setting High Standards

Dust Control - Baghouse Diagram



Setting High Standards

MAXIMIZED WATER RECYCLING AND ZERO DISCHARGE

We are planning to operate a zero-discharge facility, meaning that no waste water will be discharged into the environment.

The water required for mine operations amounts to less than 0.5 per cent of the flow through Kamloops Lake during the winter low-flow period.

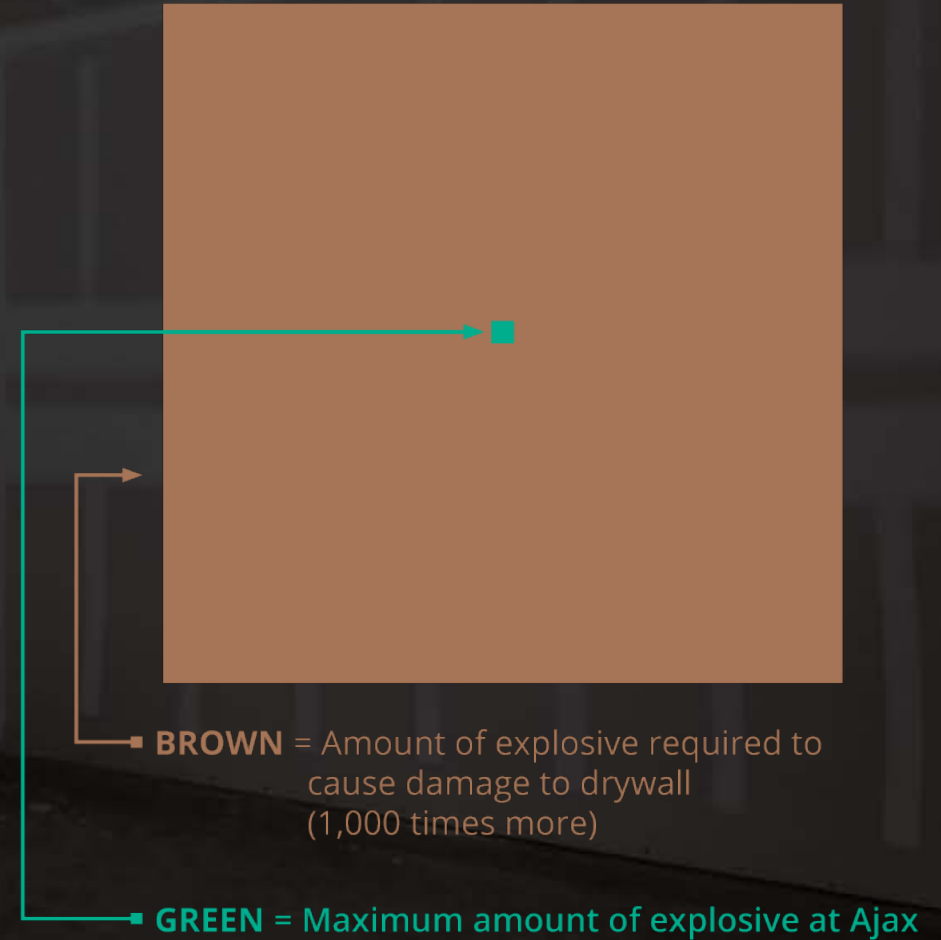


99.5%

Setting High Standards

**BLASTS 1,000
TIMES SMALLER
THAN WHAT
COULD CAUSE
DAMAGE**

VIBRATION



Source: R. Frank Chiappetta, BSc., MSc., Blasting Analysis International

Blast video

Environmental Assessment Process

The EAP considers all major projects in relation to potential negative environmental, economic, social, heritage, and health impacts that may occur during the development and operation of those projects.



Setting High Standards

**A COMPREHENSIVE ENVIRONMENTAL ASSESSMENT
PROCESS WILL LEAVE NO QUESTION UNANSWERED**



Environment



Economic



Social



Heritage



Health

Let's Talk...

Environmental Assessment

**ANY MAJOR PROJECT IN B.C.
MUST FIRST FOLLOW THE
ENVIRONMENTAL ASSESSMENT
PROCESS (EAP).**

This process is managed and guided by the Environmental Assessment Office (EAO) through three phases, which have specific timelines and deadlines:

1

PRE APPLICATION

2

APPLICATION REVIEW

3

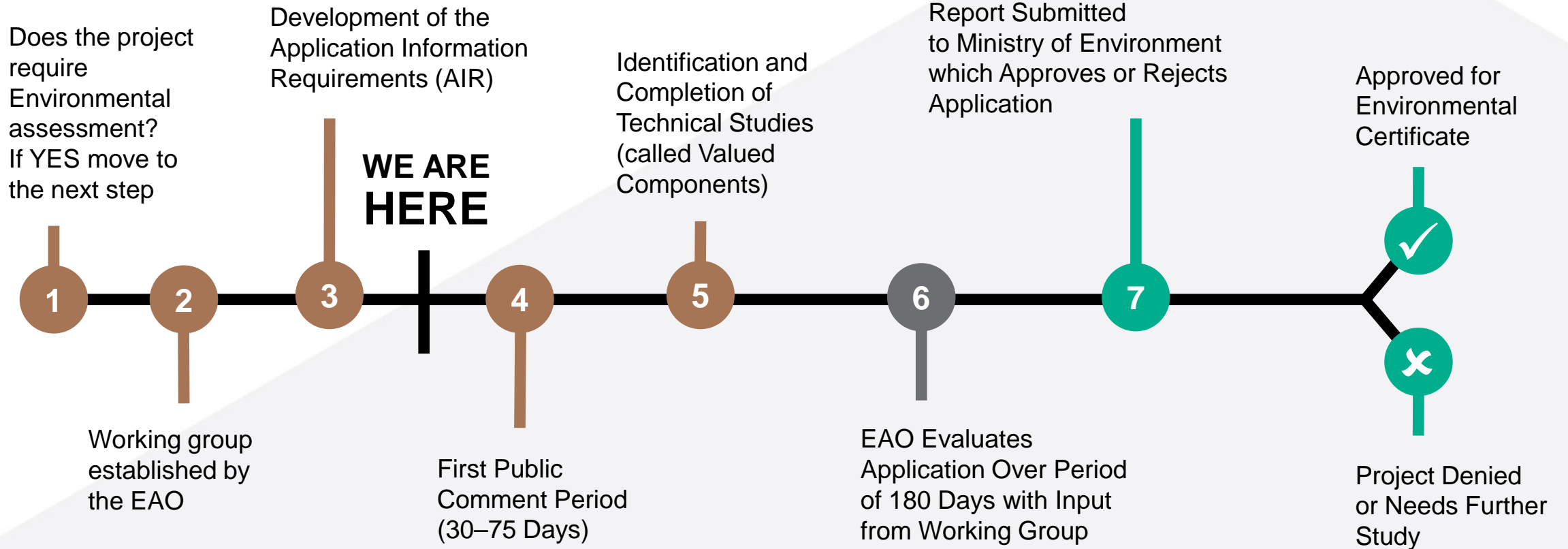
DECISION

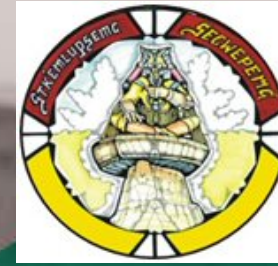
The EAP Timeline

PRE APPLICATION

REVIEW PHASE

DECISION





First Nations

We are committed to building strong and lasting partnerships. Our success depends on productive relationships with all parts of the local community in which we operate, especially First Nations communities.

Environmental Assessment Consultation

DESIGNATED FIRST NATIONS:

Tk'emlúps te Secwepemc and the Skeetchestn Indian Band are jointly represented by the SSN.

- The Section 11 Order delegates Procedural aspects of provincial Crown consultation with the SSN are delegated to KAM by the Province
- Consultation with the SSN has been ongoing for over 6 years
- Since 2006, there have been upwards of 1100 phone call, email, letter or meeting events to discuss the Ajax Project or specific permit applications

WORKING GROUP FIRST NATIONS:

While consultation is not required by the Order, KAM has been providing information to, and engaging with the:

- Lower Nicola Indian Band
- Ashcroft Indian Band
- Whispering Pines / Clinton Indian Band
- Métis Nation British Columbia

We Hire Locally

500 GOOD PAYING JOBS

Potential for expanded mining
education programs

Approximately \$60 million
annual payroll



Accountant
Administrator
Assayer
Auto Mechanic
Bit Grinder
Blaster
Boilermaker
Bucker/Core Splitter
Business Analyst
Buyer
Cable Bolter
Cableman
Cage Tender
Carpenter
Chemical Technician
Chemist
Communications and
Public Relations Officer
Control Room Operator
Crusher Operator
Cyclone Operator
Diamond Driller
Dig Operator
Dozer / Grader
Operator
Driller
Electrical Engineer
Electrician
Employee Relations
Officer
Environmental
Engineer
Electrical Engineer
Electrician
Employee Relations
Officer
Environmental Engineer
Environmental
Technologist
Equipment Operator
Fillman
Filter Operator
Floor Operator

Gasfitter
Geological Engineer
Geologist
Geotechnical Engineer
Haulage Truck Operator
Health and Safety
Officer
Heat/Vent/
Refrigeration Mechanic
Heavy Duty Mechanic
Heavy Equipment
Operator
Hoistman
Human Resources
Officer
Instrumentation
Mechanic
Janitor
Junior Analyst
Labourer
Lube Journeyman
Machinist
Marketing Officer
Materials Analyst
Mechanical Engineer
Metallurgical Technician
Metallurgical Engineer
Mill Operator
Mill-Services Utilityman
Millwright
Mine Manager
Mine Systems Specialist
Miner
Mineral Process
Engineer
Mining Engineer
Mining Technologist
Mobile Crane Operator
Network Analyst
Pebble Crusher
Utilityman
Personnel Driver
Pipefitter

Plant Analyst
Plumber
President, General
Manager
Pressure Washer
Process Engineer
Process System
Technician
Project Engineer
Protective Services
Officer
Pumpman
Purchasing Agent
Refrigeration Mechanic
Rock Mechanic
Engineer
Safety & Public Affairs
Officer
Senior Design
Draftsman
Shaft Man
Shovel Operator
Steel Fabricator
Surveyor
Systems Analyst
Systems Support
Technician
Technical Supervisor
Engineer
Technical Support
Analyst
Timberman
Tire Repairman
Tool Crib Attendant
Trackman
Trammer
Utilityman
Ventilation Technician
Warehouseman
Wash Bay Attendant
Water / Sewer
Treatment Operator
Welder



Project Details

KGHM is committed to hiring and training locally

LOCAL HIRING

500

full-time positions ranging from technical, to mining services, to administrative, to health and safety

2-3

indirect jobs created or supported by a single mining job

1,800

temporary jobs created in the initial 2.5 year construction phase

Hiring & Training Partnerships

KGHM's Mission: to ensure all interested band members are provided the appropriate opportunity and training to be a successful employee on the Ajax Project. We will succeed in this goal by working closely with the community on training initiatives and ensuring the community has the tools to track, develop and provide all members with opportunities in whatever career they have interest in

SSN & AMTA, SSN has hired key former AMTA employs to continue the training opportunities for Tk'emlups te Secwepemc and Skeetchestn Indian Band members

SSN, KGHM and other heavy industry partners are teaming up to provide adult skills training now, and developing programs to assist youth for success in the future

SSN has retained the rights to the AMTA database. The SSN will be working with Tk'emlups te Secwepemc and Skeetchestn Indian Band to develop a comprehensive database for all band members

SSN will work with the education coordinators from the Tk'emlups te Secwepemc and Skeetchestn Indian Band to help develop the database and develop and implement the various training and educational programs

Business & Training Partnerships

SINCE 2006, KGHM has been working with the SSN on various contracted economic opportunities for the Ajax Project

\$3.16 MILLION in contracts were awarded to SSN, Tk'emlups te Secwepemc and Skeetchestn Indian band companies and member companies in 2014

KGHM is committed to providing competitive opportunity for First Nations companies. KGHM is dedicated to helping assist these companies to not only become successful today, but to also provide

A legacy for generations to come

Contracting Opportunities for the SSN:

- Archaeological Investigation and Site Clearance
- Cultural monitoring
- Timber harvesting and removal
- Civil Works
- Drilling
- Site Maintenance / Construction
- Security



Questions?

KGHM Ajax Mining Inc.
124 Seymour Street
Kamloops BC, V2C 2E1
www.ajaxmine.ca

KGHM
INTERNATIONAL
AJAX PROJECT