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Adriatic Metals
Eastern Mining d.o.o.

EASTERN MINING PUBLIC LIAISON COMMITTEE NOW SET UP

COMMUNITY UPDATE

Adriatic Metals is establishing The Adriatic Foundation

This charitable institute has been designed for the long-term benefit and support of the communities in which we work. Funding will be available for environment, education and healthcare projects and will be managed by Trustee appointed from the local community. We will be sharing more detail once the Foundation is in place.



Committee and Mrs Halima Ahmedović for the Deputy Chairperson.

Besides the four members who are representatives of the Company, the Committee currently includes 23 members form the most important institutions, representatives of the local communities on which the Project has an impact and representatives of the NGOs active in the municipality of

The first, establishing meeting of the Eastern Mining Public Liaison Committee was held on 9th June 2020. The purpose of the Committee is to enable local population to express their opinions and attitudes, be informed about the Project and all its activities and to achieve the best possible cooperation with the local community.

Following a short introduction of the Eastern Mining Management and in accordance to the Agenda for the first meeting, Mr Igor Šimić was unanimously voted for the Chairperson of the

Vareš. A representative of the municipality of Kakanj joined the Committee with the aim to maintain good neighbourly relations.

Issues related to the Rules of Procedure were discussed during the meeting. It is planned that the meetings of the Public Liaison Committee will take place once in three months or more often if needed. The role of the Public Liaison Committee was very well accepted by the members of the Committee and they are encouraged by the transparency and communicativeness that the Company offers to the local community.

LET'S GIVE VARES BACK THE EPITHET OF A MINING TOWN —Adnan Teletovic, General Manager



In May 2018 you joined the Company as the General Manager. You are a mechanical engineer, Doctor of Science. You have many years of technical experience on managerial positions. Tell us something about your previous experience in mining industry?

I have many years of experience in mining industry in Australia where I worked in some of the biggest mines in the world - a copper mine, a nickel mine and a gold mine. My latest position was Project Manager in a big gold mine Super Pit.

Following my return to Bosnia and Herzegovina, I worked in Prevent Group for three years and after that I joined this Project.

Many successful projects are behind you. What are your views of this Project?

It is my wish to show through this Project that Bosnia and Herzegovina is an interesting region for investments. From local perspective, we want to give Vareš back its old glory.

What are the reactions of the local population like?

Inhabitants of Vareš are used to mining and I think that this is a positive thing, both for the Project and or the local community. There is an understanding of the local community, we want to employ as many local people as possible and to involve as many companies as possible in the development of the Project. We want to continue this practice when we obtain all necessary permits, which means in the mining and ore

processing process itself, when the time comes.

What phase is the Project in?

We are currently in the process of obtaining all necessary permits, we are focused on development of international studies in order to find adequate technical solutions, that is, to make sure that this Projects applies the best existing world practices.

„Vareš is a traditional mining town that can certainly get back its old glory and recognisability through the Project” stated General Manager Adnan Teletović

INTERVIEW WITH KRUNO RIDIĆ

I would like to thank you for your time and for talking to us about your experience and job in mining for the second issue of Eastern Mining Bulletin. This is part of our "Living history project".

First of all, tell us something about yourself?

My name is Kruno Ridić. I was born in Vareš in 1944. I completed primary school and grammar school in Vareš as one of the best students. After that I enrolled the Faculty of Mechanical Engineering and Naval Architecture in Zagreb and after graduation returned to Vareš as a Vareš Mine and Ironworks fellow. I had an offer to stay and work at the Faculty in Zagreb, my professor at the time asked me to stay and waited for me for a year but I decided to come back to Vareš. I loved my town but I also loved my future wife. After that I started working here as a young probationer, first in the Mechanical Workshop II that is related to the blast furnace and the foundry and then I moved to a position of a manager of the Central Workshop. When it became a Basic Organisation of Associated Labour I was appointed the Director and for the next 20 years I was the Director of that Basic Organisation called "Organisation of Associated Labour - Maintenance". Our task was to maintain all the mechanisation and all facilities within the Mine and in metallurgy, which means the blast furnace and the foundry as well as transport and accompanying facilities.

You are retired now, but you are still active- you are the Chairman of the Hunting Sportsmen's Club, the Chairperson of the Beekeepers' Association "Polen" Vareš. Can you tell us something about that?

When I initiated the activities related to beekeepers, my goal was to broaden the membership base. We are fortunate that after all the horrors of the war our co-existence is going in a positive direction. People are good and gentle, there might be some war scars, but we are ready to shake each others hand and move on. As a Beekeepers' Association we applied for various projects. It is interesting to mention branding of honey from Vareš, giving it a stamp and a brand since, as you know, honey is both food and medicine.

Let's go back to your employment and your working tasks. How did you, as a young man, handle all the challenges that the work carried. Tell us something about that.

At a faculty you learn one thing, when you come to a company, mine, mining pit, blast furnace or a foundry then the situation is completely different. Theory is one thing, practice is something else. Maybe, at the beginning, I faced high business requirements, blast furnace overhaul. We produced white and grey iron in our furnaces. That type of production requires a lot of synchronization and it can often be dangerous. As far as the "Organisation of Associated Labour - Maintenance" is concerned, we had several units: Smreka, Brezik, Droškovac, Central Workshop, power generating plants. During those 20 years, when I was the Director, we tried to maintain the mobility and technical validity of the



facilities at the highest possible level. As a result of that we always achieved our operational, monthly and annual plans which was not an easy task.

Let's take a look at your role of the Director of maintenance that you performed for over twenty years. Was that an exhausting job and did you enjoy it?

That job was very demanding. On the one hand there are professional issues, you have to provide sufficient number of trucks, bulldozers, loaders, drilling machines and other mechanisation, you have to make sure that the delays are as short as possible. On the other hand when you have 1100 colleagues, it is very demanding to manage such a big number of people and sometimes it was more time consuming than it should have been for a manager.

You said that approximately 1100 people worked at the Mine?

At the height of our activity when we had a maximum capacity, we had 1100 employees. We worked in three shifts which means that we had people maintaining the technical validity of the facilities round the clock.

Have any of your family or relatives worked in the Vareš Mine and Ironworks?

My father was a locksmith and worked in the Mechanical Workshop II, my uncle was a locomotive operator, some of my cousins also worked here. As far as my family is concerned, my wife and my sons haven't had any connections with the Mine and Ironworks.

Were there any female employees in the Mine and Ironworks when you worked there?

There were female employees, at various positions. There were female turners, those who worked in the production process but I have to admit that there were fewer female than male employees.

What did you like the most in mining industry, what made you do your job with enthusiasm?

The majority of the population in the municipality of Vareš earned their living in the mine. If something can

motivate you that is the fact that your employees earn a decent living. At that time we had a special form of social protection, health protection was free, and you could go to the seaside twice a year paid for by the Union. There were many privileges, there were not so many differences as today, but the times have changed.

How did Vareš look like at the peak of its power, when the Mine and Ironworks worked? Can you compare the life at the time you worked and today?

At that time we built the biggest part of those buildings, the neighbouring towns probably envied us a little bit because of that. A lot of apartments for our employees were built, a lot of roads as well. We also had various cultural facilities such as the Worker's Hall and community centres. We also had our own resort at the seaside. Those times were different, we used to socialise more and we enjoyed more than we do today.

When the Mine and the Ironworks worked, was any attention being paid to the protection of the environment and compliance with the relevant Laws?

We did have relevant laws, but to be honest, looking back at what we did and what we left behind, we can say that we did not pay much attention to that. What you as a company does make me happy because that is a completely different approach to the protection of the environment. I think that today, when it comes to the construction of the mine we have to persist with that, we have a possibility to solve all the ecological issues and problems to the mutual satisfaction, which means the satisfaction of the miners and the satisfaction of the residents.

Do you have any message for young people who are starting to build their careers? Both in mining sector and in our town in general.

Having lived abroad for 20 years I would tell young people: stay in your home country because you won't find a more beautiful country. I have travelled half the world, I know what the United States of America and Germany are like and I say that that your home country is something that is dear to you and something that cannot be replaced by anything. I think that with companies like yours young people have a perspective here. We have to research what is the market demand when it comes to our educational system and try to attract investors who are ready to come here. We have wood and metal processing capacities here that are unutilized and it would be a real pity not to utilize them.

Thank you very much for your time, with the hope that this cooperation will continue through your membership in the Public Liaison Committee.

I am honestly looking forward to that, I think we will be partners. It is my wish that you achieve your goals and that we as citizens, residents who live in the local area where you are going to carry out mining activities see that you are our partners and friends who want to help us.

COMMUNITY UPDATE

ESG AND CARE FOR THE ENVIRONMENT

We are committed to environmental protection of the areas we work in and acting in a socially responsible manner. Following our commitments, Eastern Mining is currently monitoring all of the environmental parameters. So, noise measurements were carried out in May and June 2020, and the soil analysis was performed during June and July 2020. In addition to the above, air quality monitoring began in June 2020, and will continue, as well as the monitoring of surface and groundwater, to establish the quality and quantity of water.

The main goal of this mining project is to bring back the old shine of Vareš, a town with a long mining history, whilst respecting the best global techniques and taking care of the environment.