JORC Code Table 1

The JORC Code includes a check list of assessment and reporting criteria referred to as JORC Code Table 1.

JORC Code Table 1 for the Pavlovskoye 2021 open pit Ore Reserve estimate as at 30 September 2021 published on 08 December 2021 is listed below. Sections 1 to 3 of JORC Code Table 1 provided below were published on 12 April 2021 as part of the Pavlovskoye Deposit Mineral Resource estimate as of February 2021.

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections).

Criteria	JORC Code Explanation	Commentary
Sampling techniques	▪ *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* ▪ *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* ▪ *Aspects of the determination of mineralisation that are Material to the Public Report.* ▪ *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1m samples from which 3kg was pulverised to produce a 30g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	Samples used for the Mineral Resource estimate were mainly obtained by core drilling. **Pre-2013 data:** Drill holes were cored with tungsten carbide bits and diamond bits. The final drilling diameter was 76 mm. Core was sampled using core saws taking half core samples. Sample preparation is discussed in Section 5.1.3. **2013 - 2015 data:** Drill holes were cored with diamond bits and double tube barrels. The final drilling diameter was 76 mm and 95.6 mm. Core was sampled using core saws taking half core samples. Sample preparation is discussed in Section 5.2.3 **2020 data:** Drill holes were cored with diamond bits and double tube barrels. The final drilling diameter was 76 mm. Core was sampled using core saws taking quarter core samples. Sample preparation is discussed in Section 5.3.3
Drilling techniques	▪ *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	**Pre-2013 data:** Drilling was diamond and carbide bit drilling; half core was retained **2013 - 2015 data:** All drilling was diamond drilling; half core was retained **2020 data:** All drilling was diamond drilling; quarter core and half core was retained after metallurgical sampling.
Drill sample recovery	▪ *Method of recording and assessing core and chip sample recoveries and results assessed.* ▪ *Measures taken to maximise sample recovery and ensure representative nature of the samples.* ▪ *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	**Pre-2013 data:** The average core recovery for all rock types was 85%. In the mineralized zones the core recovery reached 95% to 100%. Grade-recovery relationship noted a decrease in grade associated with recovery under 90%. **2013 - 2015 data:** Core recoveries were recorded; no issues with poor recovery are noted.

Criteria	JORC Code Explanation	Commentary
		2020 data. Inspection of core photographs indicates core recovery was 95% to 100% in the majority of holes.
Logging	▪ *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* ▪ *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* ▪ *The total length and percentage of the relevant intersections logged.*	**Pre-2013 data:** Geological and mineralisation logging on hard copy logs was to a satisfactory level of detail. The digitized rock type information is rudimentary but adequate for geological interpretation and resource estimation. **2013 - 2015 data:** Geological and mineralisation logging in Excel files for each drill hole is to a reasonable standard. Rock type codes were added to drillhole database and are adequate for geological interpretation and resource estimation. **2020 data:** All core was logged and sampled on 1 m intervals, with adjustment at geological boundaries. The consistent logging and sampling intervals helped to reduce sample identification errors and maintain consistency in geological and geotechnical observations. The logging sheet was highly-structured and wherever possible data was collected using a limited set of defined codes (such as rock type) or numeric values. The 2020 drill holes provide reasonable coverage across the East zone and a limited part of the Central zone. The geotechnical information is expected to be adequate for preliminary design of open pit slopes. The rock type codes are the same for each period of drilling. This enables the principal metallurgical types to be inferred from the 2020 drilling and metallurgical testing programme.
Sub-sampling techniques and sample preparation	▪ *If core, whether cut or sawn and whether quarter, half or all core taken.* ▪ *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* ▪ *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* ▪ *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* ▪ *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* ▪ *Whether sample sizes are appropriate to the grain size of the material being sampled.*	**Pre-2013 data:** Core was sampled using mechanical means with half-core sent for assay Sample preparation was recorded as follows: • Initial sample weight: 8 kg • Split along core axis retain half core • Crush half core in a jaw crusher to – 6 cm • Crush in a jaw crusher to -1 mm • Mix, cone and quarter to reduce sample size • Split into two fractions of 2000 g (original plus duplicate) • Split into two fractions of 1000 g (original plus duplicate) • Split into two fractions of 500 g (original plus duplicate) • Dry • Pulverize to -0.074 mm • Cone and quarter: 500 g for analysis in three different laboratories, 500 g retained as duplicate and metallurgy. **2013 - 2015 data:** Core was sampled using core saws taking half core samples. Samples were prepared in the exploration camp at Pavlovskoye using a similar protocol to that shown above. Cone and quarter splitting method was used: 350 g was sent for analysis, 350 g retained as duplicate and for metallurgy. **2020 data:** Core was sampled using core saws taking quarter core samples. After drying samples were crushed to -1 mm in a Rocklabs Boyd crusher at site then split by quartering method to 350 g, packed in plastic bags and sent to ALS Laboratory in Moscow, where it was pulverized to -0.074 mm in a disc pulverizer and analyzed. Quarter core duplicates were taken at the same time as the primary quarter core samples. The field duplicate results were satisfactory, but for future

Criteria	JORC Code Explanation	Commentary
		exploration it is recommended to accurately split the fines between the sample and the duplicate left in the core box. Concrete bricks were inserted into the sample preparation stream every 25 samples to monitor possible contamination. No sample contamination was identified. Coarse duplicates were selected at a rate of 1 in 50 samples after the 1mm crushing stage to assess sample splitting accuracy. The coarse duplicate results were satisfactory. In AMC's view sample sizes are appropriate to the grain size of the material being sampled and the sample preparation was of satisfactory standard.
Quality of assay data and laboratory tests	▪ *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* ▪ *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* ▪ *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	**Pre-2013 data:** Assaying was carried out in Sevzapgeologia laboratory and the Party of nuclear physics research methods (Russian abbreviation spells "PYAFMI") of the Polar Offshore Exploration Expedition ("PMGRE"). In Sevzapgeologia laboratory, zinc and lead were analysed by atomic absorption spectrometry (NSAM 155-XC method). Method detection limits are 0.02% to 20% for Pb and 0.005% to 20% for Zn. Silver was determined by AAS method NSAM 130-C. Method lower detection limit is 0.005ppm Ag and upper detection limit is 2,000 ppm Ag. In the PYAFMI PMGRE Laboratory, lead and zinc were analysed by X-ray fluorescence (XRF) following industry standard method No. 311-YaF. Method detection limits are 0.01% to 5% for Pb and 0.02% to 5% for Zn. Pavlovskoye deposit grades for the 2001-2002 sampling were estimated based on AAS data of the Sevzapgeologia laboratory. XRF analysis data were used to compare with the results of the AAS method to assess the possibility of using as the main assay method. A total of 1,802 samples were analysed for lead, zinc and silver during the 2001-2002 exploration period. **2013 - 2015 data:** Samples taken during the 2013 field season were all analysed in Central Laboratory of the North-West Branch of Nevskgeologiya of the State financial institution Urangeologorazvedka (Nevskgeologiya laboratory). Lead assays were completed according to the updated X-ray spectrometry method NSAM-80 RS, implemented on the ARF-6 spectrometer produced in Russia by JSC Bourevestnik. Method lower detection limit is 0.001% Pb and upper detection limit is 5% Pb. Zinc was determined by atomic absorption spectrometry (AAS) method NSAM 155-XC. NSAM 155-XC comprises digestion of 0.1 g of the sample in a mixture of hydrofluoric, perchloric and nitric acids with an AAS finish. Method lower detection limit is 0.005% Zn and upper detection limit is 20% Zn. Silver was determined by AAS method NSAM 130-C. Method lower detection limit is 0.005ppm Ag and upper detection limit is 2,000 ppm Ag.

Criteria	JORC Code Explanation	Commentary
		Samples taken during the 2014 field season were analysed in three laboratories: Nevskgeologiya laboratory, Sosnovgeologiya laboratory and Irkutskgeofizika laboratory Lead assays were completed in Nevskgeologiya and Sosnovgeologiya by X-ray spectrometry method NSAM-80 RS. Zinc was determined in Nevskgeologiya and Irkutskgeofizika by atomic absorption spectrometry (AAS) method NSAM 155-XC. Silver was determined in Irkutskgeofizika by AAS method NSAM 130-XC. Sample analysis for the 2013-2014 drilling campaign

Laboratory	Pb assays	Zn assays	Ag assays
Nevskgeologiya	5,153	5,153	5,153
Sosnovgeologiya	1,497	0	0
Irkutskgeofizika	0	1,497	1,497
Total	7,723	7,723	7,194

2020 data: Pavlovskoye resource samples were analyzed at the Stewart Geochemical and Assay LLC laboratory (part of the ALS Group) in Moscow, Russia (ALS). The Stewart Geochemical and Assay Laboratory is a certified laboratory with ISO/IEC 17025:2005 International Standard requirements.

The following analytical suite was followed:

- Multielement 4-acid digest (total) ICP-OES. ALS method code ME-ICP61 that comprises 33-element package with element detection range limits for lead from 0.0002% Pb to 1% Pb; for zinc from 0.0002% Zn to 1% Zn; for silver from 0.5 g/t Ag to 100 g/t Ag; for sulphur from 0.01% S to 10% S.
- Ore grade 4-acid digest for zinc, lead and silver over range. ALS method OG-62 that comprises 15-element package with element detection range limits for lead from 0.001% Pb to 20% Pb; for zinc from 0.001% Zn to 30% Zn; for silver from 1 g/t Ag to 1500 g/t Ag; for sulphur from 0.01% S to 50% S.
- Sulphur over 5% S by ICP repeated by LECO IR methods. ALS method S-IR08 with element detection range limits for sulphur from 0.01% S to 50% S (where zinc and lead not high enough to trigger OG-62 methods).

Pavlovskoye 2020 drilling programme assay statistics

Assay Method	No of assay records*
ME-ICP61	5,608
OG62	2,884
S-IR08	2,142
Total	5,608

Criteria	JORC Code Explanation	Commentary
		*Note the statistics include quality control samples
Verification of sampling and assaying	▪ *The verification of significant intersections by either independent or alternative company personnel.* ▪ *The use of twinned holes.* ▪ *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* ▪ *Discuss any adjustment to assay data.*	The drilling in 2020 infilled between earlier drill holes. The 2020 drill holes generally intersected mineralization in the expected positions and grades were similar to those indicated by earlier drill holes. Differences between drill holes indicate that local variability in the thickness of mineralized zones, the proportion of limestone fragments in the sulphide breccias and in zinc and lead grades can be expected. It is likely that some of variations will be the result of faults and structural features that cannot be identified with the current drillhole spacing.
Location of data points	▪ *Accuracy and quality of surveys used to locate drillholes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* ▪ *Specification of the grid system used.* ▪ *Quality and adequacy of topographic control.*	The 2020 collars were surveyed after completion of the drill hole. The following equipment was used for surveying. • Base receiver: GNSS geodetic receiver Leica GS10. • Mobile receiver (rover): GNSS geodetic receiver Leica GS08 plus. • Controller: Leica CS10 3.5G with field software Leica Smart Worx Viva. • Radio modem SATEL GFU30 (403-473 MHz). Accuracy of position survey depends on various factors, including the number of satellites tracked, their cumulative geometries, observation times, ephemeris accuracy, ionospheric disturbances, multipath, and ambiguous resolution. Accuracy values are given as root-mean-square deviation values based on real-time measurement processing and comprise: 8 mm +0.5 mm/km in the plane and 15 mm +0.5 mm/km in height. The pre-2020 drillhole collars listed in exploration reports were checked against the database. Drilling in 2020 generally intersected mineralisation in the expected locations, which provides indirect confirmation of the reliability of the locations of pre-2020 drill hole data. Limited downhole surveying was completed prior to 2020. All but seven holes were drilled vertically. Holes drilled in 2020 were surveyed down-hole with Compass 1.3.0.0, a magnetic multi-shot instrument for borehole surveying based on modern MEMS technology that records dip, magnetic azimuth, and magnetic intensity at 6 m down-hole intervals. Deviations were very small.
Data spacing and distribution	▪ *Data spacing for reporting of Exploration Results.* ▪ *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* ▪ *Whether sample compositing has been applied.*	AMC concludes that the 2020 drilling indicates that the pre-2020 drilling can be used with a moderate level of confidence, for global resource estimation. However, there is insufficient QA/QC data for a high level of confidence in the resources estimated at the local scale using just the pre-2020 samples. The Pavlovskoye deposit has been tested by 25 m close-spaced drilling on 50 m spaced primary sections, and wider-spaced drilling on 100 m spaced sections. The shapes of the mineralized zone are well-defined by the drilling on the East zone, but poorly defined on the Central zone. The 2020 infill drilling demonstrated that the drill spacing is sufficient to define the geological structure and the location and general character of the mineralized zones, and to assume geological continuity. However, the 2020 drilling indicates that there is significant local variability in the thickness and grade of the mineralized zones. The data spacing is within the modelled variogram ranges for zinc and lead and it is sufficient for Measured at 25 m spacing, and at 50 m spacing

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		for Indicated Mineral Resources. In locations where the data is more-widely spaced up to 100 m spacing, Inferred Mineral Resources have been estimated. Resource estimates were based on 3 m composites.
Orientation of data in relation to geological structure	▪ *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* ▪ *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	The orientation of the mineralized zones is well-understood in the East zone. The 2020 drilling defined the folded anticline at appropriate angles to minimize the apparent thickness apart from on the western limb that dips steeply. The general trend of the mineralisation in the Central zone is understood, but detailed local orientation is less certain. The drill holes generally pass through the zone of mineralization at 45° – 90°. The rocks at Pavlovskoye do not have strong planar fabrics such as bedding or foliations. There is no evidence of significant deflection in the drill hole orientations nor of bias between holes drilled in different directions.
Sample security	▪ *The measures taken to ensure sample security.*	No special measures were taken to ensure sample security. The samples were marked outside and tagged inside the sample bags to ensure sample information is appropriately recorded on site, and in the analytical laboratory. The 2020 core is kept in the core shed built in 2020. It is recommended during the next field season to construct an additional facility for the pre-2020 core that is currently kept outside in core boxes.
Audits or reviews	▪ *The results of any audits or reviews of sampling techniques and data.*	The execution of field procedures was reviewed on site by AMC twice in 2020. No significant problems were identified.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section).

Criteria	JORC Code Explanation	Commentary
Mineral tenement and land tenure status	▪ *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* ▪ *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	JSC First Ore Mining Company (JSC FOMC) is currently the holder of two licences related to the Pavlovskoye project area, namely licences APX 01565 ТЭ and APX 01564 БП. The first exploration licence for the area of the Bezymyannaya River basin of the Novaya Zemlya archipelago was granted to FOMC in 2000. Due to changes in the legal form of FOMC, the licence was re-issued two times in 2011 and 2016. The current exploration-only licence APX 01564 БП was registered on 29 August 2016. It comprises an area of 1,150 km^2 and the depth of licence area is limited only by the depth of geological exploration. The licence expiration date is 31 December 2026, as registered in the amendments to the licence. As a result of exploration carried out within the licence area between 2000 and 2002, Pavlovskoye lead-zinc deposit was discovered, which is verified by the Certificate of Acknowledgement of the Discovery of a Mineral Deposit No APX 02 MET 1005 dated 22 May 2002. On 23 May 2014, ZAO “Pervaya gornorudnaya kompania” (CJSC First Ore Mining Company, CJSC FOMC) was granted with licence APX 15730 ТЭ for mineral exploration and mining of the Pavlovskoye deposit. On 29 August 2016 licence APX 15730 ТЭ was re-issued to AO “Pervaya gornorudnaya kompania” (JSC First Ore Mining Company, JSC FOMC) due to the

Criteria	JORC Code Explanation	Commentary
		change in the legal form from Closed joint-stock company to Joint Stock Company. The licence was registered at the Federal Agency for Subsoil. The licence was given a new number APX 01565 TЭ and is valid until 01 May 2034. The licence provides the right to use the subsurface for mineral exploration and mining of the Pavlovskoye deposit. Lead-zinc ore components, including silver, are listed as predominant commodities of the licence area. On 20 November 2019 Amendment #1 for the licence APX 01565 TЭ was registered. It incorporated two amendments to the licence agreement. The time of approval of detailed development plan of the Pavlovskoye deposit was postponed by two years until 01 October 2021 and mine commissioning was postponed by two years until 01 December 2024. On 28 December 2020 Amendment #2 for the licence APX 01565 TЭ was registered, correcting a technical error in the value of the area of the mineral licence. The subsoil licence covers an area of 14.5 km^2 and is limited to a depth of estimated reserves.
Exploration done by other parties	▪ *Acknowledgment and appraisal of exploration by other parties.*	Lead-zinc mineralisation in the Bezymyannaya River basin was identified in 1991 by geologists of the West-Arctic prospecting and survey party of the Polar Marine Geological Expedition (PMGRE) during state geological survey at a scale of 1: 50,000. From 1993 to 1994 the site area underwent geological mapping and mineragenic studies at a 1: 50,000 scale. In September 2000, FOMC received an exploration licence for the area of the Bezymyannaya River basin. From 2000 to 2002, the area underwent prospecting and appraisal works carried out by PMGRE as a subcontractor for FOMC. As a result, the Pavlovskoye lead-zinc deposit was discovered including three constituting blocks: Eastern, Central and Western.
Geology	▪ *Deposit type, geological setting and style of mineralisation.*	Pavlovskoye deposit belongs to the Mississippi Valley-Type (MVT) group of deposits. On a regional scale, Bezymyanskaya area, which includes the Pavlovskoye deposit, is part of the Paykhoy-Novaya Zemlya fold belt, the formation of which belongs to the early phases of the Cimmerian tectogenesis (the end of the Triassic - the beginning of the Jurassic). Pavlovskoye project area is composed of Silurian and Devonian clastic terrigenous, clay and carbonate rocks, which form a major Bezymyanskaya anticline with limbs extending up to 3 km to 4 km from the crest. The core of the anticline is composed of Silurian to Devonian clastic terrigenous and clay sequences of the Pankovskaya Formation. The ore-hosting carbonate rocks of the Early Devonian Gribovskaya Formation are localised along the periphery of the anticline core, plunging gently to the south and southeast. Pb-Zn mineralisation is associated with organogenic limestones, and to a lesser extent with fine-grained limestone. Sedimentary breccias, dolomitic and clayey limestones comprise host rocks for the minor part of total Pavlovskoye mineralisation.
Drillhole Information	▪ *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drillholes:* ◽ *easting and northing of the drillhole collar* ◽ *elevation or RL (Reduced Level – elevation above sea level in*	A summary of all drillhole collar information is included in Appendix B of this report.

Criteria	JORC Code Explanation	Commentary
	metres) of the drillhole collar ▫ *dip and azimuth of the hole* ▫ *down hole length and interception depth* ▫ *hole length* ▪ *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	
Data aggregation methods	▪ *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* ▪ *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* ▪ *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	Exploration Results are not presented in this report.
Relationship between mineralisation widths and intercept lengths	▪ *These relationships are particularly important in the reporting of Exploration Results.* ▪ *If the geometry of the mineralisation with respect to the drillhole angle is known, its nature should be reported.* ▪ *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	Exploration Results are not presented in this report.
Diagrams	▪ *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drillhole collar locations and appropriate sectional views.*	Exploration Results are not presented in this report.
Balanced reporting	▪ *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	Exploration Results are not presented in this report.
Other substantive exploration data	▪ *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	Relevant data are reported
Further work	▪ *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* ▪ *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	Exploration results are not presented in this report. The deposit has been explored to a level suitable for prefeasibility studies. Additional drilling is required in the Central zone to better define the thinner discontinuous zones that could potentially add resources within the likely pit extents.

Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in section 1, and where relevant in section 2, also apply to this section).

Criteria	JORC Code Explanation	Commentary
Database integrity	▪ *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.* ▪ *Data validation procedures used.*	Drilling data from pre-2020 was examined in detail and recompiled by AMC based wherever possible on primary data sources such as assay certificates. The 2020 drilling was compiled by AMC directly from site based on digital logs and information collected on the rig (eg downhole surveys and orientations). The data validation of drill hole locations was completed in 2020 by a detailed drill hole pick up using best practice DGPS systems. Analytical results were validated by checking instantly on a batch-by-batch basis by AMC geologist as they arrived from the lab. AMC also assembled and verified the 2020 database.
Site visits	▪ *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* ▪ *If no site visits have been undertaken indicate why this is the case.*	Ekaterina Pelenkova, AMC Geologist visited the Pavlovskoye site from 28 August to 2 September 2020 and from 27 September to 6 October 2020. Discussions were held with the geological team. Drill core, core logging procedures, density measurement and sample preparation procedures were observed. Minor issues with sample splitting methods and core mark-up were identified and corrected. No significant problems were identified.
Geological interpretation	▪ *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* ▪ *Nature of the data used and of any assumptions made.* ▪ *The effect, if any, of alternative interpretations on Mineral Resource estimation.* ▪ *The use of geology in guiding and controlling Mineral Resource estimation.* ▪ *The factors affecting continuity both of grade and geology.*	Infill drilling has demonstrated that the drill spacing is sufficient to define the geological structure and the location and general character of the mineralized zones, and to assume geological continuity. The mineralised zones have been interpreted using rock type coding, supported by assays. The mineralized zones were modelled in three dimensions using Datamine software in the more coherent East zone and Leapfrog software in the Central zone. A stratigraphic model was created based on the major stratigraphic units as correlation of rock types between holes was insufficient to be of value. A series of prominent cross-cutting faults have been taken into account, but the previously interpreted faults based on gravity and magnetics were not fully included due to unknown impacts on mineralisation and lack of evidence in drilling. Infill drilling indicate that local variability in the thickness of mineralized zones mainly in the Central zone, the proportion of limestone fragments in the sulphide breccias and in zinc and lead grades can be expected. It is likely that some of the variations will be the result of faults and structural features that cannot be identified with the current drillhole spacing. A different overall geological interpretation does not seem feasible. Alternative interpretations are possible at the local scale but are unlikely to have a material impact on the Mineral Resource estimate.
Dimensions	▪ *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.*	The deposit occurs in two zones, the first East zone occurs in an anticline, the second – Central zone - a shallowly dipping set of lobes dipping to the east-northeast. The East zone mineralization extends about 550 m along the axis of the fold open to the north where it crosses the Bezymyannaya river it is about 350 m across strike, and up to 300 m below surface and open at depth. The Central zone has a 1 km dip length from surface, with sporadic mineralisation over 800 m wide and reaches to over 250 m below surface.

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<tr><th>Criteria</th><th>JORC Code Explanation</th><th>Commentary</th></tr>
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<td>Estimation and modelling techniques</td>
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The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.
The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.
The assumptions made regarding recovery of by-products.
Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).
In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.
Any assumptions behind modelling of selective mining units.
Any assumptions about correlation between variables.
Description of how the geological interpretation was used to control the resource estimates.
Discussion of basis for using or not using grade cutting or capping.
The process of validation, the checking process used, the comparison of model data to drillhole data, and use of reconciliation data if available.

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Resource estimation was carried out using Datamine software. A block model was developed and Zn, Pb, Ag, S, Fe, Cd, and As estimated using ordinary kriging. Density was estimated using inverse distance squared. Only Zn, Pb and Ag are reported as Mineral Resource.
Each of the mineralized zones was estimated separately. Extreme values were cut. Estimation parameters were derived from a study of variography using a data sub-set selected from the relatively consistent mineralised domain on the eastern flank of the East zone. The East zone was then estimated using dynamic anisotropy defined by a set of strings in plan and section to define trends in the data around the anticline. Modelling of the Central zone used a surface defined in Leapfrog software to represent the general dip trend of the mineralisation.
The variograms (as correlograms) for zinc, lead, silver and sulphide sulphur at Pavlovskoye were updated by AMC using Isatis software. A subset of the data was used to compile the variograms as AMC considers there is significant uncertainty with respect to continuity in the Central zone and in areas covered by wider spaced drilling. Limited data for some of the estimation variables precluded the development of robust variograms (cadmium, iron, arsenic, density). Detailed descriptions of the variography applied are include in Section 8.
The mineralized zones are folded and some are very thin. A relatively small block size was required to provide a good representation of the mineralized zones. A parent block size of 10 m by 10 m by 5 m was selected was selected for model construction and assignment of geology codes. To improve the resolution of zone boundaries, sub-blocks of 2.5 m by 2.5 m by 1.25 m were used. All sub-blocks were estimated with the same grade of the parent block. The block model was coded with the wireframe models exported from Leapfrog software, and wireframe models of topography and base of alluvium/colluvium.
Zinc, lead, silver, iron, arsenic, cadmium and sulphur grades were estimated into the model using OK with 3 m composites controlled by the interpreted mineralised zones.
Grades within each mineralised zone were estimated only with data from within that zone. Interpolation was carried out using dynamic anisotropy to simulate the folded nature of the mineralised zones.
The mineralisation wireframes generated in Leapfrog and had a dense network of triangulation points. For each fault block the mineralisation wireframes were combined and the dip and dip direction of the mineralized zones were established at each point. The estimated orientations were then used to orientate the search ellipse during grade estimation. A five-pass system was used to populate all blocks in the model.
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<tr><th>Classification</th><th>Criteria</th></tr>
<tr><td>Measured</td><td>Zinc estimation pass 1 or 2 and average distance <=30 m</td></tr>
<tr><td>Indicated</td><td>Zinc estimation pass 1, 2 or 3 and average distance <=60 m</td></tr>
<tr><td>Inferred</td><td>Zinc estimation average distance <=110 m</td></tr>
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<tr><th>Criteria</th><th>JORC Code Explanation</th><th>Commentary</th></tr>
<tr><td></td><td></td><td>Number of holes and composites informing each domain are defined in the report Section 7.1. Waste blocks were estimated using OK. The very thin weakly weathered zone was not estimated separately.
Model validation included visual inspection of the block model on cross sections, verification of block and wireframe volumes, comparison with previous estimates and comparison of the model estimates against drilling assays and composite grades.
The new resource model incorporates a little more low-grade material than was included in the previous model due to the nature of the modelling of the Central zone.</td></tr>
<tr><td>Moisture</td><td>▪ Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.</td><td>Tonnage was estimated on a dry basis.</td></tr>
<tr><td>Cut-off parameters</td><td>▪ The basis of the adopted cut-off grade(s) or quality parameters applied.</td><td>The resource is reported at a NSR cut-off value of US$34/t inside an optimised pit at a 1.0 revenue factor. The cut-off value represents the likely break even cost of material in the ground at an average resource grade. The NSR methodology considers metallurgical recoveries assumed for each of the product streams, along with metal prices, payabilities, exchange rates, freight, treatment charges and royalties.
<table>
<tr><th>Element</th><th>Realised price (US$)</th><th>Unit</th><th>Recovery (%)</th><th>Zinc equivalent factor</th></tr>
<tr><td>Zn</td><td>3,145</td><td>US$/t</td><td>90.3%</td><td>1.00</td></tr>
<tr><td>Pb</td><td>2,176</td><td>US$/t</td><td>53.3%</td><td>0.408</td></tr>
<tr><td>Ag</td><td>30</td><td>US$/oz</td><td>30.0%</td><td>0.003</td></tr>
</table>
<table>
<tr><th>Parameter</th><th>Assumed Value</th></tr>
<tr><td>Zinc recovery to zinc concentrate</td><td>90.3%</td></tr>
<tr><td>Lead recovery to lead concentrate</td><td>53.3%</td></tr>
<tr><td>Silver recovery to lead concentrate</td><td>30%</td></tr>
<tr><td>Payable Zn in concentrate</td><td>85%</td></tr>
<tr><td>Payable Pb in concentrate</td><td>95%</td></tr>
<tr><td>Russian Ruble to US Dollar conversion</td><td>82.60</td></tr>
<tr><td>Royalties for zinc, lead and silver</td><td>8%, 8%, 6.5%</td></tr>
</table></td></tr>
<tr><td>Mining factors or assumptions</td><td>▪ Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this</td><td>The estimate has been prepared for evaluation as an open pit mine. It is proposed that the pit will be mined using conventional truck and excavator / shovel at 5 m to 10 m bench heights.
The Pavlovskoye Mineral Resource is a moderately sized zinc-lead deposit with good continuity in parts and grades that are comparable to other operating zinc-lead mines around the world. The resources are close to surface and have clear potential for open pit mining. The zinc and lead occur in very fine-grained</td></tr>
</table>

Criteria	JORC Code Explanation	Commentary
	should be reported with an explanation of the basis of the mining assumptions made.	sphalerite and galena, which are amenable to flotation but may require very fine grinding to liberate them from the associated pyrite. Similar very fine-grained massive sulphide ores have been successfully mined and processed at Macarthur River in Australia. In the Competent Person's opinion, these factors indicate that the mineral resource has reasonable prospects of eventual economic extraction.
Metallurgical factors or assumptions	▪ *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.*	The zinc and lead occur in very fine-grained sphalerite and galena, which are amenable to sequential flotation but may require very fine grinding to liberate them from the associated pyrite. Similar very fine-grained massive sulphide ores have been successfully mined and processed at Macarthur River in Australia.
Environmental factors or assumptions	▪ *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.*	It was assumed that waste rock from the proposed open pit mine and residues from the process plant can be stacked on site. Iron and sulphur grades and rock type have been estimated for all blocks in the model; this will allow classification of waste rock according to potential environmental impact.
Bulk density	▪ *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.* ▪ *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.* ▪ *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	In the 2002 and in the 2014 field seasons, the dry bulk density of the core samples was measured by Archimedean method (199 records added to AMC database from 2002 and 362 records from 2014). In the 2020 drilling programme, the dry bulk density of the core samples was measured by two methods; a calliper method using short length of whole core (49 samples) and an Archimedean method on the whole core samples before they were crushed (997 samples). AMC compared the results of the two methods. The correlation is very strong and there is no significant bias. The comparison provided validation of the Archimedes method data (total 1558 records). Vughs recorded rarely in the mineralized zones drilled in 2020 and are not believed to present a significant risk of bias. The Archimedes method is preferred but has the disadvantage of measuring small (20 cm to 30 cm) pieces of core rather than the entire 1 m interval sent for assay. As a result of the high density of sulphide minerals, there is a strong correlation between the grades of zinc, lead, iron and sulphur and density. Grade to Archimedean density correlation was establish in drilling completed in 2013-2014 and 2020 with a high level of confidence. The 2013-2014 data analysis showed better correlation due to the analysis being conducted separately on the individual pieces used for density measurements. It is important that the density estimates in the resource model are correctly correlated with the local grade estimates. The dataset used for the density

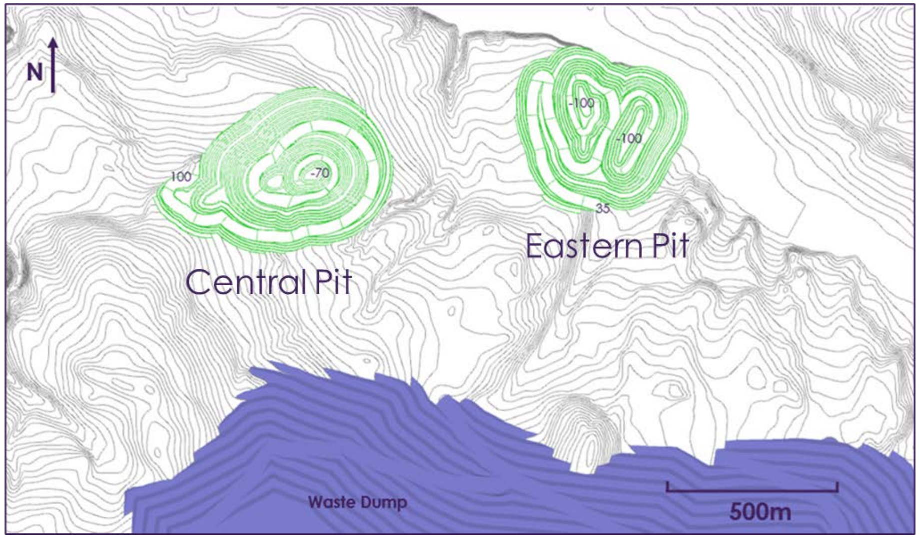
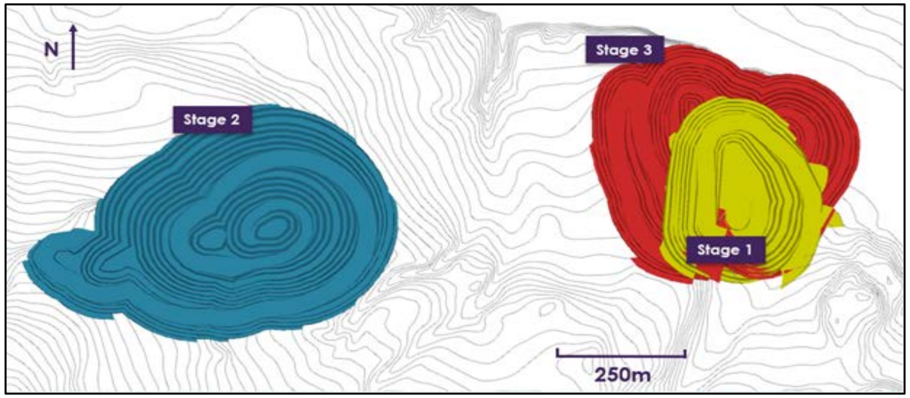
Criteria	JORC Code Explanation	Commentary
		estimate was a combination of the density measurements made using the Archimedes principle and density values back calculated from modal and volume weighted proportions of assayed sulphur, zinc, lead, and iron values. The sulphur database is less populated compared to the zinc and lead database and so coverage is less complete for the modelled area. In order to use as much data as available to inform the density model AMC decided to use the pXRF sulphur, lead and zinc data where sulphur was not assayed. Density was estimated using ID2 with a NN estimate run concurrently as a check estimate.
Classification	▪ *The basis for the classification of the Mineral Resources into varying confidence categories.* ▪ *Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).* ▪ *Whether the result appropriately reflects the Competent Person's view of the deposit.*	The Pavlovskoye Mineral Resource is assigned Measured, Indicated and Inferred classification in accordance with guidelines within the JORC Code 2012. Parameters considered included the distribution and density of drill data, confidence in interpreted geological continuity and of the mineralised zones, and confidence in the resource block estimates. The recent assay data is supported by assay quality control procedures. The interpretation is based on the geological distribution of massive or brecciated sulphide mineralization, stratigraphy and grade. A nominal cut-off grade of 1% ZnEq (Zn+Pb) was used as a guide to define the zones in the Central Zone. Where appropriate, lower grade intervals were included to reflect the continuity of the mineralized zones. Grade estimation parameters are based on a study of variography. The 2020 data supports the use of the Pre-2020 data. The classification reflects the Competent Person's view of the deposit.
Audits or reviews	▪ *The results of any audits or reviews of Mineral Resource estimates.*	The Mineral Resource estimate has been subject to peer review by AMC. No external independent review was carried out.
Discussion of relative accuracy / confidence	▪ *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.* ▪ *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* ▪ *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	AMC considers that the classification is appropriate for the global resources. The estimate is constrained to an interpretation of geological structure and mineralised zones that is moderately to well-defined by the drill hole data. Infill drilling in 2020, confirmed that the location, thickness and grade of the mineralized zones are reasonably predictable at the global scale. Local scale variations due to local depositional environment, folding, and faulting are to be expected but are not expected to have a material impact on the global resource estimate. Normal grade control processes should be sufficient to manage these variations.

Section 4 Estimation and Reporting of Ore Reserves

(Criteria listed in section 1, and where relevant in sections 2 and 3, also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral Resource estimate for conversion to Ore Reserves	• *Description of the Mineral Resource estimate used as a basis for the conversion to an Ore Reserve.* • *Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves.*	• The 2021 Ore Reserves estimate is based on the Pavlovskoye Mineral Resources estimate as of February 2021 (2021 Mineral Resource). Resource estimation was carried out by AMC Consultants Pty Ltd (AMC) and Mr Rod Carlson, AMC Principal Geologist, General Manager Brisbane, FAusIMM is stated as the Competent Person for the 2021 Mineral Resource. • The model was developed using 3 m downhole composites and ordinary kriging. • The model was constructed with uniform sized blocks of X=10 m, Y=10 m, Z=5 m with sub-cells of X=2.5 m, Y=2.5 m, Z=1.25 m used. • Mineral Resources are reported above a cut-off grade of 1% Zinc Equivalent (ZnEq). ZnEq was calculated using the formula ZnEq% = Zn(%) + 0.408*Pb(%) + 0.003*Ag(g/t) based on metal prices and metal recoveries into concentrate. • The 2021 Mineral Resource is considered by the Competent Person for Ore Reserves to be suitable for mine planning and Ore Reserve estimation. • The Mineral Resources are inclusive of the material converted to Ore Reserves. • The 2021 Mineral Resource includes Inferred Mineral Resources that are not converted to Ore Reserves or included in the mine plan supporting the Pavlovskoye Ore Reserves, although the continuity of grade supports reasonable potential of conversion to higher levels of classification once further drilling is completed.
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	• Mr Mark Chesher, a representative of the Competent Person visited the site in September 2020 during the 2020 exploration drilling campaign for project familiarization, inspection of site conditions and discussion of the mine planning and technical programme. Mr Chesher is an AMC Principal Mining Engineer with over 35 years of experience and is a FAusIMM. • The site is located on the western side of the southern island of Novaya Zemlya, Russian Federation. It is a remote arctic near costal location with no infrastructure besides project facilities and no population within 150 km of the deposit. The closest place of settlement is Belushya Guba, to the south with a population of approximately 2000 persons. The island is zoned a restricted area by the Government of the Russian Federation.
Study status	• *The type and level of study undertaken to enable Mineral Resources to be converted to Ore Reserves.* • *The Code requires that a study to at least Pre-Feasibility Study level has been undertaken to convert Mineral Resources to Ore Reserves. Such studies will have been carried out and will have determined a mine plan that is technically achievable and economically viable, and that material Modifying Factors have been considered.*	• A pre-feasibility study (PFS) has been conducted using the 2021 Mineral Resource as an input. • The Ore Reserves Modifying Factors are underpinned by the PFS, although the investment case from the PFS includes Inferred Resources while the Ore Reserves case does not. The Ore Reserves case models a starter or stage pit of the PFS investment case. The Ore Reserves are typically shallow and outcrop at surface in places and this is where mining is planned to commence. Pit optimisation, a mining schedule and an economic model were developed for the Ore Reserves with any Inferred Mineral Resource considered as waste. • The geotechnical assessment of pit slopes, geotechnical assessment of the waste rock dump, mine hydrogeology and the mine planning were undertaken by AMC. Wood Canada Limited (Wood) completed the PFS studies on the site layout and supporting infrastructure, ore crushing and grinding, transport of ore from the Pavlovskoye mine site to the processing plant, ore processing, tailings disposal, and environmental and social impacts. Wood compiled the PFS report on the Pavlovskoye project from these studies.

Criteria	JORC Code explanation	Commentary
		• Modifying Factors used in the estimation of Ore Reserves were the same as those used for the PFS. The status of the study underpinning the Modifying Factors is considered to be at a PFS level of accuracy.
Cut-off parameters	• *The basis of the cut-off grade(s) or quality parameters applied.*	• A net smelter return (NSR) cut-off value of 34 US$ per tonne of ore feed to the processing plant was used in the estimation of these Ore Reserves. The NSR value is the non-mining, break-even value taking into account; metallurgical processing and recovery, site operating costs for processing, general and administration, concentrate transport, treatment and refining, royalties, and revenues from sales of concentrate. A minimum Zinc equivalent cut-off grade of 1% ZnEq for Mineral Resources was applied to ore blocks.
Mining factors or assumptions	• *The method and assumptions used as reported in the Pre-Feasibility or Feasibility Study to convert the Mineral Resource to an Ore Reserve (i.e., either by application of appropriate factors by optimisation or by preliminary or detailed design).* • *The choice, nature and appropriateness of the selected mining method(s) and other mining parameters including associated design issues such as pre-strip, access, etc.* • *The assumptions made regarding geotechnical parameters (eg pit slopes, stope sizes, etc), grade control and pre-production drilling.* • *The major assumptions made and Mineral Resource model used for pit and stope optimisation (if appropriate).* • *The mining dilution factors used.* • *The mining recovery factors used.* • *Any minimum mining widths used.* • *The manner in which Inferred Mineral Resources are utilised in mining studies and the sensitivity of the outcome to their inclusion.* • *The infrastructure requirements of the selected mining methods.*	• Mining is proposed as a conventional open pit using typical drill and blast, load and haul techniques with a mining fleet owned and operated by the JSC First Ore Mining Company (FOMC). Drilling and blasting will be conducted by FOMC with the explosives manufactured and provided as a downhole service by a reputable international contractor under a long-term contract. Medium size 200-t class excavators and 90-t capacity rear-dump haul trucks will operate on 5 m benches for ore and 10 m benches for waste. • Mining will be conducted in permafrost. The pits have a maximum depth of 135 m, while the permafrost extends to a depth of approximately 300 m. During summer the top 3 m to 7 m of rock and soil is expected to thaw, with minor seepage into the pit. • Besides surface thawing, the pit is not expected to be subject to any talik or aquifer flows. • Pit water pumping will occur during summer, and in winter, snow will be relocated by snow plough. • The Competent Person considers the mining method to be appropriate for the deposit. Pit optimization in Datamine NPVS software was used to define final limits using a block model with applied operating costs, commodity prices, metallurgical recoveries, process throughputs, and mining rate limits. Operating costs are discussed under costs and recoveries under metallurgical assumptions. The pit optimization considered only Measured and Indicated Mineral Resources, with Inferred Mineral Resources treated as waste. Two separate pits were formed from pit optimization, the first in the Eastern Zone and the second in the Central Zone. A diversion of the Bezymyannaya River is required at the northern portion of the Eastern Zone to enable mining of ore near the Bezymyannaya River. The revenue factor 114% pit shell was used as the basis for the final pit design. The Eastern pit will be approximately 135 m deep with the pit ramp exit at 35 m Reduced Level (mRL) and the Central pit 70 m deep with the pit ramp exit at 100 mRL (see Figure I).

		Figure I. Pavlovskoye reserve pit design, waste rock dump and site layout  Mining will be completed over three pit stages. The first stage is a starter pit in the Eastern Zone, then mining relocated to mine the Central Zone as stage 2, then mining of the Eastern Zone to limits as shown in Figure II. Figure II. Pavlovskoye pit stages  • The ore bodies outcrop and, therefore, the need for the pre-stripping of waste rock is small. • AMC undertook the geotechnical, hydrogeological and hydrological assessment for the mine and geotechnical and hydrogeological models were developed using data from

Criteria	JORC Code explanation	Commentary
		7,197 m of geotechnical drilling. Geotechnical analysis using ROCscience software was used to provide recommended pit slope designs for pit optimization and mine design. • The pit is divided into five geotechnical domains, requiring variable overall slope angles. Design parameters for overall slopes and batter/berm configurations were provided for each of five domain rock types. The main ore-bearing rocks at the Pavlovskoye deposit are sedimentary breccias, siliceous-carbonate, carbon-clay limestones, which are common in the Gribovskaya formation, which hosts the mine. Overall pit design slopes are summarised in Table 1. As shown in Table 1, the highest angle is equal to 41.7° for S2 and D1gr3 and the lowest angle is 30.6° for Dk3.

Table 1. Geotechnical parameters

Geotechnical domain rock type	Unit	Final Value
D1gr	degrees	32.0
S2	degrees	41.7
D12tn	degrees	33.7
D1gr3	degrees	41.7
Dk3	degrees	30.6

- No detailed grade control study was undertaken, although a provision for grade control costs was made on the basis of sampling and assaying blasthole drill cuttings.
- The diluted model was developed by regularising the resource model to a uniform block size representing a selective mining unit size of 5 m by 10 m by 5 m (X, Y, Z dimensions), based on a 5 m bench height. This is considered to be the smallest mining block that will be defined during grade control and will be recoverable during mining. Regularisation resulted in mining dilution and ore loss estimated in the diluted mining model as 8.0% and 3.0% respectively for ore tonnes.
- A minimum mining width of 24 m was used, based on the nature of the deposit and the equipment fleet chosen for the Pavlovskoye mine. The maximum ramp gradient is 10%, with 50 m flat spots every 60 m vertically. Dual ramp width is 34 m.
- Inferred Mineral Resources were not considered in the conversion to Ore Reserves and were treated as waste.
- Infrastructure required for mining includes the construction of equipment maintenance workshops, offices, stockpiles, waste dumps, access roads and run of mine ore (ROM) ore pad suitable for working in an Arctic climate.
- The Bezymyannaya River requires a diversion and associated levee banks to protect the mine from flooding. The Bezymyannaya River is mostly frozen and in summer has a channel width of 50 m to 100 m, with a water level rise of 1 m to 1.5 m. The diversion design has been conducted by Wood and includes a rock lined and insulated flow channel with associated levee banks. The diversion will be constructed prior to the commencement of the Ore Reserve pit stage 3.

Criteria	JORC Code explanation	Commentary
Metallurgical factors or assumptions	• *The metallurgical process proposed and the appropriateness of that process to the style of mineralisation.* • *Whether the metallurgical process is well-tested technology or novel in nature.* • *The nature, amount and representativeness of metallurgical test work undertaken, the nature of the metallurgical domaining applied and the corresponding metallurgical recovery factors applied.* • *Any assumptions or allowances made for deleterious elements.* • *The existence of any bulk sample or pilot scale test work and the degree to which such samples are considered representative of the orebody as a whole.* • *For minerals that are defined by a specification, has the ore reserve estimation been based on the appropriate mineralogy to meet the specifications?*	• Ore produced from the Pavlovskoye mine will be processed through a 2.6 Mtpa crushing and grinding circuit near the pit and sulphide flotation ore processing plant with lead and zinc circuits located on a barge the port complex. Products of the processing plant will be a zinc concentrate and a lead concentrate with silver credits. Silver reporting to the zinc concentrate is not considered payable. The metallurgical process is well-tested technology and considered appropriate by Wood for the style of mineralization. • The ore extracted from the open pits will be transported to the ROM pad where it will be fed to a crushing system for coarse and fine crushing, then conveyed to a nearby 2.6 Mtpa grinding plant, with product slurry then pumped via a 16 km pipeline to the floating processing plant near the port. The 2.6 Mtpa sulphide ore flotation processing plant will produce zinc and lead concentrates that will be conveyed to the filling/loading department and then to the final product warehouse where they will be stored prior to shipping. Storage of concentrates will occur for 8 to 9 months per year with shipping occurring during the 3 to 4 months of summer when it is possible to use vessels without ice breaker classification. Concentrates are barged from the port for offshore transhipment to ocean going ships. • Metallurgical test work was conducted on samples collected from drill core boreholes in 2002. The comprehensive flotation studies carried out made it possible to develop a preliminary ore processing flowsheet for the Eastern and Central zones, select flotation reagents and determine the flotation regimes. • In 2014-2017, laboratory studies on the enrichment of ore samples with different metal contents were continued, the reagent regime and the processing flowsheet as a whole were optimized. In 2017, pilot plant testswork of the beneficiation technology was carried out, according to the results of which, as well as the results of laboratory studies, a processing flowsheet and beneficiation modes were recommended. Within the framework of pilot plant test work, the efficiency of ore pre-concentration by the X-ray radiometric method was also investigated. • The metallurgical testing has been carried out by various Russian Design Institutes on representative samples from the Central and Eastern deposits. A summary of each institutes work is provided: — 2002: The Central Research Geological Prospecting Institute for Non-Ferrous and Precious Metals (TsNIGRI) In 2002, TsNIGRI performed metallurgical studies on two samples from the Eastern zone and one from the Central zone. The studies concluded that marketable concentrates could be produced: for the Eastern zone the lead concentrate grade was ~55 to 57 Pb% with ~80% recovery and zinc concentrate grade ~57 to 58 Zn% with ~83 to 87% recovery. For the sample in the Central zone, the Pb concentrate grade was 48 Pb% with 70% recovery and Zn concentrate grade was 61 Zn% with 94% recovery. — JSC Gipronickel 2014: — In 2014, JSC Gipronickel performed metallurgical studies on a composite sample from two drill holes. Due to the limited amount of material available and selected (approximately 48 kg), the main goal was to confirm the flowsheet established by TsNIGRI in 2002 and conduct mineralogy and liberation analysis of the flotation feed and processing products. The results obtained from the test was

Criteria	JORC Code explanation	Commentary
		lead concentrate grade of ~43 Pb% with ~70% recovery and zinc concentrate grade of ~59 Zn% with ~92% recovery. The studies recommended proceeding with further test work on the ore and especially the effects of overgrinding of the feed ore on flotation performance. In 2015-2016. studies were carried out to optimize the reagent mode and processing flowsheet. Based on the results of the tests, the rational beneficiation flowsheet was refined. Balance experiments were carried out in a closed cycle. In 2017, laboratory processing test work was carried out, which included studies on grindability and an assessment of indicators of flotation concentration of ore, in order to correct the previously developed processing flowsheet, as well as pilot plant tests on bulk ore samples. — Research Institute of the State Atomic Corporation, Rosatom (JSC VNIIhT) JSC VNIIhT carried out testing on a composite formed from drill core samples from the Eastern and Central zones. The test work included: determining head ore composition, metal distribution per size class, mineralogy, gravity concentration test work (heavy-medium separation), flotation, and preliminary ore sorting by XRF method. The test results were summarized in a technical report for the development of a feasibility study for permanent exploration conditions (TEO report). Wood concludes that the metallurgical test work carried out on representative samples from the Central and Eastern deposits between 2002 and 2017 are at the Pre-Feasibility study level of detail. Resulting metal recoveries and metal grades in concentrates used for the Ore Reserve estimate are in Table 2:

Table 2. Processing indicators

Process Recoveries (%)				Grade in Concentrate (%)	
Zn to Zn concentrate	Ag to Zn concentrate	Pb to Pb concentrate	Ag to Pb concentrate	Pb grade in Pb concentrate	Zn grade in Zn concentrate
90	32.5	53	33	45	58

- Deleterious elements were not identified in significant quantities in tests and the saleable concentrate quality is expected to be within typical smelter specifications. The main potential deleterious elements are arsenic in the zinc concentrate and cadmium in the lead concentrate. At the next stage of the study, it is planned to conduct further technological tests to assess the effect of variability in ore characteristics on the beneficiation results.
- Potential threats to achieving design metallurgical outcomes are considered by Wood to be that crushing and grinding circuits may not be capable of achieving design throughput rates on the hardest ore types from Pavlovskoye, suitable final concentrate quality may not be consistently achieved at target recovery rates, high concentrate impurity levels (zinc and

Criteria	JORC Code explanation	Commentary
		arsenic in lead concentrate) may exceed threshold levels at times impacting smelting and marketing, high clay content ore types may cause materials handling issues or poor grinding or flotation performance, and finer or high pyrite Pavlovskoye tailings may behave differently and may lead to non-compliance of design solutions with tailings disposal permits. • The Ore Reserve estimation is considered to be based on appropriate mineral composition of the ore and processing recoveries to meet saleable concentrate specifications.
Environmental	• *The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported.*	• No SPNAs (specially protected natural areas according to Russian legislation) are located directly in the project implementation area (EES MPP, VNIPIpromtechnologies, 2018). • There is limited historical environmental baseline information available regarding the project area as the project is in a remote and unpopulated area, however, this information is being augmented through several field investigations to support engineering design and the environmental approvals process. The information that is available includes the following: — Atmospheric Environment – Limited summary information on climate/meteorological, air quality and noise/vibration. — Physical Environment – Limited regional summary information on geology, geochemistry, soils, overburden and permafrost, with little field investigation work; limited recent information or field investigation work on hydrogeology conditions; limited summary information on surface water quantity and quality. — Biological Environment – Regional summary information with little field investigation work on vegetation, breeding birds, amphibians, wildlife communities, fish communities, aquatic habitat, and sediment quality. Of note is the rocky coastal cliffs of the Bezymyannaya Bay, where migratory birds congregate to form massive breeding colonies. It is likely that the Bezymyannaya Bay qualifies as a critical habitat for migratory and congregatory species in accordance with the International Finance Corporation's Performance Standard 6: Conservation of Biodiversity and Sustainable Management of Living Natural Resources. Project development conditions are likely to include minimal impacts on bird breeding habitats. • FOMC with advice from environmental consultants, ERM Eurasia Limited (ERM), on the environmental design criteria for the project consider that the minimisation of environmental impacts to suit likely development conditions and licensing will be achieved. • An environmental impact assessment (EIS or OVOS) is necessary before the start of a project and may result in changes to the project design to minimise environmental impacts. Further baseline work will continue in the 2022 field programme and will include bird habitats. • A preliminary mine closure approach has been developed. Approval of the mine closure plan is required prior to production. • Environmental approvals are required and have not yet been obtained, however, the Competent Person has a reasonable expectation that approvals will be received in the timeframe required for project development.
Infrastructure	• *The existence of appropriate infrastructure: availability of land for plant development, power,*	• The Project Site is remote and has no existing infrastructure. The FOMC will build all infrastructure required for the project. The project site is located on the South of the

Criteria	JORC Code explanation	Commentary
	water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided or accessed.	Bezymyannaya Bay on the West coast of the Novaya Zemlya archipelago (Yuzhny Island) in Arkhangelsk Oblast. The site plan is dictated by the site access, mine location, the terrain, source of raw water, the environmental and climate conditions. The project site is divided to the following main areas with associated infrastructure: ***Mine area*:** The mine area contains the open pit mine, river diversion structure (consisting of a diversion channel, upstream and downstream cofferdams, rockfill barrier and control wells), a crushing/grinding process plant (a primary and secondary crushing buildings with dimensions of 15 m x 21 m and 24 m x 30 m respectively, grinding building, electrical room, conveyor galleries, thickener and a pump station), mine equipment service building (shift exchange building and canteen, light vehicle parking, mine equipment maintenance shop, heavy vehicle parking, fuel station with two fuel pumps and a one-day diesel tank of 58 m^3), and explosive material storage. ***Port area*:** It includes the following main facilities: berthing facilities that provide the approach and mooring of self-propelled 600 t barges carrying concentrate, general cargo and shift personnel, as well as an anchorage for the port fleet, administrative and accommodation and storage facilities (dormitories for workers: 280 persons, dormitories for engineering and technical personnel: 192 persons, recreation, bath, laundry, and first-aid facility; canteen (120 persons) with food storage; administration building (ABK) with fire station and health centre). Accommodation and administration buildings are prefabricated modules. Storage and maintenance facilities are enclosures using a lightweight tensioned fabric membrane building by Sprang Instant Structures Ltd. The ore enrichment plant consists of a sulphide ore flotation concentrator () with a power generation complex (5 diesel generators) that is mounted on a floating barge at the shipyard and transported to the Pavlovskoye field by sea to be installed at the site of operation in the port complex. The concentrator barge is equipped with main and auxiliary equipment for grinding, flotation, thickening and filtration of concentrates. The factory also has a mechanical repair shop, a department for the preparation and dosing of reagents, operator's and utility rooms. Thickening of the tailings takes place in a radial thickener, which is located on shore near the concentrator. The port complex also houses a department for preparing milk of lime dosing solution for processing input and filling of product concentrates into bulk bags for concentrate handling and storage. **Logistics:** Logistics infrastructure for the import of general cargo and export of concentrates includes: • An ocean road stead approximately 2 km offshore to provide ship berthing and transhipment between the costal barges and ships. • Self-propelled barges with a 600-t load capacity. • A floating pipeline for transfer of fuel from the tanker to the fuel storage tank. • A cargo-passenger vessel capable of carrying 146 passengers; 895 m^3 of general cargo, including refrigerated and dangerous goods in packaging; 24 containers (including 8 refrigerated) and 6 cars.

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		Tailing storage facility (TSF)*:** Two options for tailings storage are being considered, with a conventional wet TSF preferred. Currently available data suggest that the tailings are likely to be strongly acid generating, although the lag time to acid onset and the potential for neutral / acidic metal leaching is not known. For the purposes of the PFS, the tailings were assumed to be acid generating and heavy metal leaching, with a short lag time to acid onset (e.g., weeks to months). The wet TSF option is located inland in a valley between the port and mine areas at an elevated site and will utilise a downstream dam wall with a poly (low pressure and high density polyethylene or linear low-density polyethylene) liner on the upstream face of the dam wall buried to below permafrost at the base of the dam. Tailings will be pumped via a 13 km pipeline from the processing barge via pipeline to the TSF and return decant water pumped back to the mine. The pumps at the TSF will be diesel powered. ***Raw Water Supply: Raw water intake is at Severnoye Lake, with a depth sufficient to not freeze for a continuous fresh water supply during all seasons. The lake is located north of the mine site and is connected by a 9 km pipeline and road access.
Costs	• *The derivation of, or assumptions made, regarding projected capital costs in the study.* • *The methodology used to estimate operating costs.* • *Allowances made for the content of deleterious elements.* • *The source of exchange rates used in the study.* • *Derivation of transportation charges.* • *The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc.* • *The allowances made for royalties payable, both Government and private.*	• Capital and operating costs were estimated within an Excel® based cost model utilizing first principles build ups. • All project infrastructure is required to be built. • Capital infrastructure costs include the port and marine facilities, roads, pipelines and other onshore infrastructure, processing plant, camp and offices, TSF, and utilities. Mining capital is required for mining equipment, site preparation, mine roads, diversion channels, and water management structures. Based on the estimation of required facilities at Pavlovskoye, an initial capex of US$491 million and a sustaining capex of US$36 million is needed to develop the project. Table 3 shows the breakdown of both initial capital costs and sustaining capital costs. Table 3. Breakdown of sustaining and initial capital costs

Capital Item	US$M
Initial Capital	
Port and marine facilities	38
Site development – onshore infrastructure	166
Mining	22
Mining infrastructure	7
Product receiving and storage	8
Barge	30
Barge process plant	65
Power generation and site distribution	38

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Land process plant	69
Tailing starter dam and distribution	25
Camp cost + Arctic corridor	10
Owner cost	13
Total Initial Capital	**491**
Sustaining Capital	
River Diversion	13
Mining	16
Tailings	6
Other- Mine Workshop expansion, Landfill	1
Total Sustaining Capital	**36**
Total Initial + sustaining	**527**

- The operating costs are divided as follows:
  - Mining operating costs: This cost includes loading and hauling (ex-pit and stockpile), ancillary, drilling, blasting, mine development, dewatering, geology, ownership variable and fixed costs, explosive contractor variable and fixed costs, mine rehabilitation and miscellaneous operational overheads. The average cost is estimated at US$10.72/dry metric tonne (dmt) of ore feed to the processing plant (feed).
  - Process operating costs: Processing costs are allocated by category, including power, maintenance supplies, consumables, external services, other supplies and materials, grinding media, reagents and consumables, operations, overheads, allocation and mobile equipment (rental, lease and allocation). The summary of all these was estimated at US$17.91/dmt of feed.
  - General and administration (G&A) costs: The G&A costs includes all functions related to the services and administration of the mine. It includes activities such as: upper management, accounting, supply chain, information technology, human resources, government and community relations, safety and training, fire and emergency response, medical clinic, security and environment. Similar to the process plant, the G&A operating costs were estimated using first principles and provide a suitable representation of operating costs, equal to US$3.04/dmt of feed.
- The above costs were used in pit optimization studies to determine the economic limits for mining and cut-off grades for estimating Ore Reserves. Updates were made to the above costs for financial modelling to determine economic viability of extracting the Ore Reserve, based on costs updated through the course of the PFS.
- There are no deleterious elements of significance for the chosen processing method.
- The foreign exchange rate used is 72 Rub per US$.

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		• Transportation charges were allowed for in the operating and capital costs. • Royalties of 8% for lead, 8% for zinc and 6.5% for silver are included into the calculation of the NSR and the financial modelling.
Revenue factors	• *The derivation of, or assumptions made regarding revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns, etc.* • *The derivation of assumptions made of metal or commodity price(s), for the principal metals, minerals and co-products.*	• The project revenue is based on long term pricing of 2,859 US$/t Zn, 1,978 US$/t Pb and 15 US$/oz Ag. • The percentages of paid metal in concentrate used in the calculations are 85% for zinc and 95% for lead and are based on international smelting and refining contract terms provided by FOMC. AkerArctic was hired to advise on the logistics and cost of transporting zinc and lead concentrates.Silver is payable only in the lead concentrate. • The concentrate is expected to meet smelter specifications and no penalties are expected to be applied for deleterious elements.
Market assessment	• *The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future.* • *A customer and competitor analysis along with the identification of likely market windows for the product.* • *Price and volume forecasts and the basis for these forecasts.* • *For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract.*	• Zinc, lead and silver metals are transparently traded on world markets using exchanges such as the London Metal Exchange, where prices are updated regularly and information freely available. • Zinc and lead concentrates are internationally traded with mechanisms for setting prices, penalties, payability percentages, and treatment and refining costs included in contracts between smelters and mine site suppliers. • The market assessment shows demand for zinc expected to be supported by continued growth in galvanising steel for construction, car manufacturing and the introduction of electric vehicles. The demand for lead is expected to continue with ongoing demand for lead batteries and other traditional uses. Wood Mackenzie supports a higher long term (+10 years) zinc price. Lead prices are forecast to remain relatively stable. FOMC considers that the fundamentals of the zinc and lead markets remain strong and are likely to support the prices used in the Ore Reserve. FOMC was advised by Wood Mackenzie. • Extraction of the Ore Reserve is contingent on Pavlovskoye concentrates being shipped to domestic Russian or international smelters. Export permits for international smelters will be required. The Competent Person considers that there are reasonable grounds to expect that FOMC can sell concentrates to domestic Russian and international smelters on standard terms.
Economic	• *The inputs to the economic analysis to produce the net present value (NPV) in the study, the source and confidence of these economic inputs including estimated inflation, discount rate, etc.* • *NPV ranges and sensitivity to variations in the significant assumptions and inputs.*	• Cash flow for the Pavlovskoye project was estimated from: — The capital cost for infrastructure, mining equipment and processing facilities, and includes sustaining capital. — Operating costs for the mining, processing, logistics and general administration expenses. — Revenues derived from concentrate sales. — Royalties and taxation as per regulatory requirements. • Revenues were based on the sale of concentrates to international smelters on standard commercial terms for treatment costs, refining costs and metal payment terms. Concentrate transport costs were estimated for both zinc and lead concentrate shipping and include transhipment by barge to ocean going ships.

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		• The project has a positive undiscounted cash flow and discounted cash flow at a discount rate of 8% with a payback period of 5.3 years after tax. Any potential government subsidies for development are excluded. • Project net present values (NPV) are positive, Profitability is most sensitive to metal prices, ore grades, metallurgical recoveries and capex. Extraction of the Ore Reserve is viable under reasonable financial assumptions at the time of reporting.
Social	• *The status of agreements with key stakeholders and matters leading to social licence to operate.*	• The Project site is located in the remote area with the nearest settlement over 180 km distance. No communities of indigenous people are present on the archipelago. With this regard, no impacts on human environment is expected. • FOMC considers that there are not likely to be any social impediments to mining and extracting of the Ore Reserve. • Implementation of the project will have a positive social impact of the communities where the employees, numbering approximately 900 people reside and places where logistics and the supply of materials and consumables are sourced. The two closest major communities are Murmansk and Arkhangelsk
Other	• *To the extent relevant, the impact of the following on the project and/or on the estimation and classification of the Ore Reserves:* • *Any identified material naturally occurring risks.* • *The status of material legal agreements and marketing arrangements.* • *The status of governmental agreements and approvals critical to the viability of the project, such as mineral tenement status, and government and statutory approvals. There must be reasonable grounds to expect that all necessary Government approvals will be received within the timeframes anticipated in the Pre-Feasibility or Feasibility study. Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which extraction of the reserve is contingent.*	• Pavlovskoye is located within a remote Arctic region. This was accounted for in the design of all key infrastructure on the site and the costing and arrangements for the supply and storage of parts and consumables, labour requirements and other items needed for the operations plus the storage and export of product concentrates. • Pavlovskoye will require operations to occur in 24 hours of darkness of the polar night during the winter (mid-November to end of January) and in cold temperatures down to approximately minus 18 degrees Celsius. • Emergency access to the project is via helicopter or craw boat from Rogachevo, a distance of 150 km. • The site has a medical clinic with emergency facilities, a doctor and nurses. • The project includes safety and training, fire and emergency response facilities. • Main logistic points for site supply from mainland are Murmansk located approximately 850 km from the site and Arkhangelsk located approximately 1,000 km from the site, across the Barents Sea. • Transport of personnel and limited general supplies, mainly fresh food, will require a ship with an ice breaking rating for 4 months a year by vessels that have no ice classification, 8 months a year by vessels rated as per Russian Maritime Register of Shipping classification for Arctic conditions of ARC 4 and 12 months by vessel rated ARC 5. • Transport of bulk cargo (fuel, explosives materials, chemical reagents, parts and equipment, and general supplies) into site and the export from site of concentrate products can only occur during the summer months. An ocean road stead approximately 2 km offshore will provide ship berthing and transhipment to barges. The draft at the port is shallow at 3.2-3.5 m. • There will be no permanent road from Pavlovskoye to Belushya Guba and Rogachevo the nearest settlements and airport with weekly flights to Archangelsk for both cargo and passengers.

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		• Excess pit and site dirty water will be captured and directed by dedicated drainage systems to water dams for sediment settlement. Water will be reused in operations or undergo treatment prior to release into the environment. • Seismic risk is considered low. The seismicity of the area is estimated at 6 points for 10% and 5% (one earthquake with a magnitude of 6 points in 500 and 1000 years). • To permit the project, there are a number of laws of the Russian Federation with which the project must comply. The processes have commenced with permitting requirements completed to date including: — Deposit discovery certificate, — State expert review of commercial minerals reserves — License, valid until May 1, 2034 for the use of mineral resources (exploration and production of lead-zinc ores). Subsoil license «APX № 01565 ТЭ» — Formation of land plots and entry into a short-term lease agreement № 41/3/A3-1 dated 25.01.2019, by the Ministry of Defence of the Russian Federation to JSC First Ore-mining Company for the purpose of exploration and production of mineral resources. — Incorporation of the project for the lead and zinc concentrate discharge marine terminal on the Novaya Zemlya Archipelago into the area planning scheme of the Russian Federation for federal transport. — Positive conclusion of the state environmental expertise of Rosprirodnadzor for the design documentation of the "Mining and processing plant based on the Pavlovskoye lead-zinc ore deposit" • Additional regulatory approvals required include: — Endorsement and approval of the field development engineering project and other design documentation on subsurface site use related works. — Acquisition of the land plots. — State historical and cultural expert review of the land plots. — Adoption by the Government of the Russian Federation of a decision to change the Arkhangelsk Sea port area boundaries due to the terminal on the Novaya Zemlya. — Environmental approvals — A variety of other approvals. • There are a number of areas that pose a low to high risk to the Project: — Geochemistry of tailings requires further study to assess the risk of acid rock drainage and metal leaching associated with project tailings. — Surface water quantity requires further study to ensure sufficient water is available onsite for mine processing and that impacts to existing systems can be adequately mitigated. — The presence, distribution and use of lands by wildlife species on and/or near the project, especially avifauna – it is recommended to conduct year-round survey

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		with mapping of bird habitats used in different stages of its lifecycle an develop additional mitigation measures. — The presence, distribution and use of protected species (wildlife and vegetation) on and/or near the project requires further study to determine mitigative measures that may need to be implemented. — Additional hydrological studies are required to design environmentally safe river diversion. — Site water quality requires further study to refine long term management.
Classification	• *The basis for the classification of the Ore Reserves into varying confidence categories.* • *Whether the result appropriately reflects the Competent Person's view of the deposit.* • *The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any).*	• Proved Ore Reserves were derived from Measured Mineral Resources and Probable Ore Reserves were derived from Indicated Mineral Resources. • No Mineral Resources classified as Inferred are included in the Ore Reserves. Inferred Mineral Resources inside the pit design were treated as waste rock. Inferred Mineral Resources are estimated at approximately 3 Mt and present a possible upside if additional resource definition drilling can convert this material to Measured or Indicated Mineral Resource. • Modifying Factors are considered by the Competent Person to be at a PFS level of confidence, and the classification reflects the Competent Person's view of the deposit.
Audits or reviews	• *The results of any audits or reviews of Ore Reserve estimates.*	• No independent peer reviews or audits of the Pavlovskoye Ore Reserve have been undertaken. Peer reviews by qualified AMC employees who are experienced in open cut zinc or metals mining and are Members or Fellows of the AusIMM have been conducted.
Discussion of relative accuracy / confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the reserve within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which could affect the relative accuracy and confidence of the estimate.* • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* • *Accuracy and confidence discussions should extend to specific discussions of any applied Modifying Factors that may have a material impact on Ore Reserve viability, or for which there are remaining areas of uncertainty at the current study stage.* • *It is recognised that this may not be possible or appropriate in all circumstances. These statements*	• The PFS is considered by Wood and AMC to have an accuracy of approximately +/- 25%, with capital costs meeting American Association of Cost Engineers Feasibility Study Class 4 guidelines. • Confidence levels as expressed in the Mineral Resources estimates were accepted in the respective Ore Reserves classification. • Ore Reserves estimates relate to global estimates in the conversion of Mineral Resources to Ore Reserves, due largely to the spacing of the drill data on which the estimates are based, relative to the intended local selectivity of the mining operations. The diluting methodology applied by way of resource estimation to a parent sized resource block, rather than factoring of a selective mining unit sized block further supports the assertion of a global rather than local estimate. • The Ore Reserves represent approximately one third of the Mineral Resources estimated for the PFS and it is considered likely that additional infill and resource extensional drilling can result in the upgrade of Inferred Mineral Resources and unclassified material, creating an opportunity for the expansion of Ore Reserves. • The project is a proposed mine, and no production data is available. Engineering assessments, supplier quotes and benchmarking data from other similar sites has been used where appropriate for Modifying Factors in the first principal estimation of productivities, operating assumptions, and costs.

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	of relative accuracy and confidence of the estimate should be compared with production data, where available.	