

PROPOSED INVESTMENT PROJECT FOR CONSTRUCTION OF OIL AND LUBRICANT STORAGE SHED AT THE MINESITE OF DUNDEE PRECIOUS METALS KRUMOVGRAD EAD

PROJECT SUMMARY

To improve the handling of oils and lubricants, used at the DPMK site, the Company needs to build an independent storage area for those materials.

To date, oils and lubricants are stored in a designated area on the Company's site.

The purpose of the project is to construct a stand-alone area for storage of oils and lubricants in their original packaging. It will be situated immediately next to the Mobile Equipment Shop, which is their main consumer.

The implementation of this project will improve the storage of oils and lubricants. The new storage area will have an access control system.

The purpose of the site will be to store oils and lubricants with $\geq 120^\circ$ flash point, which will be delivered and stored in their original packaging. A motor truck or hoist will be used to place pallets in remodeled containers, as each drum/tank will be secured with oil containment. Packaged lubricants/oils in the shed will be grouped by type and quantity to meet the functional and safety requirements for handling and storage.

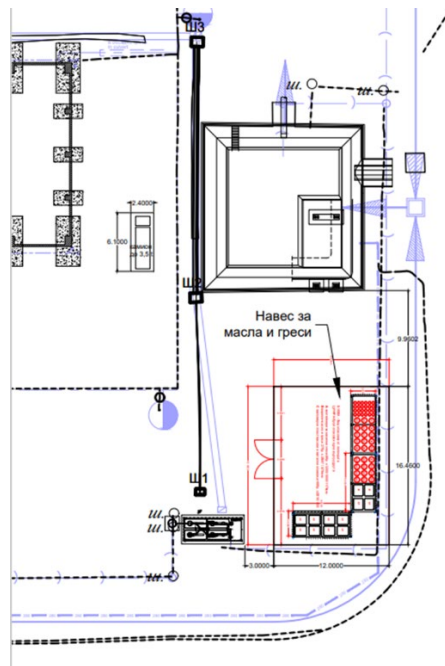


Figure 1 Plan view of the Oil and Lubricant Storage Shed

Approximately 200,00m² reinforced concrete capping will be built as part of the project implementation. The floor will be leveled with the support of a ribbed bed to install three standard transport containers, 2.44m /6.05 m. The prefabricated containers will be remodeled as a shed (a light, movable structure). One of the walls of each container will be removed so the interior can face the center of the platform to shape the storage facility. The

remodeled containers will be reinforced with frames. The frames will comprise a welded steel structure with vertical and horizontal members supported with corner plates. Anti-corrosion coating will be applied on the assembly once the steel frame is installed and welded. Oil containment will be built inside each of the remodeled containers. The oil containment dimensions will be designed to ensure containment of any potential spill of the stored oils/lubricants.

The construction of the new shed will have no impact on the type and quantity of oils and lubricants used at the Company.

The purpose of the proposed project is to provide a separate and spacious indoor facility for oil and lubricant storage.