

# ERDENES SILVER RESOURCE SALKHIT MINE CLOSURE PLAN PILOT

Newsletter Issue 8

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## INTRODUCTION

The Erdenes Silver Resources Salkhit Mine Closure Plan Pilot (the Project) is a multi-stakeholder collaboration managed by MERIT, a project funded by the Government of Canada, executed by Erdenes Silver Resources LLC (ESR) (owner/operator of the Salkhit Mine) and supported by multiple Mongolian government ministries at the national, provincial, and district levels.

Stage 1 of this Project ran from September 2021 to April 2022, and included a regulatory review, environmental site assessment report, development of mine closure goals and objectives through stakeholder engagement, and a risk assessment. For information on Stage 1, please visit

<http://portal.merit.mn/> or <https://www.facebook.com/MERIT.mn>.

Stage 2 of the Project is now underway. A multi-disciplinary team of Mongolian consultants has been hired to write the mine closure plan, which will incorporate Canadian and international best practices, adapted to the Mongolian mining context and laws. CPP Environmental Corp, a Canadian environmental consulting firm, will provide mentorship and professional technical capacity building to the consulting team. MERIT is responsible for stakeholder engagement and overall project management.

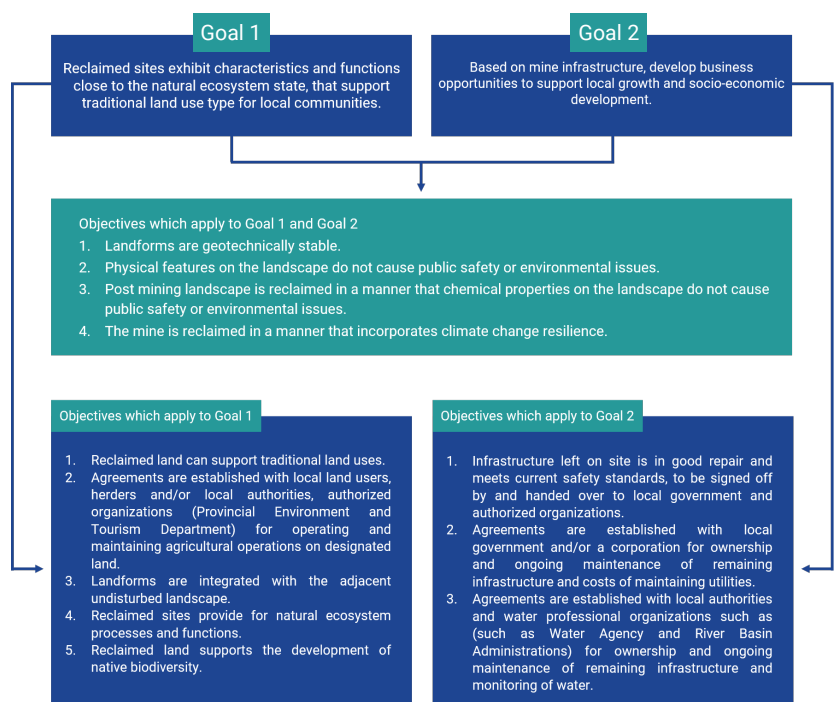
Stage 2 will include monthly key stakeholder meetings, during which representatives from MMHI, MET, GASI, and provincial governments will be kept informed of the Project's progress. Stakeholder consultation sessions will be held with nearby local community members and herders, to inform them of the Project, and solicit their feedback. ESR is playing a central role in the work, providing technical input, and logistical support to the consultants. The Salkhit Mine Closure Plan is meant to set the benchmark for mine closure planning in Mongolia and is a key priority for MMHI.

## MINE CLOSURE PLAN CONTENT

The Salkhit Mine Closure Plan will ensure all requirements of the Mongolian Regulation of Closure Plans for Mines and Concentration Plants are met. The closure planning team (local consultants, CPP Environmental, and MERIT) will use a regulatory concordance table to structure the writing of the plan. The concordance table is a deliverable from Stage 1 and reflects international best practice in regulatory compliance.

In addition to the regulatory requirement concordance table, closure goals and objectives were developed during Stage 1, which reflect the values of the stakeholders. They will help to guide the reclamation and closure designs within the plan. The picture below shows these goals and objectives.

A detailed risk assessment was conducted in close collaboration with ESR during Stage 1. The results of the risk assessment will also inform plan writing in Stage 2, because they show how risks at the mine site can impact the reclamation goals and objectives.



The major topics to be addressed within the plan include mine site description, environmental setting summary, reclaimed landform design, infrastructure decommissioning, soil and revegetation reclamation plans, wildlife habitat, surface water and groundwater, air quality, climate change adaptation, stakeholder engagement, socio-economic transition plan, and mine closure financial cost estimate.

## ■ CAPACITY BUILDING

Capacity building sessions will be held in the coming months with the MERIT team, the international consultant, and the local consultants. These sessions will be designed to incorporate the local consultants' knowledge of their area of expertise with international best practices in key mine closure topics. For example, integrated landform design and climate change adaptation as applied to mine closure are new concepts in Mongolia. The MERIT Team is excited to facilitate professional and technical capacity building in all areas of mine closure planning.

The content of the mine closure plan, and the capacity building sessions will be discussed in more detail in forthcoming newsletters.

## ■ PROJECT TIMELINE

The project is managed by quarters:

- Q1: June 15, 2022 to September 15, 2022
- Q2: September 16, 2022 to December 15, 2022
- Q3: December 16, 2022 to March 15, 2023
- Q4: March 16, 2023 to June 15, 2023

Due dates for deliverables are sequenced for submission in either Q1, Q2, and Q3. Q4 will involve final technical and regulatory reviews and compilation of the final plan for delivery to ESR. Importantly, stakeholder engagement will occur in all four quarters and feedback will be incorporated into the plan where reasonable.

## ■ JUNE ACTIVITIES

Events of note which occurred this month were the June 15 project start-up meeting with the local consultants, the June 21 project management software training for the local consultants, delivered by CPP Environmental, and the June 24 key stakeholder project start-up meeting, to which members of MMHI, MET, GASI, and Dundgobi province and Gurvansaikhan soum delegates.



Stage 2 Launch with stakeholders



Kick-off meeting with recruited Consultants

The local environmental consultant, MECSZB, plan to travel to the Salkhit mine in the last week of June, to conduct soil and waste sampling.

## CONTACT INFORMATION

For more information about the Pilot, please contact

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