

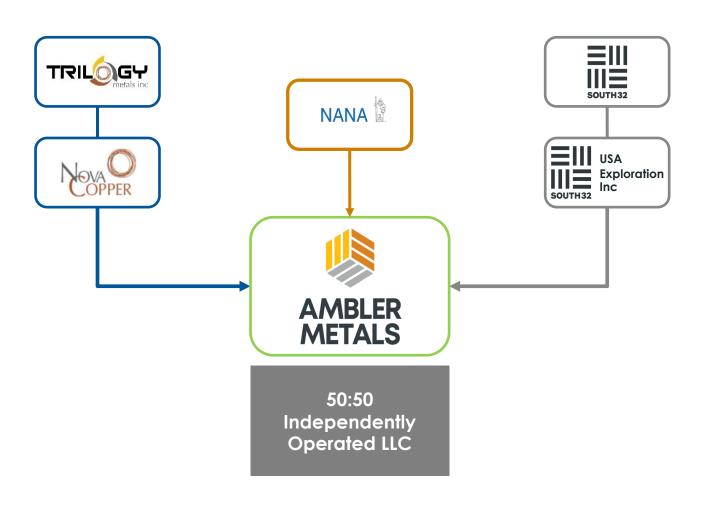
THE ALLIANCE FAIRBANKS INDUSTRY UPDATE FORUM

Ramzi R Fawaz President & CEO Ambler Metals

October 13, 2022

INTRODUCTION TO AMBLER METALS





ABOUT AMBLER METALS



- Ambler Metals LLC (AMC) formally established February 11, 2020
- 50%-50% Joint Venture between South32 and Trilogy Metals
- Alaskan Company with offices in Anchorage and Fairbanks
- Two potential mining projects in pre-development: Arctic & Bornite
- Partnership with NANA Regional Corporation for the exploration and development of the Upper Kobuk Mineral Projects (UKMP)
- Development Agreement with AIDEA to co-fund the Feasibility & Permitting Stage of the Ambler Access Project

AMBLER METALS 2022 OBJECTIVES



2022 Field Season

- Plan and execute a safe and effective 2022 summer field program
- ~ 10,000 m of drilling planned in 2022

Studies & Permitting

- Complete prep work leading to a CWA Sec. 404 permit submission for Arctic
- Progress Arctic's prefeasibility study through stage gate approval

Ambler Access Project

- Support Ambler Access Project's 2022 Annual Work Plan
- Continued intervention on the two lawsuits

Environmental, Social & Governance

- In partnership with NANA, engage with communities and stakeholders to ensure regional interests are respected and protected
- Maintain an effective organization, underpinned by strong fiscal systems and internal controls

2022 FIELD SEASON SUMMARY

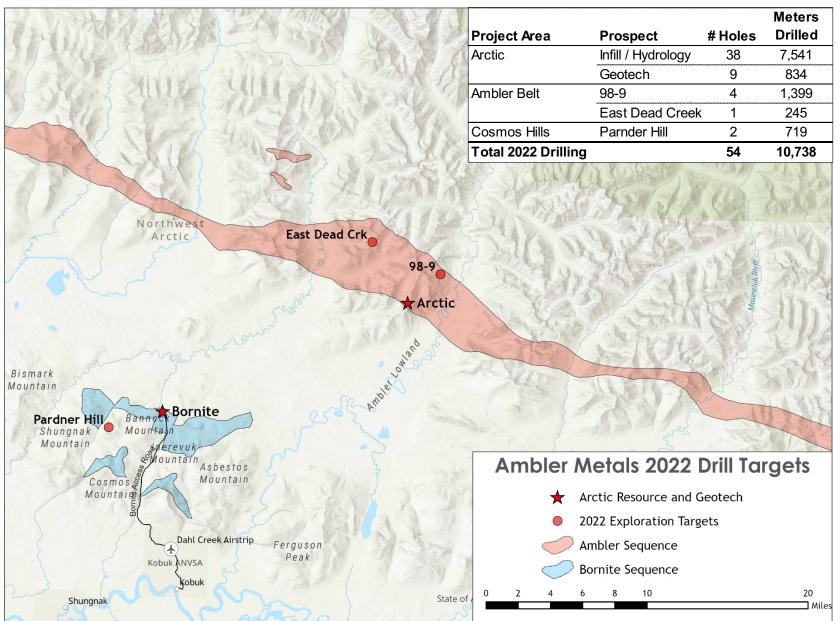


EXPLORATION

- Three drills operated by Major Drilling
 - Two focused on resource infill, geotechnical, and hydrogeologic holes at Arctic
 - One drill started near Bornite at Pardner Hill before moving to the VMS Belt and finished the season in Arctic
- 10,738 m completed vs. 10,100 m planned
 - Arctic 8,376 m
 - Ambler Belt 1,644 m
 - Cosmos Hills 719 m
- Extensive soil sampling and geologic mapping was conducted throughout the region
- 3,947 samples taken from 4,319 locations visited
 - Ambler Belt 3,129 samples taken
 - Cosmos Hills 818 samples

2022 DRILL PROGRAM





THE ARCTIC PROJECT

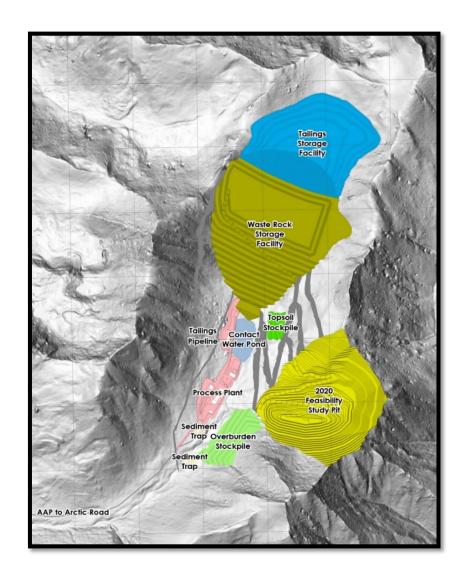


PROPOSED MAJOR FACILITIES

- Open Pit
- Tailings Storage Facility
- Waste Rock Storage Facility
- Contact Water Pond
- Overburden & Topsoil Stockpiles
- Process Plant

WORKFORCE

- Exploration ~ 100
- Construction ~ 600



Mine Operations ~ 450

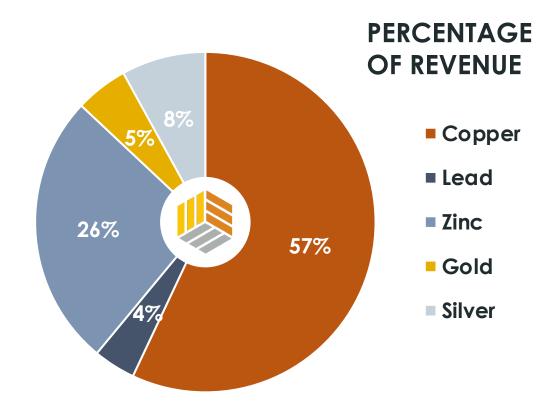
ARCTIC PROJECT - METAL PRODUCTION



FORECAST ANNUAL METAL

PRODUCTION

- 155M lbs Cu
- 192M lbs Zn
- 32M lbs Pb
- 3.4M oz Ag
- 32K oz Au



PERMITTING THE ARCTIC PROJECT



Clean Water Act 404 Permit

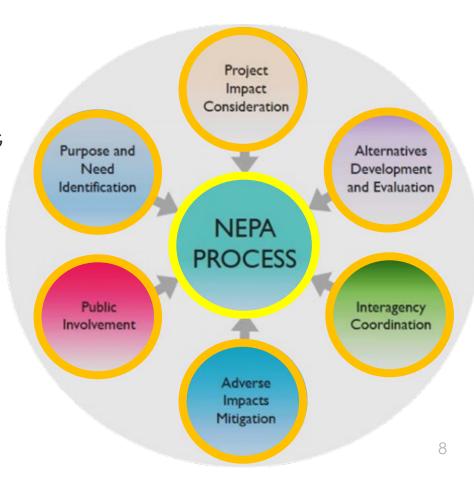
- Planning to submit application in 2023
- Submission→NOI→Scoping→Draft EIS→Final EIS→Record of Decision
- Multi-year process with several public comment opportunities

State Permitting

- Many state permits required
- Working with ADNR, ADEC, and ADF&G

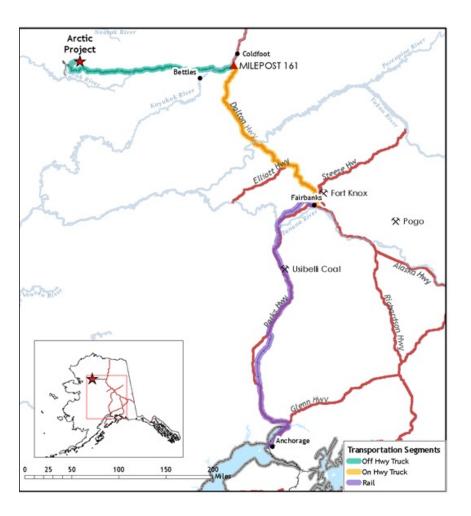
Northwest Arctic Borough

- Rezoning required
- Plan to submit application in 2023



CONCENTRATE TRANSPORTATION





ARCTIC MINE TO DALTON HIGHWAY VIA AAP

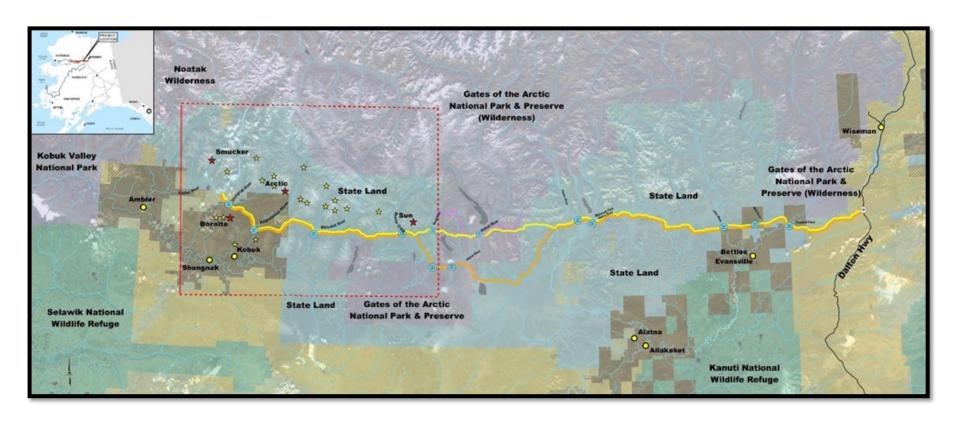
- 214 Miles
- Off-highway trucks
- 2 containers per truck

DALTON HIGHWAY JUNCTION TO FAIRBANKS

- 240 Miles
- On-highway trucks
- 1 container per truck due to Dalton Hwy weight restrictions
- FAIRBANKS TO ANCHORAGE BY RAIL
- 360 miles
- 2 dedicated trains per week with extras on mixed load trains

AMBLER ACCESS PROJECT

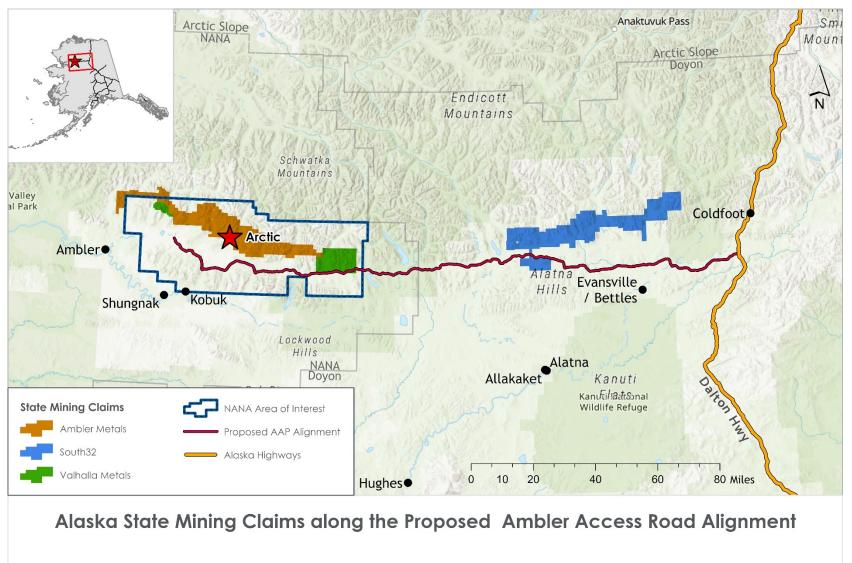




- Proposed 211-mile private controlled industrial access road to the Ambler Mining District in northwestern Alaska.
- Access to Ambler Mining District mandated by the Alaska National Interest Lands Conservation Act (ANILCA) in 1980.

AMBLER ACCESS - CLAIMS ALONG ROUTE





AMBLER ACCESS PROJECT – LITIGATION UPDATE



- July 23, 2020 Joint Record of Decision (JROD) was issued by the BLM & Army Corps of Engineers
- Q4, 2020 Two lawsuits against the Federal Agencies who approved the FIES/JROD.
- Q1, 2021 NANA, State of Alaska, AIDEA, and Ambler Metals are Intervenor Defendants.
- January 5, 2021 National Park Service (NPS) and BLM approved their ROWs
- **Feb 22, 2022** Dept of Interior (DOI) filed a motion to remand the Record of Decision on the EIS. (DOI said a Supplemental EIS is required to address what it calls deficiencies related to Cultural Heritage and Subsistence matters)
- March 11 & March 14, 2022 DOI suspended the BLM and NPS ROW's respectively
- May 16, 2022 Court approved the government's voluntary remand motion
- July 16, 2022 Federal defendants first report to the court did not advise a remand timeline
- September 16, 2022 Federal defendants provided second status report to court, which said they
 anticipate publishing a Draft Supplemental Environmental Impact Statement (SEIS) during the
 second quarter of 2023
- **September 20, 2022** BLM published the NOI in the federal register and initiated a 45-day scoping period and their intention to prepare a SEIS.

AAP PLANNED FIELD ACTIVITIES FOR 2022



Cultural Resources

Continue field surveys and consultation through the Tribal Liaison Program.

Geotechnical Investigations

Characterize subsurface conditions of the riverine environment, general soil characteristics along alignment, and assess viability of material sites. Borings at 45 river crossings, 11 material sites and 10 roadway sites along alignment. Summer and winter activities planned.

★ H+H Investigations

Assess conditions for area drainage, culvert placement, and bridge design; spring breakup monitoring at 26 rivers; establish stream gauges at bridge sites.

Land Survey Activities

Establish land ownership boundaries, bodies of water, and major design features; survey Northwest Arctic Borough boundary; survey alignment over 4 months for land ownership and project features.

Roadway Design

Establish project design criteria, advance preliminary engineering to 35% design.

Fish Habitat Studies

ADF&G will continue 2021 field efforts to collect fish habitat, water quality, species presence, or critical spawning area data, focusing on mid-alignment (MP 58-130) at 57 locations.

♣ Wetland Investigations

Field evaluation of eastern 50 miles of alignment; survey for wetlands and waters of the U.S.; invasive species, if found; sensitive plant species, if found.

Stakeholder Outreach

Website update, calendar of events, mail newsletter, distribute press releases (letters of support, etc.), continue subsistence advisory committee & workforce development working group, launch social media.

Engineering & Cost Estimating

Estimating project construction costs based on preliminary engineering design.

BUREAU OF LAND MANAGEMENT & AAP



THE 2022 FIELD SEASON

- BLM approved the 2021 Field (Cultural Survey) Report but stated substantial work still needed to complete the ethnographic resource inventory for the surveyed locations
- BLM approved the 2022 Annual Plan but with many restrictions e.g., no geotech work allowed during the remand
- BLM issued a letter dated May 27, 2022 further advising AIDEA of the ongoing requirements of the Programmatic Agreement (PA), including on nonfederal lands, and that undertaking any portion of the 2022 proposed work plan without approval would constitute a violation of the PA
- AIDEA response letter of Sept 15, 2022 stated that BLM's directions were inconsistent with its prior positions, are contrary to the PA and the Cultural Resources Management Plan (CRMP), and are unnecessary to protect potential cultural and historic resources
- Very limited AAP field work was conducted in 2022 as a result of BLM's delays and restrictions

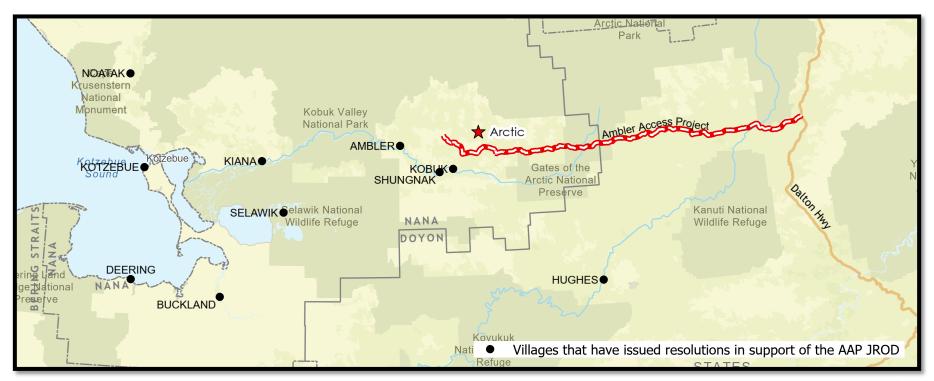
AAP SUPPORT RESOLUTIONS



- Ambler
- Kotzebue
- Buckland
- Kiana
- Deering
- Noatak
- Hughes
- Selawik

- Kobuk
- Shungnak

- Northwest Arctic Borough Assembly
- Northwest Arctic Leadership Team (NWALT)



SUPPORT FROM CONGRESSIONAL DELEGATION



MARY PELTOLA

314 Revision House Office But Washington, DC 20515 (202) 225-5765

Congress of the United States House of Representatives Washington, DC 20515

September 29, 2022

The Honorable Deb Haaland Secretary U.S. Department of the Interior 1849 C Street NW Washington, DC 20240

Dear Secretary Haaland:

I write in support of the Ambler Access Project for the potential economic benefits it could bring to area residents, the state and the nation, and to encourage the Department of the Interior to fulfill its review of the Project under the Supplemental Environmental Impact Statement (SEIS) process in a timely manner.

The mineral resources in the area, including copper, are of critical importance to the country. The minerals are there; the state and private interests in exploring and developing those resources are in place; the support of Alaska Native corporations and tribes is strong. What is missing is access, which the Project would provide.

While the state, area residents and interested parties certainly want a thorough and nothing-missed review in the SEIS, they — and I—are concerned that the timeline could stretch beyond a reasonable schedule. From the Department's voluntary remand filed with the court in February, now, seven months later, the Department is embarking on the scoping process for the SEIS. The draft SEIS could be available the second quarter of 2023, according to the Department's SEII. It status report filed with the court. Allowing for public comments on the draft SEIS and Department consideration of those comments, it appears that the Department would not be in a position to issue its final SEIS and Record of Decision until late 2023 or early 2024. Any further delay would be detrimental to residents, their Tribes and Native corporations that support the Project.

I hope that the Department's next status report to the court, scheduled for Nov. 15, will reaffirm plans to continue working the review in a timely manner, without further encumbrances. Of particular importance is allowing the Project to continue with its field activities under the work plan approved by the department this summer.

The court order in the remand for a SEIS is clear in its instructions that the additional review, which is now starting its scoping period, shall be initined to "impacts to subsistence uses under ANILCA Section 810 and ... consultation with Tribes pursuant to NHPA Section 160." To ensure the protection of subsistence resources so critical to area residents, I am strongly supportive that the Frial SEIS continue with the requirement that the Project sponsor follow through on its plans to keep the access road closed to the general public.

The Final EIS, issued more than two years ago, states: "Public access to the area by the general public and project workers for hunting or fishing via the proposed road would not be

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y non-residents of the area

would operate the Ambler d would establish a road-use ld include allowing delivery of fuel and goods,"

 building on the analysis in his project proceed to the ate of the project economics, critical endeavor.



United States Senate

September 15, 2022

The Honorable Deb Haaland Secretary U.S. Department of the Interior 1849 C Street, NW Washington, DC 20240

Dear Secretary Haaland:

We write to you to reiterate the importance of the Ambler Access Project ("Project") in Alaska and the Department of the Interior's ("DOI") prompt completion of work on the voluntary remand of its prior decision approving the Project.

DOI filed its request for voluntary remand with the U.S. District Court for the District of Alaska (the "Court") in February 2022, and the Court granted DOI's request in May 2022. It is imperative that DOI conduct a timely and narrowly tailored review on remand, and we urge you to take all steps necessary to satisfy the requirements of the Court's Order. Failure to do so in an expeditious manner would delty Federal law, prevent hardworking Alaskans from finding work that can support their families, and jeopardize U.S. economic and national security by prolonging our reliance on foreign adversaries for needed minerals and metals.

As you know, the Project would facilitate industrial surface transportation access to the currently inaccessible mineral deposits in the Ambler Mining District. The Ambler Mining District sits on extensive mineral resources, including copper, silver, gold, lead, and zinc. The area has been characterized as one of the world's largest undeveloped copper-zinc mineral belts, which is particularly crucial in light of recent forecasts of shortfalls in global copper supply. These minerals are necessary for the manufacture of electric vehicles, renewable energy sources, and are crucial to most modern defense systems.

While the Ambler Mining District has been explored for decades, development of its mineral resources has been hindered due to the lack of transportation infrastructure, which the Project would provide. Congress sought to remedy this issue through the Alaska National Interest Lands Conservation Act of 1980 ("ANILCA"), which specifically recognizes the mineral potential of Alaska in the Ambler Mining District and the need for access to those lands. Accordingly, ANILCA designated the Project for expedited treatment and guaranteed a right-of-way across certain federal lands, yet DOI has acted in defanace of federal law.

This Congressionally-mandated access is also essential to ensuring the economic stability of both Alaska and the nation. In Alaska alone, the Project has the potential to facilitate over 8,700 direct, indirect, and induced construction and operation jobs and nearly \$700 million in annual wages. That would be top of an annual wages of 360 direct jobs over the road's

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SUPPORT FROM CONGRESSIONAL DELEGATION



"It is abundantly clear to us that the JROD is well-supported, consistent with Congressional mandates in ANILCA, and President Biden's stated goals for the development of a domestic supply of critical and strategic minerals."

- Senator Lisa Murkowski & Senator Dan Sullivan

"The mineral resources in the area, including copper, are of critical importance to the country. The minerals are there; the state and private interests in exploring and developing those resources are in place; the support of the Alaska Native corporations and tribes is strong. What is missing is access, which the Project would provide."

- Representative Mary Sattler Peltola

BLM SEIS SUMMARY



- BLM intends to prepare a Supplemental Environmental Impact Statement for the Ambler Access Project.
- Scoping is 45-days in length.
- BLM requests that the public submit comments concerning the scope of the analysis, potential alternatives, and identification of relevant information and studies.
- Deadline to submit comment is November 4, 2022.

How to comment:

Website: https://eplanning.blm.gov/eplanning-ui/project/57323/510.

Email: <u>BLM_AK_AKSO_AmblerRoad_Comments@blm.gov</u>.

Fax: (907) 271-5479

Mail: Ambler Road Scoping Comments 222 West 7th Avenue, Stop #13, Anchorage, Alaska 99513

More information can be found at www.ambleraccess.org



THANK YOU