

Newsletter

October, 2024

31st Edition



KZK Project 2024 Progress Summary

There was significant activity at the KZK Project over the last few months. The season started with upgrades to the tent camp to accommodate the incoming teams. Construction was completed early in the year, with ongoing maintenance and improvements, plus the installation of new tent pads and a communications tower to host a repeater and other communications equipment. The drill core processing facility was refurbished in preparation for a planned 10,000m diamond drilling program. Environmental activity included water sampling, wildlife monitoring, and reclamation of pads and trails. Geotechnical drilling was completed, and the monitoring well installation program saw successful installation of 17 wells. BMC continued engagement with the local communities and the project also provided significant employment for Kaska and other Yukoners.

The Company completed extensive geophysical surveys at the KZK Project, primarily centered on down hole electromagnetic (DHEM) surveys and unmanned aerial vehicle (UAV) magnetic surveys. The Dias Geophysics crew completed surveys on virtually all the completed diamond drill holes. These surveys were conducted to identify and characterize subsurface conductive bodies, which are often associated with targeted mineralization. These DHEM surveys provided valuable data on the continuity and extent of mineralized zones, helping to guide further exploration and drilling efforts. A UAV (drone) magnetic survey to map variations in the Earth's magnetic field was undertaken to indicate the presence of different rock types and structures, including those with mineral deposits. Some data was affected by a geomagnetic storm which resulted in several re-flights. Despite weather-related delays, the magnetic surveys provided critical information for identifying and prioritizing exploration targets.

The geophysical programs were integral to the exploration program, enhancing the understanding of the subsurface geology and guiding the placement of drill holes to maximize the discovery of economically viable mineralization. The exploration efforts provided valuable insights into the geology and mineral potential of the KZK Project, guiding future drilling and development plans. We look forward to providing more information on the 2024 program results in the future.

As the end of our 2024 season nears, planning and preparations for next year have begun, including decommissioning of the historic tent camp and connection of a new 120 person hard-sided camp with major infrastructure being leased from Dena Nezziddi Limited Partnership and fuelled by Tu'Lidlini Petroleum. We extend our thanks to the many local businesses, suppliers and service providers for their efforts and contribution.



KZK Core



Map work



Aerial view core shacks



Desktop work on site



KZK Fireweed

KZK Site photos - Andrew Strain 2024

Kaska-BMC Scholarship Program Recipients 2024/25

The Kaska-BMC Educational Scholarships have been awarded for the 2024/25 academic year. BMC is proud to be able to support four new students through the awarding of scholarships to support their pursuit of further education. The four applicants who received scholarships this year were, one in Category A – Mining, two in Category B – University, and one in Category C – College/Trades/Transition, with all the applicants being excellent candidates who impressed the selection committee. The scholarship program was developed by BMC and Ross River Dena Council (RRDC) in 2016 to provide financial support for Kaska students wishing to commence, continue, or complete secondary education or pursue post-secondary educational opportunities, and has been in place for nine years now. It has supported recipients studying high school certificates, apprenticeships, diplomas, plus undergraduate and postgraduate degrees in diverse fields such as mining, engineering, science, pharmacology, nursing, education, business, art history, environment, indigenous studies and more. In addition to the University and College scholarship program awardees, the program also provides graduating students from Ross River High School and Watson Lake High School with assistance through the Kaska-BMC Schools Bursary Program.

Post- Secondary Studies	Category	Institution	Scholarship Amount
Pharmacology	A	University of British Columbia	\$5,000
Education	B	University of Alberta	\$4,000
Practical Nursing	B	Norquest College	\$4,000
University Preparation	C	University of Alberta	\$1,000

Further information about the Kaska-BMC scholarship program can be found on the BMC Kudz Ze Kayah website at kudzzekayah.com

We wish all the students the very best with their studies.

Messages and insight from two of the Kaska-BMC scholarship recipients. Racheyll Stewart, Category B Scholarship recipient said *“Receiving this scholarship, I am honoured to carry forward the legacy of my ancestors. I am committed to creating a future where indigenous voices are heard, and our contributions celebrated, as well as respected. I also hope to one day give back to my community. I love to help people, which is why I’m pursuing a career in nursing to begin with. Thank you for this opportunity BMC and for easing the financial burden of a proper education.”*

From Category A Scholarship recipient, Kelvin Magun. Kelvin has aspired to be part of the health-care community since he was in high school, when he began volunteering at the local public health centre in his home nation. In 2020, he completed a Bachelor of Science degree majoring in Biology, and is currently enrolled in his first year of the PharmD program, both at the University of British Columbia. With his combined work and educational experience, Kelvin is committed to promoting healthier relationships between Canada and First Nation governments, while taking the land and health into special consideration.

Kelvin grew up on the land and was fascinated by traditional medicines and the health of his surroundings. He is determined to combine his pharmacy education with the traditional knowledge of the local medicinal fauna to support health care in First Nation communities. *“I have personally experienced the hardship of rotating health professionals in my remote community, and the difficult situations that arise without having a permanent pharmacist”* he explains. *“I am driven to successfully complete the PharmD program to ensure my elders and nation are better taken care of in terms of their health and well-being, and I hope that all the traditional knowledge passed down to me from my elders and through Kaska Traditions can help overcome many challenges in today’s healthcare and pharmaceutical systems.”*



Kelvin Magun

Program Takes Flight

BMC is proud to have been able to provide support towards Alkan Air's Flight Academy. Alkan Air in partnership with the Ross River Dena Council and the Daylu Dena Council has launched a Remote Flight School program at Faro Airport which commenced in September 2024, training four Kaska citizens in obtaining their Commercial Pilot License (CPL) on the traditional territory of the Ross River Dena Council.

Information about the program is available on request through Alkan Air. Congratulations to Alkan Air on getting this program off the ground and we wish you and the current/future student pilots the best with their endeavours and encourage them to continue to reach for the sky!



KZK camp site – Photographer, Andrew Strain



KZK site accommodation



KZK site tour, core viewing



KZK communications tower

REMOTE FLIGHT SCHOOL IN FARO

Alkan Air's Flight Academy is excited to partner with Ross River Dena Council and Daylu Dena Council to offer a remote flight school in Faro to train 4 Kaska citizens to get their commercial pilot license

Student application package available at: ea@alkanair.com



KZK camp

Mine Waste Management

The Kudz Ze Kayah Project involves mining rock from the ABM deposit. Once mined, rock is crushed and ground to allow the copper, zinc, gold and other valuable minerals to be extracted. In addition to these minerals, this process produces waste rock (a mix of gravel and boulders) and tailings (fine sand). The sand, gravel and boulders are placed in storage facilities designed to ensure the material does not move and does not impact the surrounding environment.

The storage facilities are progressively reclaimed during mine operations, reinstating the areas to viable and self-sustaining ecosystems compatible with a healthy environment and traditional land use activities.

How mine waste storage facilities are built:

- ✓ The KZK Project includes three mine waste storage facilities, two to store waste rock and one to store a mix of waste rock and tailings.
- ✓ Tailings sand is filtered to remove excess water, making it easier to ensure the storage facility is stable and does not impact the surrounding environment. The filtered sand is used to construct a 'dry stack', a best practice in mine waste management.
- ✓ Waste rock and filtered tailings sand transported by truck to the storage facilities, placed and compacted using heavy machinery to ensure stability.
- ✓ Water diversion ditches are constructed around the storage facilities to divert runoff and snowmelt. Water that contacts the waste rock or tailings is collected in lined ponds. Water in the ponds is monitored and will be treated in a water treatment plant if required to meet water quality discharge parameters prior to release.



- ✓ KZK waste storage facilities have been designed by a team of engineers and scientists with extensive experience in the Yukon and globally. All designs are sealed by Professional Engineers registered with Engineers Yukon. Training of the KZK Operations team will ensure the facilities are constructed and operated as intended by the design team.

How mine waste storage facilities are reclaimed:

- ✓ The KZK Project's mine waste storage facilities will be progressively reclaimed, a process that will start soon after mining and processing begins and will continue throughout the mines operation. The facilities will be recontoured for long-term stability and to blend in with the landscape. They will be covered to decrease infiltration of water, erosion and frost penetration, plus enhance stability and provide a soil layer for revegetation.
- ✓ They will be revegetated with native plants, guided by the integration of Traditional Knowledge and Yukon revegetation guidance. The effectiveness of reclamation measures and revegetation will be closely monitored, and will be adapted if necessary to ensure that reclamation objectives are met.



How mine waste storage facilities differ from heap leach pads:

- The KZK mine waste storage facilities are different structures from heap leach pads in terms of their objectives, construction and risk profile.
- The primary objective of a heap leach pad is to dissolve valuable metal from the rock placed on the pad. To do this, rock is stacked on the pad and leach solution (water containing cyanide or other chemicals) dripped over it to dissolve valuable metal in the rock. The rock in a heap leach pad is stacked loosely for solution to flow through. The leach solution is typically stored within the pad and pumped out to remove the dissolved metals.
- KZK waste storage facilities sole objective is safely storing sand and rock to ensure it does not move or impact the surrounding environment. The sand and rock are kept dry, and are compacted by heavy equipment to make them dense. As a result, waste storage facilities are more compact and drier than heap leach facilities. Moisture in a waste storage facility does not contain high concentrations of chemicals such as cyanide.

