

BMC Newsletter

April, 2017

7th Edition

Much has happened since our last Newsletter! Following are some of the exciting things that we have accomplished since the last newsletter.



Robert E. Leckie Award

First up we would like to acknowledge and thank all our staff and contractors for BMC being recognised for excellence in environmental performance by winning the 2016, Robert E. Leckie Award for 'Responsible and Innovative Exploration and Mining Practise', from the Yukon Government. We are extremely proud to have received this award as it demonstrates one of our fundamental commitments to how we conduct our business, which is, to conduct activities in an environmentally responsible and ethical manner with due regard to the legacy of our actions. We will continue to act in this manner in all our future operations.

Congratulations Rory Goebel!

Rory Goebel received an Exemplary Action Certificate from Commissioner Doug Phillips, for taking immediate action to save a life in a remote region of Yukon. While Rory was a medic at KZK he performed advanced first aid on a man who arrived at BMC's gatehouse with life threatening injuries. Rory attended to the man while being airlifted to the hospital in Whitehorse, fortunately the man survived thanks to Rory's intervention.



KZK Project Ongoing Consultation and Community Meetings

In October 2016, BMC sent a KZK Project Overview document to Ross River Dena Council, Liard First Nation, stakeholders and interested parties. The KZK Project Overview described BMC's draft KZK mine design and operations. Following the release of the document, BMC held community meetings in November and December 2016, in Ross River, Faro, Whitehorse and Watson Lake. The purpose of the meetings was to present the information contained in the KZK Project Overview document. The questions and feedback provided during the community meetings were considered in the final KZK Project planning and subsequently informed the preparation of the KZK Project Proposal for Screening by the YESAB Executive Committee.

Subsequent to the community meetings, the draft Project Proposal was provided to Dena Cho for review on behalf of RRDC.



Jim Newton (Chief Mining Engineer) presenting the KZK Project Description at the Open House in Whitehorse (November 2016)



Robin Black (VP Exploration) and Rob McIntyre (VP External Affairs) preparing for the Open House in Watson Lake (November 2016)

KZK Project Proposal Submission

In early March 2017, BMC submitted the Kudz Ze Kayah Project Proposal for Screening by the YESAB Executive Committee. On March 27th BMC received a letter from YESAB indicating that they had begun the adequacy review of the Proposal. During the adequacy period YESAB will confirm (in part):

- That BMC has consulted with First Nations and residents of communities in accordance with the Yukon Environmental and Socio-economic Assessment Act, and
- That the Proposal contains sufficient information to enable the Executive Committee to commence the Screening.

Additional information on YESAB's process for Screenings conducted by the Executive Committee can be found at: <http://www.yesab.ca/submit-a-project/executive-committee-screenings/>



BMC is looking forward to working with the Executive Committee throughout the Screening process.

Community Benefits

As per our June 2016 Newsletter, BMC has worked hard to maximise local content and economic benefits at KZK. We are pleased that we were able to award the majority of the KZK 2016 field program contracts to local businesses and suppliers. The following table shows the value of the direct payments made in the form of wages, contracts, joint ventures, donations and training over the last two years from KZK.

| | Expenditures | |
|--------------|---------------|---------------|
| | 2015 | 2016 |
| Kaska | \$1.85 | \$1.87 |
| Other Yukon | \$2.51 | \$5.95 |
| Total | \$4.36 | \$7.82 |

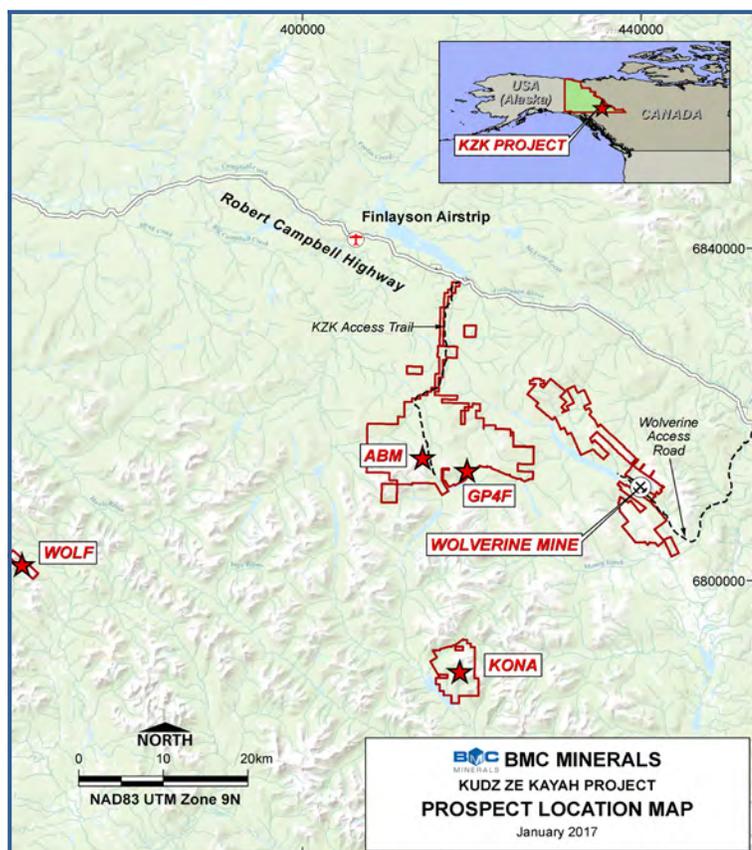
BMC - Kaska Scholarship Program

As part of our commitment to helping the local community benefit from our activity in the region, BMC and RRDC have together created the BMC - Kaska Scholarship Program.

It is expected that it will take around 5 years to obtain permits and to develop KZK. We want to use this time to provide education and training opportunities and through this program we hope to provide a pathway for locals to be considered as future mining professionals, supervisors and managers at KZK.

In the fall of 2016 and early 2017, \$28,500 in Scholarships and Study Assistance Packages were awarded to local Kaska students in university or college and to RRDC and LFN students in year 12 of high school. Over the next 3 months we will be calling for applicants for the 2017/2018 scholarships to be awarded in early September 2017.

Exploration Program



The KZK camp shut down for the winter after a successful 2016 field season. BMC drilled approximately 18,000 metres in 2016 which has helped to provide a Mineral Resource update for KZK.

In January 2017, BMC announced a preliminary Mineral Resource estimate for the Wolf property situated approximately 40 km west of KZK, and the acquisition of an option to purchase the Fyre Lake property (Kona deposit) approximately 20 km south of KZK.

Planning for 2017 activity is still underway; however, it is likely that field work will focus on the Wolf and Fyre Lake claims with activity at KZK being constrained to ongoing environmental programs and other follow up work to support the Proposal, submitted to YESAB in the last few weeks.