

Bishop Mill, Inyo County

CMC Metals Ltd.
February, 2020

CMC Metals Ltd.

- TSX-V: CMB
 - 18.13 M Shares Outstanding (13.05M Public Float)
 - Formed June 21, 1996
 - Headquarters: Vancouver, BC, Canada
- Board of Directors
 - Chairman: Michael Scholz
 - President, CEO and Director: Kevin Brewer
 - President - 0877887 BC Ltd, Corp Secretary, Director: Graham Chisholm
 - Other Directors with broad base of experience in financial markets, government relations, and project development

Bishop Mill - Location and Access

- Located approximately 9 miles northeast of the town of Bishop, immediately adjacent to Highway 6, in the southern part of the Chalfant Valley
- The Chalfant Valley is a narrow alluvial plain bounded on the east by the White Mountains and on the west by the Volcanic Tableland
- Situated on public lands administered by BLM field office - Bishop
- Four mill-site claims with a site area of 5.96 acres and a disturbed site including access roads of 9.08 acres

Bishop Mill - History and Background

- Originally constructed in 1985 by Mammoth Mtn Mining Co. who operated the mill for an unknown period of time processing local ores and generated 2,500 tons of tailings
- Mill taken over by Gordon Stavish in 2005 to process ore from the Gold Bug Mine. Initial BLM permit reversed as tailings did not qualify for a Class C Disposal facility and operations ceased. (Tailings since determined not hazardous waste)
- Mill and claims purchased by Pruett Ballarat Inc. who subsequently sold the operation to CMC Metals Ltd.

Bishop Mill - History and Background (cont.)

- In 2010 CMC hired SRK Consulting U.S. to complete a hydrogeological study and design the current WMU
- CMC installed two additional groundwater wells (WM-3 and 4) at the request of the Lahontan Water Board (LWB), and constructed the WMU
- In 2011 the LWB issued an order (R6V-2011-0048)
- In 2012 CMC prepared the Bishop Mill Plan of Operations and Reclamation Plan

Bishop Mill - Site Facilities

- Mill capacity 96 tpd, estimated throughput rate of 4 tph
- Waste Management Unit (WMU): double line pad with a leachate collection and recovery system (LCRS) with 550,000 cubic foot of tailings (2012 PoO envisioned a 5 year life with up to 32,000 tons of tailings)
- Other facilities include a mechanical building, office facilities, assay and quality control lab, electrical building with power lines, storage warehouse, five groundwater wells (4 - monitoring, 1- production well with a steady discharge rate of 87gpm), pot furnace, various pieces of machinery and equipment, concrete ore pad (40*80' - 1000 tons), site security building

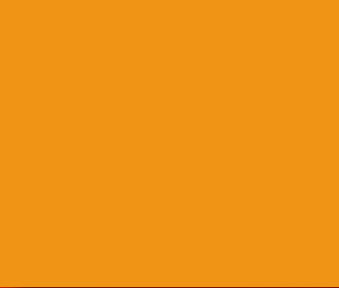
Bishop Mill

- Screening, grinding, flotation and gravity separation circuits are located within the mill building
- Main components:
 - Primary/secondary crusher
 - Mills
 - Rake classifier
 - Flotation cells
 - Filtering system
 - Electrolytic winning system











Bishop Mill - Water Quality Control

- Wells MW-1, 2 and 4 are the monitoring points for compliance detection. Two lysimeteres are to be installed at the site one at the LCRS and another at a monitoring location
- Well MW-3 is an upgradient monitoring well and can provide background characterization of naturally occurring constituents
- Priorized testing from the lysimters incudes (in order of importance): dissolved metals, WAD cyanide, sulfate, TDS, alkalinity, bicarbonate and the monitoring parameters

Bishop Mill - Reclamation and Site Closure

- Reclamation estimated to be one year beyond the date of operations for closure activities and final reclamation
- Cost estimate (2012) using Nevada Standardized Reclamation Cost Estimator for total and indirect costs was \$191,269
- CMC Metals has provided a reclamation bond to cover the estimated reclamation cost with the Bishop office of the Bureau of Land Management

Bishop Mill - Regulatory Agencies

- Bureau of Land Management (BLM) Field Office - Bishop - NEPA
- Lahontan Water Board - South Lake Tahoe - CEQA
- CMC has a positive working relationship with the regulatory agencies and is working cooperatively to resolve minor remediation measures required at the site
- CMC in the past received a NEPA permit for the mill and is working towards completing final plans and the remediation effort to achieve CEQA permitting

Conclusion

- The Bishop Mill offers an opportunity to be fully permitted in a relatively short period of time for the processing of ores
- CMC is actively seeking opportunities for toll milling of local ores, joint venture opportunities, or a potential buyer of the mill