

20th February 2023

Countdown to re-opening of Akara's mine amid overwhelming response while community and economy begin to revive

According to the news that has been circulating about the re-opening of the Chatree Gold Mine of Akara Resources Public Company Limited, Mr. Cherdsak Utha-aroon, General Manager-Sustainability, revealed that the Company had completed the refurbishment of machinery and the metallurgical processing plant no. 2, costing about 600 million baht, and is ready to resume operations. The Company has also submitted a letter to the relevant government agencies to conduct the final reopening inspections ensuring that the Company has fully complied with the conditions. Once the written permission is received, the Company will begin mining operations.

Mr. Cherdsak further revealed that the Company complies with all relevant laws and regulations, including those related to environmental impact assessments (EIAs) and health impact assessments (EHIAs). On the 20th January 2023, the Supreme Administrative Court (Phitsanulok) issued a verdict dismissing a case brought against the Company by a protester who alleged that the issuance of 5 MLs in Phichit Province was illegal. The court found that the company had obtained approval or authorization from relevant government agencies in accordance with the prescribed procedures and laws, including the EIA and EHIA. The Company would like to reiterate that the Company's operations are safe and do not cause adverse impacts on health or the environment; the fact of which the locals are well aware and hence the strong community support.

Regarding the response from the local community, Mr. Cherdsak said, "Some of the people in the community who had to leave their hometown to find work elsewhere have gradually returned to the area. Some will come back to work at the mine. When the Company announced the recruitment of over 160 employees in November 2022, the Company received overwhelming interest with more than 1,700 applicants, exceeding the number of positions we had available. The initial operational plan will utilize only one plant, which is the Plant #2 with a production capacity of 2.7 million tons per year. After the company has been operating for some time, it will then begin to refurbish the Plant #1, which has a production capacity of 2.3 million tons per year. After that, additional employees will be hired to accommodate the increased workload. In terms of employee selection, the company prioritizes those who are native to the area. Meanwhile, some locals are looking for business opportunities to capitalize on the economy that is expected to boom again after the mine re-opens. This is great news that we are contributing to the strengthening of family institutions, and the positive social impact is immeasurable."

Although the Company has not yet started its operations, the spending of the Company's employees and contractors hired to refurbish the plant has clearly affected the revenues of small businesses in the community. Miss Pariyanat Sidaungkaew, the owner of a convenience store in Moo 3, Khao Chet Luk Sub-District, Taphan Hin District, Phichit Province, said that she started her business when the mine began its refurbishment. At that time, her store's monthly sales were less than ten thousand baht, but now she can earn up to one hundred thousand baht a month. Every morning, contractors and workers from the mine stop by to buy some food before going to work, and after work, her store gets busy as well. Similarly, Mr. Watchara's made-to-order food and noodle shop located in Moo 3, Khao Chet Luk Sub-District, Taphan Khlo District, Phichit Province, the shop is a place where locals and mine workers often stop by for lunch. Its income has doubled due to the increase in the number of customers in the past five months.

With regard to a small number of people who oppose the re-opening, the Company believes that there must be some misunderstanding. However, whenever complaints or allegations of various impacts are raised, the Company never takes it lightly and arranges for immediate investigation ensuring full cooperation with relevant government agencies is provided. In the current situation where the Company is preparing to resume operations, it has been consistently engaging with the community to ensure correct understanding of the Company, including listening to concerns, answering questions, and explaining safety measures put in place. As a result, the protesters have gained better understanding and alleviated their concerns. The Company always believes that living in harmony with the community is a cornerstone of a sustainable business.

As for the progress of the arbitration, Mr. Cherdtrak stressed the negotiation did not involve any exchange of benefits. The negotiation was undertaken in accordance with the lawful rights of the Company and the Thai government, putting the public's benefit as the top priority. The Company is confident that the Chatree Gold Mine will be an important driving force of the economy and will create multiplier effects at various levels, both locally and nationally. From past statistics, the Company has injected over 39,000 million baht into the Thai economy through support for local businesses, payment of royalties and taxes, and employment. Business activities of the Company have injected no less than 3 billion baht per year into the economy.

Lastly, the Company would like to thank the concerned government agencies and local administrative organizations for carrying out their duties in accordance with the law with transparency and fairness for the highest benefit of the people and the country. The Company also expresses gratitude to community leaders and local residents around the mine for their trust and tremendous support in the return of the Company.
