

Mining Association of Canada
Towards Sustainable Mining

22nd Meeting of the
Community of Interest Advisory Panel
SUMMARY REPORT

September 30 – October 2, 2014
Val-d'Or, QC

Towards Sustainable Mining
Vers le développement minier durable



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Executive Summary

Established in 2004, the Community of Interest Advisory Panel (COI Panel) is an independent multi-stakeholder group that monitors the Mining Association of Canada's Towards Sustainable Mining (TSM) initiative's progress and serves as an external source of knowledge and experience. This executive summary provides a brief account of the meeting held between September 30 and October 2, 2014 in Val-d'Or, Québec.

Setting the context: History Abitibi-Témiscamingue

The history of Val-d'Or is rich and complex as it was first populated by the Algonquins and later established by the discovery of minerals along the Cadillac fault. Today, mining continues to be the economic engine of the region. To prepare for the meeting, the Panel requested that time be spent on understanding the historical context of the region. One Panel member shared a backgrounder on the social and economic history of the region prior to the meeting and Jean-François Doyon (Sustainable development specialist at Agnico Eagle Mines Limited) engaged the Panel with a presentation on the history of Abitibi-Témiscamingue and the mining industry of this area. His presentation outlined key characteristics of the Abitibi region and provided a historical timeline of the key events and development that shaped the region.

Post-verification review: Barrick and ArcelorMittal

Barrick and ArcelorMittal were selected to undergo post-verification review (PVR) in 2014. The following themes and key topics were discussed with both Barrick and ArcelorMittal:

<u>Themes</u>	<u>Key Topics</u>
<i>Tailings management</i>	<ul style="list-style-type: none"> • Understanding the implications and aftermath of the Mount Polley tailings breach • Managing the balance between water quality and dam stability • Implications of climate change on tailings • Importance of crisis management plans and the need for companies to be transparent on these procedures with local communities • Improving performance in the Tailings Management TSM protocol
<i>Aboriginal and Community Outreach</i>	<ul style="list-style-type: none"> • Understanding how companies are managing Aboriginal relations • Managing the impacts of fly-in / fly-out communities • Managing the gender balance for mining companies • Preparing for mine closure (i.e. social closure planning)
<i>International application of TSM</i>	<ul style="list-style-type: none"> • Expanding TSM to global operations • Understanding TSM and the reporting burden • Measuring the impact and value of TSM

Meeting the locals: Val-d'Or's COI and Aboriginal Leaders

On October 1, the COI Panel met with local Val-d'Or and Malartic communities of interest in the afternoon. Seven community representatives shared their perspectives on the issues that matter most to them; their relationship with the mining industry focusing on the success and challenges; as well as their thoughts on the mining industry's role in the long-term vision for the community. Several local COI noted

how the mining industry has been an active player and partner in supporting the socio and economic development of the region. The local COI noted the challenges of living in such close proximity to the mine and discussed how they were preparing for mine closure.

The COI Panel invited Aboriginal leaders from nearby communities to the evening reception, but, unfortunately, none could attend. Representatives from the Val-d'Or Native Friendship Centre spoke to the Panel about the history and challenges faced by the Algonquin peoples and noted how Canada must focus on building stronger partnerships with Aboriginal communities.

Site visits: Canadian Malartic and Goldex Mine

The Panel visited two mines and one museum during the October meeting. In Malartic, the Panel visited the Canadian Malartic viewpoint and Malartic Mineralogical Museum. In Val-d'Or, the Panel visited the Goldex mine, including an underground mine tour and a visit to the Goldex-Manitou tailings restoration project.

Conclusion

Moving forward, the Panel will continue to focus on key issues such as tailings, Aboriginal relations and climate change. The Panel would also like to spend time on reviewing the Panel's objectives and prioritizing how it best spends its time; summarizing and learning from the past four site visits; and thinking about how to bring additional perspectives to the Panel, most notably, how to include the Mining Association of British Columbia and the Association minière du Québec on the Panel.

1 Introduction

The Mining Association of Canada's (MAC) Community of Interest (COI) Advisory Panel ("the Panel") met September 30 to October 2, 2014 in Val-d'Or, Quebec. The Panel, established in 2004, monitors the Towards Sustainable Mining (TSM) initiative's progress and serves as an external source of knowledge and experience.¹ Its mandate is to:

- Help MAC members and communities of interest improve the industry's performance
- Foster dialogue between the industry and its communities of interest
- Help achieve the goals of TSM

This report presents a summary of discussions at the October 2014 Panel meeting, including decisions on the work of the Panel and recommendations to MAC. Any dissenting views have been identified and recorded. Meeting presentations are appended to this report; content contained in meeting presentations is not duplicated in the body of this report.

2 Summary of Action Items

Below is a summary of action items arising from the COI Panel meetings. Action items are reported until complete.

Table 1: List of COI Panel Action Items

ACTION ITEMS					
#	ITEM	LINK TO REPORT	RESPONSIBLE	TIMELINE	STATUS (as of June 2014)
#6– March-14	MAC will provide suggestions on how to move forward on Honoraria Expenses.	8.5	MAC	Spring / Summer 2014	Complete
#7– March-14	Consider adding a "so what" to the end of each discussion section so that action items are identified.	9	Stratos	Before Fall meeting	Complete
#1 October - 14	Fill the open PDAC seat on the Panel	3.1	MAC	2015	In progress
#2 October - 14	Discuss absenteeism by MAC Member company representatives with MAC members	11.2	MAC	Before Spring meeting	In progress
#3 October - 14	Deliver a webinar for the Panel on the relationship between TSM and other CSR reporting mechanisms	11.3	MAC	Before Spring meeting	Not started yet
#4 October - 14	Invite the Panel to help shape and design the next local COI meeting	11.3	Stratos / MAC	Before Fall meeting	In progress
#5 October - 14	Include time to debrief the PVR webinar presentations after the webinar. Discuss key issues with MAC.	11.3	Stratos / MAC	Before Fall meeting	Not started yet
#6 October - 14	Invite the Panel to attend the Verification Service Provider (VSP) training workshop should members want to better understand the verification process.	11.3	MAC	Fall 2014	In progress
#7 October - 14	Provide written feedback to MAC on key lessons learned from the site visits across Canada over the last four years	12	Panel	TBC	TBC

¹ For more information on MAC's COI Panel, visit: <http://www.mining.ca/site/index.php/en/towards-sustainable-mining/community-of-interest-advisory-panel.html>

ACTION ITEMS					
#	ITEM	LINK TO REPORT	RESPONSIBLE	TIMELINE	STATUS <small>(as of June 2014)</small>
#8 October - 14	Decide how to include the provincial mining organizations who have adopted TSM onto the Panel	12	MAC / Stratos / Panel	TBC	TBC

3 Welcome and Introductions

3.1 Introductions

Michael van Aanhout, the Panel facilitator, and Ben Chalmers, Vice-President of Sustainable Development at MAC welcomed everyone to the October 2014 COI Panel meeting during the evening of September 30, 2014.

Before dinner, the Panel Facilitator invited everyone to participate in a roundtable of introductions. The following was noted:

- Nathalie Ross is stepping in for Tara Shea (Director of TSM at MAC) who is on maternity leave. Nathalie is on secondment from Natural Resources Canada.
- Chief Earl Klyne, Alan Young, Peter Read, Mark Travers and Glen Koropchuk were unable to attend.
- Leanne Hall, who filled the seat for the Prospectors and Developers Association of Canada (PDAC) is no longer at Noront. MAC is currently looking to fill the PDAC seat.
- Shirley Neault (Hudbay and current Chair of the TSM Initiative Leaders) and Nathalie Tremblay (Association minière du Québec) were observers throughout the meeting.
- Several representatives from Agnico Eagle joined for the Tuesday evening dinner.

A list of all attendees is provided in the Appendix.

3.2 Overview of the Agenda

The Panel facilitator reviewed the objectives of the Panel and walked through the Agenda for the meeting.

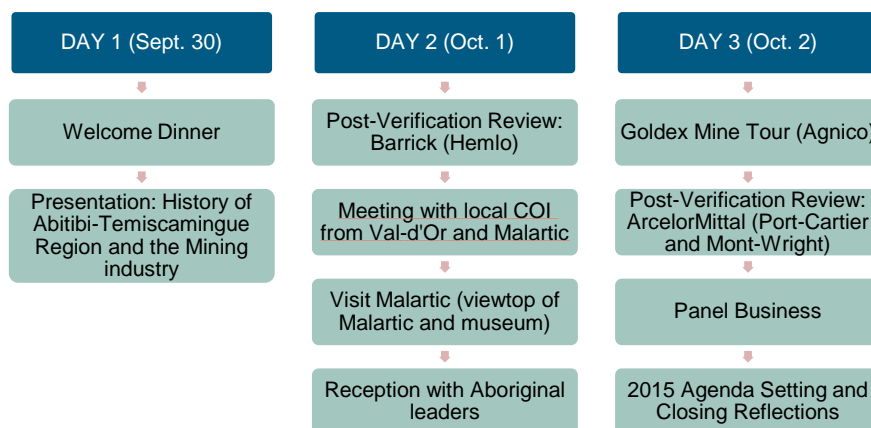


Figure 1: Agenda for the October 2014 COI Panel Meeting

4 Presentation: History of Val-d'Or

During the summer agenda setting teleconference, it was suggested that it would be helpful to set the context for the fall meeting and to take some time to understand the history of the Val-d'Or region.

Prior to the meeting, Alan Penn shared a background note on the historical and social context of mining in the Val-d'Or and surrounding mining districts. The purpose of his note was to provide some background on the emergence in Québec, over a period extending back to the 1920's and 1930's, of a distinct socio-economic region built around the metalliferous ores between the Val-d'Or region and the Ontario border.

After dinner, Jean-François Doyon (Sustainable development specialist at Agnico Eagle Mines Limited) engaged the Panel with a presentation on the history of Abitibi-Témiscamingue and the mining industry of this area. His presentation outlined key characteristics of the Abitibi region and provided a historical timeline of the key events and developments that shaped the region.

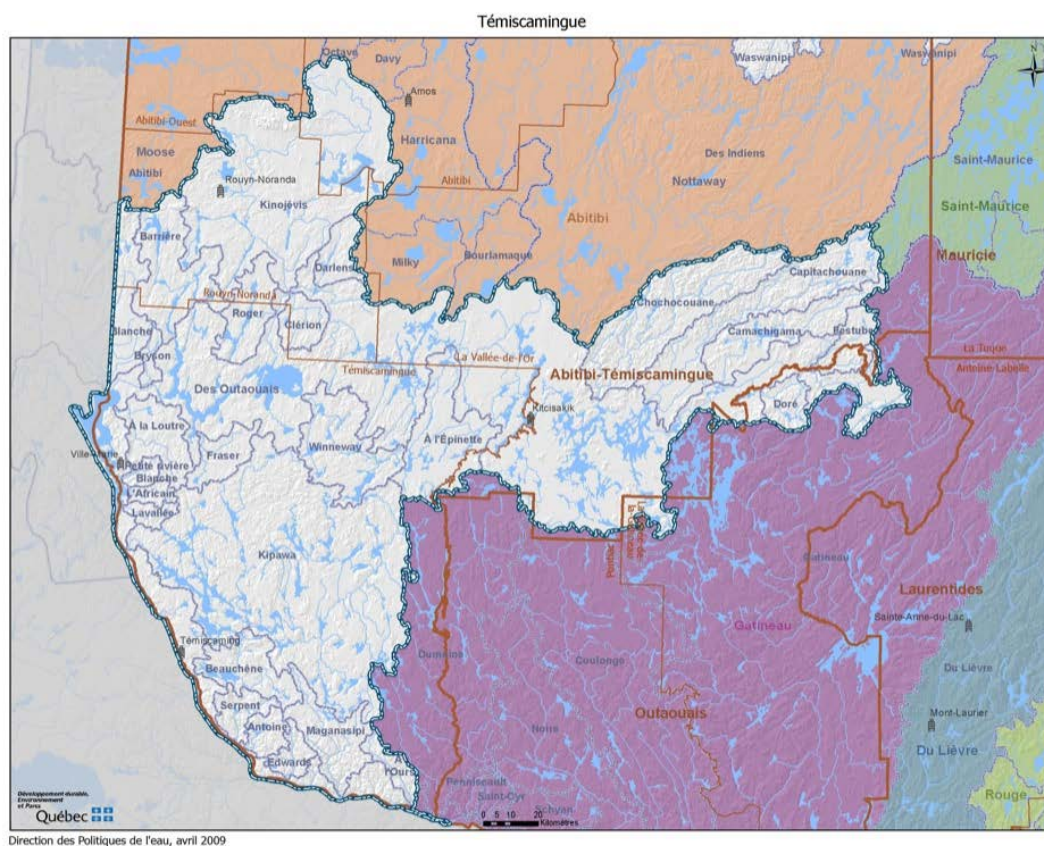


Figure 2: Map of the Abitibi region

Key points from his presentation include:

- First occupation of the land was by the Algonquins, who had a nomadic way of life and were involved in the fur trade.

- The mining industry in the region began in the mid-1800s with the creation of the Geological Survey of Canada and the exploration of the Temiscaming and Abitibi Lake.
- Migration started to flow into Abitibi with the establishment of the railroad (1912-1920).
- World War I brought new interest to the region with the increased demand for zinc and copper.
- The Horne deposit discovery along the Cadillac-Larder Lake fault led to the rapid development of Noranda and Rouyn.
- Gold was first discovered in the Val-d'Or region in 1922. The gold rush led to the creation of new towns in the 1930s (Val d'Or in 1934, Malartic in 1935 and Cadillac in 1938).
- The mining rush brought a lot of workers to the region (10,000 workers in the Abitibi mines in the late 1930s).
- Many of the big ore bodies that started between 1927 and 1940 continued operating and maintained mining activities and expertise until the 1970 and 1980.
- The second mining rush in the region was between 1980 and 1990. It was at this point that concerns for workers' health and safety and protection of the environment were raised, leading to increased regulations for the mining sector.
- New rules were put in place in the 1970's for Northern Quebec (James Bay area and Nunavik) as well as requirements for specific consultations and agreements with Cree and Inuit in Quebec.
- The third gold rush between 2005 and 2012 saw new mines open in close proximity to existing or closed mines.
- These new mining projects raised concerns among the communities.
- Best practices are now promoted within the industry to reduce environmental risks and improve performance to enable social acceptance for mining projects.
- Mining companies must communicate with communities of interest about their activities in the early stages and during the whole cycle of project development, operation and closure.
- No agreement has ever been signed with the Algonquins living in the Abitibi region and no financial compensation for the impact of human development in Abitibi since 1930 was ever offered (in comparison to the Cree and Inuit of Northern Quebec). The Algonquins now want to negotiate Impact Benefit Agreements (IBA) to obtain economic benefits from mining projects.
- The December 2013 Mining Act now requires mining projects to consult with First Nations, however, the definition of what constitutes proper consultation is unclear.

5 Update on Tailings Management: Discussion on Mount Polley

The second day started with a discussion on the Mount Polley tailings breach that occurred on August 4, 2014 in British Columbia and how it was affecting the mining industry and its stakeholders. One Panel member shared that the incident sent a chill through the First Nations in his region on Vancouver Island, effectively putting a pause on his work in establishing an early-stage dialogue between the mining industry and First Nations.

Representatives from MAC noted that the owner and operator of the Mount Polley mine, Imperial Metals, has been a member of MAC for two years, meaning the company has yet to complete an external verification of its performance against the TSM protocols. Until the investigation is complete, MAC will not know how this incident occurred. They noted, however, that the breach could have been caused by one or more of the following: 1) A tailings management failure; 2) Inadequate regulatory oversight from the government; and/or 3) A fatal flaw in the design and engineering of the tailings dam. MAC is currently working with its Tailings Working Group to review the TSM Tailings Management protocol. The TSM Crisis Management protocol is also relevant considering the importance of managing the response.

Moving forward, MAC noted that they may provide some independent input after the investigation is complete. One industry member commented that the TSM Tailings Management protocol may need to be improved to incorporate improved best practices including establishment of an independent review board or panel.

6 Post-Verification Reviews (Barrick and ArcelorMittal)

6.1 Background on the Post-Verification Review process

At the March 2014 COI Panel meeting, the Panel selected Barrick and ArcelorMittal from the list of companies verifying their 2013 TSM results to undergo post-verification review (PVR) in 2014. Barrick presented their PVR results on the morning of October 1, and ArcelorMittal presented their results on the afternoon of October 2. The results of the PVR sessions are provided in a separate report that will be sent to Panel members and posted on the MAC TSM website. However, a review of the process and highlights of the PVR sessions are included in this report.

The TSM verification system is based on a layered approach, and includes four elements as outlined in Figure 3:

Based on guidelines developed by the Panel in 2007 and revised in 2014 with support from the COI Panel PVR Working Group, the purpose of the PVR is to have the COI Panel lend public credibility to the TSM results by:

- ✓ Engaging in dialogue with the companies undertaking the PVR to identify best practices and challenges on environmental and social issues faced by mining companies and communities;
- ✓ Driving continued performance improvements by identifying both opportunities and impediments to reaching the highest level of TSM performance;
- ✓ Determining whether the member companies are finding the verification process useful;
- ✓ Bringing cohesiveness in the application of the self-assessment and verification processes; and
- ✓ Improving TSM (including the verification process).

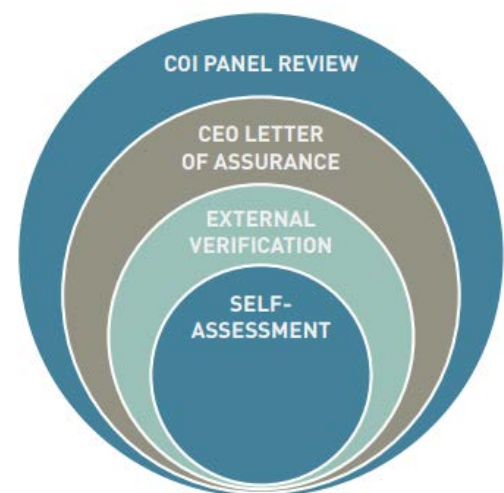


Figure 3: Levels of assurance in the TSM program

All companies selected for the PVR are asked to prepare a Company Background Document to help the Panel understand the company, the verified results, and any relevant background information prior to the Fall COI Panel Meeting.

Similar to the PVR process in 2013, companies were again asked to present their materials via webinar two weeks prior to the meeting for the Panel to free up time for dialogue during the face-to-face meeting as well as give the Panel some time to reflect on the material. The content in the webinar largely

answered the specific questions the PVR Working Group² had regarding both companies Background Documents.

The PVR Working Group decided on the following format and themes for the discussions with both Barrick and ArcelorMittal:

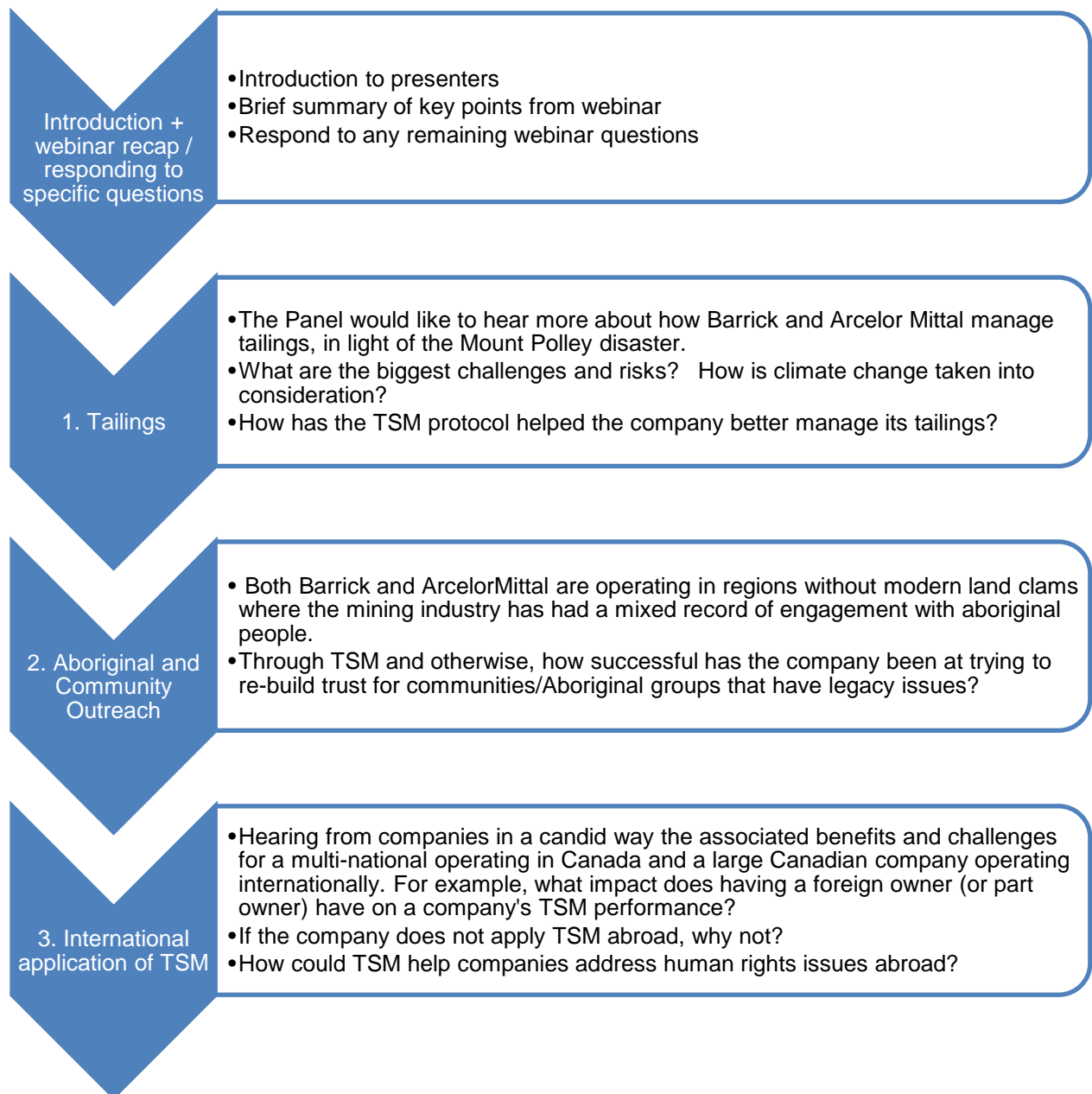


Figure 4: Key themes for the 2014 PVR (face-to-face meetings)

² For the 2014 PVR process, five non -industry Panel members

6.2 Highlights of Barrick and ArcelorMittal's Post-Verification Reviews

6.2.1 Tailings

The Panel was keen to know how the Mount Polley incident had affected both Barrick and ArcelorMittal. As one presenter noted, "what happens to one, affects us all."

Key themes from the dialogue on tailings include:

- *Relationships with the regulators:* After Mount Polley, Hemlo received a call from their local regulators two to three days after the event to get additional information pertaining to the Hemlo management of the tailings facility. Open dialogue and good professional relationships with the regulators is important.
- *Managing the water balance in tailings:* Companies are concerned with managing the quantity of water in tailing impoundments. One presenter noted that regulators are often more focused on water quality than on dam stability, and that under certain circumstances there can be difficult trade-offs between these two requirements.
- *Implication of climate change on tailings:* The Panel was concerned about the implications of extreme and unpredictable weather events on tailings and was interested in understanding how both Barrick and ArcelorMittal incorporated climate risk into the design and management of tailings.
- *Transparency of corporate crisis management plans:* The Panel was interested in the public disclosure of crisis management plans. Communities nearby mines want to know how well companies are prepared for events such as a tailings dam failures, how they will be impacted and how they should respond in the event of an incident.
- *Improving performance in the Tailings Management TSM protocol:* To get a level AA for the Tailings Management TSM protocol, companies must have their performance against the protocol externally verified. While one company noted that they have completed geotechnical audits which are mandated by the regulator and externally reviewed, TSM differs as it focuses on the management of tailings.

"What happens to one, affects us all."

PVR presenter, referring to the Mount Polley incident

6.2.2 Aboriginal and Community Outreach

Key themes from the dialogue on aboriginal and community outreach include:

- *Relationships with Aboriginal Peoples:* The Panel was interested in both companies' experience with Aboriginal groups. Building relationships on trust and good dialogue is key. According to one company, whether or not an Aboriginal community holds treaty rights does not change how they interact – a relationship still needs to be built on trust.
- *Negotiating agreements with communities:* What is the bargaining power of an Aboriginal group? How do negotiations work? One presenter responded that gaining or losing social license is critical.
- *Fly-in / Fly-out communities:* How do companies located in remote areas manage fly-in/fly-out communities? The Panel was interested in the practical realities and challenges of Fermont – a mining dependent town that now houses a large population of employees who fly-in/fly-out.

ArcelorMittal noted that they are now focusing on bringing in more residential employees versus fly-in/fly-out employees because having both puts a major strain on the community.

- *Gender balance:* Considering that mining is a male-dominated field, the Panel was interested in the gender balance within Aboriginal communities and with remote fly-in / fly-out communities, noting that labour shortages may be able to be filled if companies hired more Aboriginal people and women.
- *Preparing for mine closure:* Both Marathon and Fermont are towns that are heavily dependent on the mining industry. The Panel was interested in how the companies and municipalities were preparing for closure, from the social, economic, and environmental perspectives.

6.2.3 International application of TSM

Key themes from the dialogue on the international application of TSM include:

- *Expanding TSM:* Panel members were interested in the application of TSM abroad, noting that it is important for Canada that mining companies operate responsibly abroad.
- *Knowledge sharing with global operations:* One PVR Company representative suggested that implementing TSM would improve overall corporate performance. In this case, the Canadian operation outperforms its international peers and having TSM in place would help raise the bar across the global corporation. Responding to questions whether TSM is too Canadian-focused to be applied internationally, one person noted, "TSM was not just developed by Canadians, it was developed by miners." "TSM was not just developed by Canadians, it was developed by miners."
- *TSM and the reporting burden:* Between ICMM, the United Nations Global Compact, the International Cyanide Management Code and the Carbon Disclosure Project, to name a few, companies are facing increased disclosure requests that lead to duplicative requirements, weeks of audits, and a loss of value.
- *Measuring the impact and value of TSM:* One Panel member wondered how MAC could measure the positive impact of TSM to help increase the uptake by international operations. The Panel facilitator reminded everyone of IAMGOLD's Beyond Zero Harm framework that was presented to the Panel in March 2013. One person also noted the increased interest in understanding the cost of conflict, referring to a study by Queensland University and the Harvard Kennedy School that demonstrated how conflict translates environmental and social risk into business costs.

7 Meeting with Val-d'Or's Communities of Interest

On October 1 in the afternoon, the COI Panel met with local Val-d'Or and Malartic communities of interest. The invited guests included:

1. Pierre Corbeil, Mayor of Val-d'Or
2. Fernand Trahan, Former Mayor of Val-d'Or*
3. Martin Ferron, Mayor of Malartic
4. André Vezeau,, Former Mayor of Malartic*
5. Clémentine Cornille, General Manager of CREAT (comité régional environnement Abitibi-Témiscamingue)
6. Bruno Bussière, Institut de recherche en mines et en environnement (IRME), Université du Québec en Abitibi-Témiscamingue (UQAT) *
 - a. Denis Bois, IRME UQAT (attended in his place)

7. Jean-Maurice Matte, CRÉ (Conférence régionale des élus)*
8. Michel Gilbert, Comité de suivi Malartic (Local Advisory Panel)
9. André Racicot, Président syndicat des Métallos (IAMGOLD Union representative)*
10. Sandra Marseille, Agnico Eagle employee representative (Goldex Mine)
11. Marcel Jolicoeur, President Chamber of commerce of Val-d'Or
12. Jean-Claude Loranger, President of the Chambre de commerce of Rouyn-Noranda*

Those marked with an asterisk (*) were not able to attend.

Each speaker was given time to share the issues that matter most to them; their relationship with the mining industry focusing on the success and challenges; as well as their thoughts on the mining industry's role in the long-term vision for the community. The Panel facilitator facilitated an open and rich dialogue with the Panel and local COI. Professional translators were present to enable bilingual exchange.

Key discussions from the Panel and the guests include:

Pierre Corbeil
Mayor of Val-d'Or

Monsieur Corbeil welcomed everyone, thanked everyone for visiting Val-d'Or and noted that we were on the territory of the Algonquin. Val-d'Or's existence as a town is based on the mining industry. Even now, mining is a vital industry that benefits everyone in the town. Mining companies partner frequently with the municipality, collaborating on projects related to economic and social development, environment, education, culture, and sports. The mining industry has helped Val-d'Or connect globally and attract skilled labour from around the world. M. Corbeil noted how the Manitou-Goldex tailings reclamation project has been a win-win for the town. He noted that the town still faces challenges living in such close proximity to a mine. Noise, vibration and dust are common complaints. Whereas mining companies focused on environmental, and health and safety issues in the 1980s and 1990s, today's major challenge is gaining social acceptance. People no longer keep issues and challenges with the industry quiet. The mayor noted that efforts should now be placed on educating people who live in urban areas on the importance of mining for the economy and industry's responsible practices. To answer a question about the relationship between Val-d'Or and the First Nations, the mayor mentioned that building strong and long-term relationships takes time. He took the example of the Crees and the James Bay Agreement and the 30 years relationship.

According to the Mayor "the mining industry is a `boom and bust` industry. Now that the industry is in a down cycle, the challenge is to be prepared for the next boom." M. Corbeil mentioned the restoration of mining sites as an area of interest and where there are opportunities to develop expertise.

Martin Ferron
Mayor of Malartic

Similar to Val-d'Or, Malartic was born out of the mining industry. In the 1930s, more than ten mines operated around Malartic. Today, it is a single industry town which poses many challenges. The development of the open pit Malartic mine located right beside the town is an interesting case about social acceptance. While 550 jobs were created with the mine, Monsieur

Ferron noted that the development of the mine led to new challenges and new ideas, expressing that “the wish of some are incompatible with the needs of others.” He explained how the town has been pleased with the mine’s new owners (Agnico Eagle and Yamana) who have committed to sharing knowledge and being transparent. The town now has a long-term fund to help prepare for mine closure and it is already thinking of how to turn mine closure into a positive impact for the town. The mine is scheduled to close in 2028 and the town is already working on a strategic plan, the ‘Comité Horizon 2030’, that will look at issues and actions.

The mayor talked about how they work together with the other municipalities (through the Conférence régionale des élus) and collectively with the First Nations. On the last point, he mentioned that the Algonquins and the Crees are not at the same level; they have different financial resources.

Clémentine Cornille
General Manager of
CREAT (Conseil
régional de
l’environnement de
l’Abitibi-Témiscamingue
(CREAT))

CREAT is the regional council of the environment for Abitibi-Témiscamingue. Its aim is to promote the conservation and improvement of the environment in a sustainable manner. As part of its efforts, CREAT launched an awareness campaign for Aldermac, an abandoned mine near Noranda. The organization has also been involved in Bill n. 43, Mining Act and sits on various committees related to mining and the environment. CREAT was also part of a national committee that focuses on concerns and recommendations for the mining industry, financial impacts on communities and site restoration.

Denis Bois
Director
Unité de recherche et de
service en technologie
minérale (URSTM)
Institut de recherche en
mines et en
environnement (IRME)
Université du Québec en
Abitibi-Témiscamingue
(UQAT)

UQAT specializes in the mining industry and has three research programs devoted to the areas of mining technology, research and the environment. UQAT works in partnerships with the University of British Columbia, Queen’s University, and the University of Toronto. It also has a special partnership with the École Polytechnique, and mining companies such as Rio Tinto, Glencore, Agnico Eagle and IAMGOLD to help the mining industry meet the environmental challenges posed by the management of mining waste. While some groups have criticized the institution for working closely with the mining companies, Monsieur Bois explained that the University is interested in finding solutions.

For those interested, UQAT is organizing a symposium on the environment and mining in June 2015.

Michel Gilbert
Comité de suivi Malartic
(Monitoring Committee
of Malartic)

Monsieur Gilbert is Chairman of the Comité de suivi Malartic (Monitoring Committee of Malartic), an independent organization to help oversee the Canadian Malartic mine from the community’s perspective. M. Gilbert presented a different approach of community participation and monitoring that is more proactive and more reflective of the reality of community life. He shared how the industry did not put themselves on the defensive side, rather there was a dialogue between the citizens and the mining company. Mr. Gilbert also commented that engagement needs to begin earlier in the mining lifecycle.

He noted the challenges within the community of developing the open-pit Malartic mine and explained how concrete outcomes were achieved...Try

to put differences of opinion aside and come to solutions, He noted that there are no miracles and the solution can only come from both the community and the company. The interests of both parties need to be taken into account and respected.

M. Gilbert raised a point about the choice the Committee made to look for solutions rather than denouncing the activities of the mining companies. The outcomes of the committee was seen as a success story across Quebec. M. Gilbert said that: "this was not an evolution but a revolution"

Sandra Marseille
Agnico Eagle
Collaboration
Committee (Goldex)

Each mine at Agnico Eagle has a collaboration committee consisting of employees from different areas of the mine who are elected to represent their co-workers. These representatives meet regularly with local mine management to discuss all issues of concern to employees including employment conditions, compensation, work schedules and procedures, equipment selection and grievances. The committees focus on settling issues cordially. Minutes are available for everyone within the organization. The collaboration committee has been in place since the beginning for Laronde, and now exists across Agnico Eagle's other operations including Goldex. In general, there is a harmonious relationship between management and employees. During a recent period of challenging business conditions, there was a wage freeze but there were no lay-offs.

Marcel Jolicoeur
 President Chamber of
 commerce of Val-d'Or

The Val-d'Or Chamber of Commerce recently won an award for being the best out of 155 Chambers of Commerce across the province. The organization works in close collaboration with the mining industry and sees mining companies as good corporate citizens, providing jobs and improving the quality of life in the area. Mining has progressed and is different from the past. Mining companies are true collaborators with the city. Concerns about the environmental footprint of mines need to be taken into context – urban centres with large development sprawling infrastructure is just as much a challenge.

The following points arose during the discussion with the local COI representatives:

- *Relationship with the First Nations:*
 - The James Bay and Northern Quebec Agreement, an Aboriginal land claim settlement, approved in 1975 by the Cree and Inuit of northern Quebec, allowed the James Bay Cree to take development into their own hands. By the 1980s, the Cree had set up their own School Board, own Health Board and worked with companies as partners. Mining companies now need to improve the relationship with the Algonquin in Abitibi. The Algonquins do not have the financial means to progress as quickly as the James Bay Cree. The focus now is working on a fair and profitable relationship that will benefit all. Time and collaboration is required on all levels.
- *Quebec's spirit of collaboration:*
 - Based on the conversations of the local COI, one member commented that it is evident that Quebec's spirit of collaboration helped get it through some challenging times. In comparison, for many years mining in English Canada seemed to be closed off which led to increased pressures from environmental NGOs and Aboriginal groups. Over the past

- decade or more, this has changed and the mining industry in the rest of Canada has opened up to collaboration while Quebec has lagged behind. The result is increased social pressure and a new response from industry in Quebec.
- The role of the citizen's committees (comité de suivi) played an important role in Quebec and led to the establishment of other citizen's groups across the provinces. Whereas certain groups often oppose mining, these committees managed to engage communities respectfully while continuing with development. There are lessons here for the rest of Canada.
 - *Addressing cumulative impacts and environmental legacies:*
 - While mining companies are proactive and environmental protection efforts have strengthened, Quebec is still investing over \$800 million into abandoned mines and negative impacts on the environment will still be felt from today's open-pit mines.
 - *Climate change:*
 - One Panel member wondered about the use of hydro in the area and how it might contribute to the use of renewables. In response, the Panel learned that many remote mines are fuelled by diesel. Some mining companies are starting to install renewables including wind and solar.
 - *What is the long-term vision of the community?*
 - The Panel was interested in the long-term vision for the region and wondered how it was planning for mine closures. Val-d'Or is better prepared for closure, having learned its lessons from previous boom and bust cycles. Mining companies have liabilities covered, and the town has a strong education system which attracts technical talent. In Malartic, a strategic plan developed by stakeholders will help position Malartic to not lose the talent and resources that currently exist. Thinking ahead, understanding the cycles of investment and attracting the necessary investment and talent is critical for long-term planning. One Panel member praised the communities for their tenacity of living through the booms and busts and wondered if they could share their lessons learned with new mining communities that have yet to experience the bust.

8 Visit to Malartic

After the local COI session, the Panel took a bus to Malartic, located 27 kilometres west of Val-d'Or. The purpose of the trip was to see the Canadian Malartic Operation from the viewpoint and visit the Malartic Mineralogical Museum.

The Canadian Malartic mine is Canada's largest gold mine. The mine was developed within just six years after the first exploration drill holes in 2005. The first gold pour was in April 2011, and commercial production began in May 2011. The current mine is located in the heart of the prolific Abitibi Gold Belt, in Québec, south of the Town of Malartic, approximately 20 kilometres west of Val d'Or.

The property includes the former Canadian Malartic underground mine, which produced more than one million ounces of gold from 1935 to 1965 from ore containing three to six grams of gold per tonne. Between 1935 and 1983, production in the Malartic camp totalled over five million ounces of gold for the Canadian Malartic, Barnat, Sladen and East Malartic mines. For more information on the Canadian Malartic Mine, visit: <http://www.canadianmalartic.com/>



Figure 5: Photo of Canadian Malartic Mine, located beside the town of Malartic.

(Source: www.canadianmalartic.com)

Agnico Eagle arranged for a tour of the Malartic Museum for Panel members. The Malartic Museum is the only one in Quebec dedicated solely to geology and mineralogy. Jean Massicote, the tour guide, showed the Panel members the new 75th Anniversary of Malartic Exhibit, and provided each of the panel members with a book on the history of the region.



Figure 6: Photo of the Malartic Museum

(Source: www.museemalartic.qc.ca)

The 75th Anniversary of Malartic Exhibit by the means of old photographs, artifacts and historical objects, depicts the significant developments of Malartic since the first Gold Rush in 1930 until 2014. The exhibition was created as part of the celebrations of the 75th anniversary of Malartic. These years represent a vibrant period in which many events followed the discovery of several gold mines, forestry exploitation, the creation of many villages and the growth of Malartic.

<http://www.museemalartic.qc.ca/>

9 Evening

Reception with Aboriginal Focus

Nine Anishnabe Chiefs were invited by Agnico Eagle and the Val-d'Or Native Friendship Centre to meet with the Panel for an evening reception to learn about the relationship between the Val-d'Or mining industry and the nearby Aboriginal communities. While all Chiefs expressed their thanks for the invitation, only one was available to attend, and unfortunately, due to an unexpected tragedy in the community, this Chief was also unable to attend.

The following Aboriginal leaders were invited to attend:

- M. Bruno Kistabish, Conseil de la Première Nation Abitibiwinni
- Mme Adrienne Anichinapeo, Conseil des Anicinapek de Kitcisakik
- Mme Salomé Mackenzie, Conseil de la Nation Anishnabe de Lac-Simon
- M. Gilbert Whiteduck, Kitigan Zibi Anishnabeg
- M. Terrence McBride, Timiskaming First Nation
- M. Harry St-Denis, Wolf Lake First Nation
- M. Derek Mathias, Long Point First Nation
- Mme Madeleine Paul, Eagle Village F-N Kipawa
- M. Allan McLaren, Algonquin Nation Tribal Council

The meeting was held at the Centre d'exposition de Val-d'Or, where a special exhibit made up of work from local Aboriginal artists was on display to celebrate the Native Friendship Centre's 40th anniversary.

The Panel was welcomed by a traditional drumming group, Kiwetin in Algonquin (means 'West') before the Executive Director of the Val-d'Or Native Friendship Centre, Edith Cloutier, welcomed the Panel and shared her views. The Native Friendship Centre is dedicated to wellness, justice and social inclusion and promotes harmonious cohabitation in the community. Ms. Cloutier stressed how we all have an obligation to learn about Canada's history and recognize that Aboriginal people in Canada have been marginalized and mistreated. Moving forward, we must build concrete partnerships which are vital for long term solutions.

Janet Mark, the Vice President of the Val-d'Or Native Friendship Centre, also spoke about a cultural awareness training program she helped set up called the Aboriginal Head Start Program which helps people better understand Aboriginal culture and barriers to communication. To date, more than 1300 people have taken the training course. Training is also offered to organizations such as mining companies to help build a culture of awareness to the organization.

10 Mine Tour: Goldex and Goldex-Manitou Tailings Restoration Site

On the morning of October 2nd, the Panel toured Agnico Eagle's Goldex facility and the Goldex-Manitou restoration site.



Figure 7: Agnico Eagle's Goldex facility

Marc Moffette, General Manager at Goldex Mine, welcomed the Panel and provided background information on the underground mine's operations.

KEY FACTS ABOUT GOLDEX (www.agnicoeagle.com)	
Location:	Val-d'Or, Quebec, Canada
Mine Type:	Underground
Estimated Mine Life:	2013-2017
2013 Production:	20,810 oz gold
2013 Total Cash Costs:	\$782/oz gold
2013 Mine-Site Costs:	C\$32/tonne
Mineral Titles:	23 (331 hectares)
Secondary Metals:	N/A
Designed Throughput:	5,100 tonnes/day mine; 8,200 tonnes/day plant
Percent Ownership:	100%
Employees:	211

Mélanie Roy, Environmental Coordinator, informed the Panel about the Manitou-Goldex restoration site. Agnico Eagle has a unique partnership with the Quebec government to restore the nearby abandoned Manitou mine site. Tailings from the Goldex mine are sent through a 25 km long pipeline to the Manitou site where they neutralize the acidic waters in the area, the result of years of poorly confined tailings generated between 1942 and 1979 by the mining companies operating the Manitou project at the time. Not only do the Goldex tailings neutralize and help rehabilitate the site, it eliminates the need for a tailings pond at the Goldex site itself.

After the presentations, the Panel took a tour of the underground mine and Manitou-Goldex restoration site.



Figure 8: The COI Panel visiting the underground Goldex Mine (October 2, 2014)



Figure 9: Photos of the Manitou-Goldex restoration site visit

11 Panel Business

11.1 Honorarium Guidelines

During the March 2014 Panel meeting, the need to revise the honoraria guidelines to reflect the work of Panel members between meetings was raised. MAC shared the revised version of the honoraria guidelines, which would become effective in 2015. The Panel agreed that the changes were fair and reasonable.

11.2 Panel Renewal

Michael described the renewal process developed with the Panel Renewal Working Group. The group is working on addressing vacancies on the Panel and ensuring that turnover occurs as per the Panel Terms of Reference. Over the last few months the Renewal Working Group has been seeking nominations for one of the Aboriginal positions on the Panel as well as an individual to fill one of the expert positions. MAC has not received a large number of applications from respondents for these positions. The Panel agreed that we should invite experts as needed, stating that it would elevate the dialogue.

Absences by MAC Member Representatives has been an issue on the Panel and Pierre agreed to speak to those who have missed two or more consecutive meetings. One member wondered whether industry Panel members still saw value in the COI Panel. MAC members agreed that they could be more persuasive with their organizations on the value of the Panel and that this topic should be discussed within other MAC groups such as the Initiative Leaders (ILs) and Board. One member noted that he supports the idea of probing and re-assessing the industry participation in the COI Panel, and believes that there are opportunities for closer partnerships and collaboration with industry members.

11.3 Recap on the In-Camera Session

The Panel held an in-camera session (without MAC or Stratos) on September 16, 2014 to share and discuss ideas. Highlights from this summary include:

- *Clarifying and refining the relationship between TSM and other CSR reporting mechanisms*
 - Given the range of CSR reporting demands on industry, the Panel is interested in understanding more explicitly how various CSR-related standards (e.g. GRI, ISO) and performance driven standards like the Cyanide Code complement, duplicate or augment TSM.
 - MAC noted that this research has been done and MAC can conduct a webinar for the Panel on this topic before the March meeting.
- *Review effectiveness and enhance inputs for the planning for Community-based COI meetings*
 - It would be good to take some time to evaluate strengths and weaknesses of the community-based meetings so the Panel can continue to improve the value for all participants. There is a need to ensure that the forum's objectives are made clear to both audiences.

- There is a sense that COI Panel members could add significant value by providing input and guidance on what would be most valuable/interesting/credible in terms of community engagement and related site visits while in the regions.
- MAC and Stratos will invite the Panel to help prepare for the local COI sessions

In addition to the summary of the in-camera session, the Panel discussed the following points:

- *Need to improve understanding of TSM scores*
 - One Panel member noted that he felt that non-industry members needed to spend more time understanding the TSM protocols and how companies score.
- *Need for the Panel to be more bilingual*
 - Especially as the AMQ adopts TSM, the Panel needs to adapt to be more welcoming to francophones. The translation services provided during the local COI meeting worked well.
- *COI Panel's role in TSM assurance*
 - One member wondered about the Panel's role in the TSM assurance process noting how the Panel relies solely on information provided by the companies undergoing post-verification review.
 - MAC members stated that the Panel's role is post-verification – meaning the scores have already been verified by a third-party verification service provider. Pierre stressed that the challenge function the Panel plays, in pointing out gaps and asking key questions has been critical for MAC.
 - The Panel agreed to debrief after the PVR webinar (held two weeks prior to the face-to-face meeting) to discuss focus areas for the dialogue session.
 - MAC will invite the Panel to attend the Verification Service Provider (VSP) training workshop should members want to better understand the process.

Overall, the Panel enjoyed having the opportunity to discuss issues amongst themselves and agreed to hold another in-camera session, on the phone, as necessary.

12 Agenda Setting and Closing Reflections

To conclude the meeting, the Panel facilitator invited everyone to share their reflections on the meeting and suggest themes they would like to discuss in 2015. The Panel and MAC have already agreed that tailings should be discussed at the March meeting, leaving only one or two additional themes to select for 2015.

The following reflections and themes were offered by the Panel during this final roundtable:

- *Review objectives of the Panel*
 - What is the role of the Panel? The Panel needs to critically review its objectives with industry members to understand what will add the most value over the long-term and ensure that it is meeting the objectives it was set out to accomplish in the first place.
 - Panel members have a unique opportunity to connect with their own respective COI and bring forward ideas and suggestions to MAC. There is a lot of expertise on the Panel that is not being used to the extent possible.
- *Aboriginal participation in the mining industry:*

- MAC and the Panel need to look for ways of ‘digging deeper’ into the analysis of aboriginal issues, including the question of the kind of representation the Panel needs.
- Why did none of the invited Aboriginal community leaders show up to the previous’ day reception? Why was the dialogue between Aboriginal and non-Aboriginal community members split up between the afternoon and evening? Should the Panel visit Aboriginal leaders in their community?
- The Panel needs to have more dialogue with Aboriginal communities. Leadership also needs to come from the Aboriginal community itself. The Métis need to be included in this conversation. All too often, they are left out of the dialogue.
- The relationship between the Aboriginal community and the mining industry varies across Canada and the Panel’s experience is unique in that they have been exposed to four different communities over the years. As one Panel member reflected: in Cranbrook and Southeastern BC, after a long period of no interaction, a positive relationship was starting to emerge; in Fort McMurray, a fairly strong and long standing relationship was starting to fray; the relationship was starting to work in Sudbury; and the relationship had not started in Val-d’Or, which begs the question, why? The industry Panel member with operations in Val-d’Or noted that Aboriginal relations in the region is challenging, especially considering the history of mining in the area. What are the rules when the government is absent from the conversation? What is the process?
- The geographical context – just south of the James Bay and Northern Quebec Agreement (JBNQA) territory – reinforced the need to understand, at least in general terms, the implications of aboriginal land claim agreements (both their presence and absence).
- *Site visits and meetings with the local COI*
 - The conversation with the local COI in Val-d’Or was good, however, the dialogue was still surface level and the Panel did not have a chance to dive into the deeper regional challenges. As one member commented, although he welcomed the opportunity for the Panel to meet with various dignitaries from Malartic and Val d’Or, he also noted that he had concerns about the potential for treating the meeting as a public relations exercise rather than as an opportunity to explore the social, cultural and economic history of mining in this very interesting region.
 - Moving forward, the Panel needs to be exposed to more ‘mediocre mines’ and communities that are facing major challenges.
 - Now that the Panel has visited four different mining communities across Canada, the Panel should develop a cumulative summary and identify what issues have been covered, what issues have not, and what topics the Panel might need to further explore. There is a need to “look back as we look into the future.” This is one opportunity to provide written feedback to MAC on key ‘lessons learned’ from these ‘field visits’. This theme, if it is to be pursued, needs to be pursued before it is too late.
- *Climate change*
 - It is critical for the Panel and the mining industry to have a voice on climate change – especially as we approach Paris 2015 (the 2015 United Nations Climate Change Conference). There is work being done across Canada to prepare for this dialogue and

“I do not want to overlook the value of the discussion with ArcelorMittal about mining towns and the issues surrounding ‘fly in or fly out’ arrangements. That is something we need to capture – because the issues are relevant in a much broader geographical context.” - Reflections from one Panel member

the mining industry needs to be part of that. There is an opportunity for the mining industry to show leadership in this area.

- *Selenium management in coal sector*
 - One member pointed out that the Panel might want to take a closer look at Teck's Elk River management plan because of its emphasis on community relationships and the coal mining industry – specifically in relation to selenium controls in the aquatic environment. He also noted the important link with regards to regulatory policy and its evaluation.
- *Bringing additional perspectives to the Panel: Provincial mining organizations and Government*
 - The Panel and MAC need to decide how to include the provincial mining organizations who have adopted TSM onto the Panel. Should the Mining Association of British Columbia and the Association Minière du Québec have a seat on the Panel?
 - Should the COI Panel have (or offer to play) a consultative role in this process of AMQ implementing TSM? Is there a case to be made for opening a line of communication between the AMQ and the COI Panel in this respect and should the COI panel seek ways of following up on the implementation of TSM by the AMQ?
 - What is the role of government on the Panel? How do you have dialogue with government officials that you would not normally have?

13 Meeting Evaluation

The following is a summary of the roundtable and meeting evaluations³: Five evaluation forms were completed and one Panel member provided a note after the meeting.

"I feel this is the first meeting I have attended where I feel like we had time to fully discuss issues."

- *Most enjoyable parts of the meeting included:*
 - The rich discussion with high quality colleagues, particularly during the PVR sessions with Barrick and ArcelorMittal.
 - The activities outside the conference room, especially the Goldex mine tour which was well organized.
- *Least enjoyable parts of the meeting and suggestions for improvement:*
 - The evening reception with Aboriginal leaders was disappointing because they did not attend.
 - Given the strengths of the Panel, more should be done to minimize the amount of PowerPoint presentations. While the PVR webinars help to minimize this, the discussion is more enjoyable without the presentations.
 - The meeting facility was hot and had poor ventilation, making it difficult to focus
 - For the local COI meeting, one person commented that he would have appreciated meeting a more diversified group, but understands the constraints that could not be avoided and appreciated the effort to try and make it more diversified.
- *Meeting expectations*
 - The meeting met all of the Panel member's expectations. One member noted that the meeting days were long but there was good dialogue.
- *Meeting organization and facilitation*

³ Ten Panel members responded to the Meeting Evaluation Forms, and XX completed the form online.

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- All respondents felt that the meeting was well organized. The meeting room could have been better as there were no windows. The respondents indicated that the facilitation was “good”, “very good” or “excellent”.
 - *Meeting materials*
 - The meeting materials were rated between “good” and “excellent”. One commented on how there was a lot to go through in advance of the meeting, but that that was unavoidable.
 - *Opportunity to express interest*
 - Majority of the respondents felt that they had adequate opportunity to express their interests. One person commented that he was cut off once.
 - *Overall opinion*
 - All respondents enjoyed the meeting overall, rating it between ‘very good’ and ‘excellent’.
 - One noted that this was the first meeting he had attended where the Panel managed to discuss and get through the desired level of content and dialogue. This was partly due to the meeting preparation via the PVR webinar and advanced calls.

Appendix A: List of Participants

TSM Community of Interest (COI) Advisory Panel 2014 Membership List

Name	Organization
Dan Benoit	Métis National Council
Victor Goodman	Campbell River Economic Development Corp.
Joy Kennedy	Independent
Stephen Kibsey (REGRET)	Caisse de Dépôt et Placement du Québec
Chief Earl Klyne (REGRET)	Seine River First Nation
Nathan Lemphers	Independent
Philip Oxhorn	Institute for the Study of International Development, McGill University
Alan Penn	Cree Regional Authority
Claudine Renauld	Independent
Doug Olthuis	United Steelworkers
Alan Young (REGRET)	Canadian Boreal Initiative
Pierre Gratton	Mining Association of Canada
Louise Grondin	Agnico Eagle Mines Ltd.
Glen Koropchuk (REGRET)	DeBeers
Peter Read (REGRET)	Synchrude Canada Ltd.
Mark Travers (REGRET)	Vale

Additional Attendees	Organization
Michael Van Aanhout	Stratos (Facilitator)
Ben Chalmers	Mining Association of Canada
Nathalie Ross	Mining Association of Canada
Jane Porter	Stratos (Rapporteur)

Shirley Neault	Hudbay Minerals (Chair of TSM Initiative Leaders)
Nathalie Tremblay	Association minière du Québec