

Mining Association of Canada
Towards Sustainable Mining

28th Meeting of the
Community of Interest Advisory Panel
SUMMARY REPORT

October 1-3, 2018
Williams Lake, British Columbia

Towards Sustainable Mining
Vers le développement minier durable



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Executive Summary

The Community of Interest Advisory Panel (COI Panel) is an independent multi-stakeholder group that monitors the Mining Association of Canada's (MAC) 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 October 1st and 3rd, 2018 in Williams Lake, British Columbia.

The objectives of the October meeting were to:

1. Complete the post-verification review process for Imperial Metals and Dominion Diamond Mines.
2. Reflect on lessons learned from the Mount Polley dam failure incident in 2014 by touring the Mount Polley mine site and restoration works.
3. Connect with the Mount Polley Public Liaison Committee during the Mount Polley site tour to understand key social and environmental issues that matter to the local communities.
4. Review the issues tracking and materiality results and confirm key issues of focus for the Panel in 2019.

Reflection on Material Issues

The Panel members were presented a summary of proposed 2019 material issues based on input collected from the Panel during the issue prioritization process in spring 2018 and were in general agreement with the prioritization of these issues. A Panel member commented that there was also general alignment between industry and non-industry Panel members on issue prioritization. Through the discussion Panel members identified linkages between material issues and other topics, including:

- Indigenous rights linked to climate change and biodiversity,
- Climate change linked to biodiversity, resilience and internationalization of TSM and
- Social closure linked to community resilience.

MAC additionally suggested that social impact assessment and measurement may become a new topic of interest in the future, particularly as Canada's new Impact Assessment Act advances.

Mount Polley Public Liaison Committee (PLC) Meeting and Mine Site Tour

The Panel members began their visit to the Mount Polley mine site as observers to the PLC meeting, where Panel members asked questions and shared comments with Mount Polley staff and PLC members. Key points of discussion included the cost of restoration efforts, water treatment at site, modeling climate change scenarios and sharing environmental monitoring information with downstream communities. In particular, Mount Polley staff shared that fears persist in downstream communities and it is challenging to identify how to best share information and overcome public confidence issues; this topic was also further discussed in the PVR discussions (see "Post Verification Review Report 2018").

Following the PLC meeting, the Panel and PLC were given a tour of the Mount Polley mine site remediation work completed along Hazeltine Creek following the tailings dam breach in 2014. Panel members expressed their awe and appreciation for the immense amount of work completed since the tailings dam breach event.

Post-Verification Reviews

The Panel conducted post verification reviews (PVRs) with Imperial Metals and Dominion Diamond Mines. A separate report titled "Post Verification Review Report 2018" contain the full results of the PVR sessions and can be found on the MAC website at <http://mining.ca/towards-sustainable-mining/community-interest-advisory-Panel>.

Panel Business

The Panel confirmed the Panel Renewal Working Group recommendation to nominate Jocelyn Fraser for the International Development position. The Panel also discussed options for the Environment position and ultimately recommended that Sujane Kandasamy be nominated for the Environment position, in addition to extending Maya Stano's expert category position for an additional 2 years. A Panel member suggested that Sujane be provided additional support and mentoring during her onboarding due to her lack of exposure to the mining sector. MAC also informed the Panel that the Assembly of First Nations had nominated Sunny LeBourdais for the First Nations position on the Panel.

The Panel Renewal Working Group shared reflections on the panel renewal process, including that additional guidance may help clarify what the Panel is seeking for each position. For example, the environment position could clarify whether a candidate should be an existing staff member of an environmental non-profit. The Working Group agreed to arrange a debrief meeting to summarize their reflections from the 2018 process.

Panel Reflections

Closing reflections on the meeting are summarized below:

- Overall, Panel members were impressed with the excellent quality of the materials received and felt the meeting met or mostly met expectations.
- While Panel members felt that the PVR discussions were good, several concerns were raised on how the PVR discussion with Imperial Metals unfolded (see "Post Verification Review Report 2018").
- A Panel member suggested visiting Aboriginal communities in person if they are unable to visit the Panel meetings themselves.
- Several specific suggestions were shared for improving the approach to discussing Panel renewal
- A Panel member suggested establishing a policy for accepting gifts offered to the Panel.

Summary of Key Outputs from the October 2018 COI Panel Meeting

- ✓ Advice provided to Imperial Metals, Dominion Diamond Mines and MAC
- ✓ Confirmed the Panel's material issues for 2019
- ✓ Recommend nominating Jocelyn Fraser and Sujane Kandasamy as new Panel members and extending Maya Stano's expert panel position

1. Introduction

The Mining Association of Canada's (MAC) Communities' of Interest (COI) Advisory Panel ("the Panel") met October 1-3, 2018 in Williams Lake, British Columbia (B.C.). 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 and
- Help achieve the goals of TSM.

This report presents a summary of discussions at the October 2018 Panel meeting. Unless indicated, Panel members' comments are not attributed. While the report captures the discussion and Panel member

¹ For more information on MAC's COI Panel, visit: <http://mining.ca/towards-sustainable-mining/community-interest-advisory-Panel>

perspectives, should there be specific decisions and recommendations proposed by the Panel, the approach and results will be described in this report and any dissenting views will be identified and recorded. Meeting presentations were shared with Panel members and this content 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. Action items throughout the report are underlined.

ACTION ITEMS					
#	ITEM	LINK TO REPORT	RESPONSIBLE	TIMELINE	STATUS (as of October 2017)
#1 October – 17	Panel Renewal Working Group to review Panel comments on gender equality and provide a proposal to address these concerns	6.0	Panel Renewal Working Group	Winter 2017/2018	Complete
#1 October – 18	Panel Renewal Working Group to arrange a debrief meeting to discuss their reflections on the 2018 renewal process.	7.2	Panel Renewal Working Group	Winter 2018/19	Not started

3. Overview of the Meeting

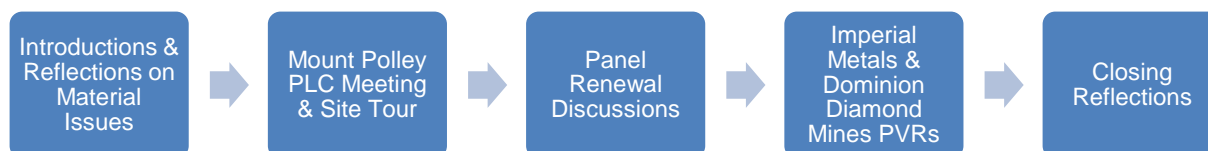
3.1. Meeting Objectives

The objectives of the October 2018 meeting were to:

1. Complete the post-verification review process for Imperial Metals and Dominion Diamond Mines.
2. Reflect on lessons learned from the Mount Polley dam failure incident in 2014 by touring the Mount Polley mine site and restoration works.
3. Connect with the local Mount Polley COI Panel during the Mount Polley site tour to understand key social and environmental issues that matter to communities.
4. Review the issues tracking and materiality results and confirm key issues of focus for the Panel in 2019.

3.2. Overview of the Agenda

The primary focus of the agenda was the post-verification reviews (PVRs) of Imperial Metals and Dominion Diamond Mines. The meeting began with roundtable introductions and a review of the issues tracking and materiality results used to assist in prioritizing issues for Panel discussions. This was followed by a visit to



Imperial Metals Mount Polley mine site, beginning with observing Mount Polley's Public Liaison Committee (PLC) meeting, followed by a joint tour of the mine site's restoration efforts with the PLC and the Panel. Later that evening the Panel reviewed and discussed the Panel Renewal Working Group's recommendations for nominations. PVRs were conducted the following day through dialogue between the Panel and Imperial Metals and Dominion Diamond Mines. Following the PVR discussions, a roundtable was conducted to collect closing reflections of the Panel members.

4. Introductions & Reflections on Material Issues

4.1. Introductions

The Panel meeting began with a welcome and opening prayer from Elder Willie Alphonse, a member of the Northern Shuswap Nation. The facilitator, Michael van Aanhout, then introduced the meeting objectives and agenda and asked the group to begin a roundtable of introductions after noting the following:

- Doug Olthuis, Phil Oxhorn, Tim Johnston, Stephen Walker, Scott Yarrow, Peter Read and Alice Wong were unable to attend. Pierre Gratton joined late due to weather delays, missing the tour and the meeting with the PLC.
- Maxime Lachance attended in the place of Joseé Méthot, representing the Québec Mining Association.
- Although unable to attend, this would have been Phil Oxhorn's last meeting as a Panel member; this was also Nathan Lempher's last meeting as a Panel member.

The full list of attendees and Panel members is included in the Appendix.

4.2. Reflections on Material Issues

Panel members were asked during the roundtable of introductions to provide their feedback and responses to the *COI Panel: Issue Prioritization 2019* handout (see Appendix B), which was developed from Panel input received during the March 2018 meeting and an online survey in spring/summer 2018. Panel members generally agreed with the material issues that were identified in the handout, and shared further commentary on the material issues, which are summarized by issue below.

- **Indigenous rights and reconciliation**
 - Several Panel members agreed this is a **priority issue** in their communities.
 - A Panel member commented that Indigenous rights and **recognition** is a priority.
 - MAC commented that this topic ties in well with the work on the **Aboriginal and Community Outreach Protocol** revisions that are underway.
 - Several Panel members commented that this issue is **linked to climate change and biodiversity conservation**, for example:
 - Indigenous rights are tied to climate change,
 - Indigenous understanding of our environment can provide solutions to climate change and
 - Biodiversity conservation provides some of the best opportunities to work in partnership with Indigenous communities.
- **Indigenous employment**
 - A Panel member commented that this issue is closely tied to Indigenous rights, recognition and reconciliation.
- **Community engagement**
 - MAC commented that this topic ties in well with the work on the **Aboriginal and Community Outreach Protocol** revisions that are underway.
- **Climate change**
 - Several Panel members agreed this is a **priority issue** in their communities.

- MAC has been working on a climate change adaptation project and updated the Panel on a 2-day workshop hosted by MAC and Golder with subject matter experts to develop guidelines on how **climate change adaptation** can be built into mining from exploration to closure using high-level site-based climate change models; although this is intended for Canadian mine sites it could be used internationally. As an indication of the potential international application, the World Bank, International Finance Corporation and International Council of Mining and Metals have signaled interest.
- Two Panel members commented on the importance of moving past studies and talk to action; one Panel member in particular commented that the Paris Framework does not have a clear path forward and that impacts in the Arctic are not known in the mainstream.
- A Panel member expressed concern about the lack of alignment between civil society governments and part of industry/some companies on this issue.
- Several Panel members suggested **linkages between climate change and other topics** of interest, including between:
 - Climate change, biodiversity and resilience and
 - Climate change and the Impact Assessment Act (e.g. a project list based on greenhouse gas emissions).
- A Panel member reflected that the future of mining in a carbon-constrained world has been discussed at forums hosted by the International Institute for Sustainable Development (i.e. Green Conflict Minerals report) and the World Bank; these discussions are also linked to the internationalization of TSM.
- An industry Panel member commented that addressing climate concerns related to fossil fuel use is challenging for operations in the North without access to green energy sources.
- **Water**
 - A Panel member agreed this is a **priority issue** in their community.
 - MAC commented that this ties in well with the development of the new **Water Protocol** and shared that the final draft version of the Protocol will be circulated to the Panel soon, before it is approved in November.
- **Social closure**
 - A Panel member commented that **community resilience** should be built not just for climate change but also for mine closure.
- **Environmental closure**
 - Two industry Panel members shared that mine closure is always relevant as it needs to be considered for both current and proposed operations.
- **International application of TSM**
 - MAC shared that the international **interest in TSM continues to grow** and the Panel is supporting this (e.g. Phil Oxhorn recently travelled to Argentina with MAC to help provide training to Cámara Argentina de Empresarios Mineros' newly established Panel).
 - An industry Panel member shared that they were applying TSM to international sites.
- **Other topics – impact assessment**
 - MAC shared that discussions on the Impact Assessment Act and Fisheries Act are taking a lot of their time.
 - MAC reflected that **social impact assessment and measurement** may be a new topic that emerges.
 - A Panel member reflected that the Impact Assessment Act allows for Indigenous-led assessments, similar to what's being done in the North.
- **Overall reflections**
 - Two Panel members shared that the overall results reflected what they have seen in their own organizations (e.g. observed through engagement with communities and through company materiality results).
 - A Panel member reflected that overall there is **alignment between the topics of interest for both industry and non-industry** members, except for the international application of TSM (industry weighs higher) and Indigenous rights and recognition (non-industry weighs higher).

5. Mount Polley Mine Site Visit

5.1. Mount Polley Public Liaison Committee Meeting

The Panel members began their visit to the Mount Polley mine site as observers to the PLC meeting being hosted at the mine site the morning of October 2nd, 2018. Unfortunately, due to an early season snow storm, many members of the PLC were unable to attend this meeting. During Mount Polley's quarterly update presentation to the PLC, Panel members occasionally asked questions and shared comments with Mount Polley staff and PLC members. Key points of discussion captured between the Panel, PLC members and Mount Polley staff are summarized below:

- **Cost of restoration efforts**
 - Mount Polley restoration efforts have cost approximately \$80 million to date, which excludes the cost of rebuilding the tailings dam
 - Mount Polley was one of the few mines in B.C. that had dam insurance at the time, which covered approximately \$8 million of the total costs
 - Mount Polley is in litigation with the engineering firms, which will determine whether they can recoup any costs from the engineering firm(s)
- **Water treatment**
 - The water treatment was designed to focus on removing sediments as well as any mobile copper, selenium and arsenic and capturing flocculants for reuse. It was noted that these parameters are below permit levels and water quality guidelines.
 - The mine recycles almost all of its process water so there is limited need to withdraw fresh water for process uses.
 - A Panel member offered to send information on a submerged-attached reactor water treatment technology to Imperial Metals; Imperial Metals also offered to share information on their passive water treatment approach with that Panel member.
- **Climate change scenarios**
 - The Mount Polley closure plan considers climate change scenarios for flood events
 - Shorter term emergency response plans do not consider climate change scenario flood events (e.g. 5-year water management plans) as it is considered unlikely that extreme floods caused by climate change are likely to be an issue in the short term; a Panel member suggested that this may need to be reconsidered.
- **Sharing environmental monitoring information with communities downstream**
 - A Panel member from B.C. shared that there are members of his community several hundred kilometers downstream of the Mount Polley mine site who are concerned about impacts to salmon.
 - Imperial Metals staff indicated that environmental monitoring data has been shared, but fears persist in downstream communities; it is a challenge to determine how to best disseminate information and overcome public confidence issues; there was discussion about whether this is a company or regulator/government responsibility.
 - Mount Polley has also asked PLC members to share information with their community members but this has not been as effective as Mount Polley had hoped in restoring confidence.
 - At the end of each PLC meeting, PLC members are now collectively identifying key messages that should be taken back to their communities.

- Mount Polley is considering whether additional company resources could help support a communications strategy for PLC members to aid outreach with communities.
- A B.C. government representative acknowledged that while information is available on their website, it is difficult to find.
- It was pointed out that the Canada Mining Innovation Council and Geosciences B.C. have also collaborated to create a Knowledge Hub for water quality data that is user-friendly.

5.2. Mine Site Visit

Following the PLC meeting, the Panel and PLC were given a tour by Imperial Metals of the Mount Polley tailings breach remediation work completed along Hazeltine Creek from the location of the repaired tailings dam to Polley Lake. Panel members witnessed various stages of remediation work ranging from work that was done immediately after the breach to work that was still taking place at the time of the meeting.

Panel members thanked Imperial Metals for the tour and expressed their awe and appreciation for the immense amount of work completed since the tailings dam breach in 2014.



Photo: Panel Members on the Mount Polley mine site

6. Post-Verification Reviews (Imperial Metals & Dominion Diamond Mines)

One of the three elements of the TSM verification system is an annual PVR of two member companies' performance by the Panel.

The Panel selected Imperial Metals and Dominion Diamond Mines from the list of companies verifying their 2017 TSM results to undergo post-verification review in 2018. **A separate report titled "Post Verification Review Report 2018" contain the full results of the PVR sessions and can be found on the MAC website at <http://mining.ca/towards-sustainable-mining/community-interest-advisory-Panel>.**

7. Panel Renewal

The Panel established a Panel Renewal Working Group to lead the process of vetting and recommending new candidates to join the COI Panel in accordance with the Terms of Reference. In 2019, the Working Group focused on renewing two positions: the International Development seat and one of the two Environment seats. The Panel was then asked to consider the outcomes of the Working Group and make recommendations to the MAC Board of Directors on who should be appointed to fill Panel vacancies. The Panel's discussion on the recommended nominations for these positions occurred the evening following the Mount Polley mine site visit and is summarized below.

7.1. International Development Nomination

The Panel Renewal Working Group recommended to the Panel that Jocelyn Fraser be nominated for the International Development position, and this recommendation was supported by the Panel.

7.2. Environment Nomination

The Panel Renewal Working Group was unable to come to a consensus recommendation for the Panel on the Environment nomination, resulting in the need for the full Panel to make a decision regarding the three candidates short-listed by the Working Group. Following the discussion, the Panel members agreed to recommend that Sujane Kandasamy be nominated for the Environment position. The Panel members additionally agreed that Maya Stano's term as an expert panel member be extended for 2 years after her term ends in December 2019.

Through this discussion, the Panel Renewal Working Group members shared additional reflections on the Panel renewal process, which are summarized below.

- Interviews are a very informative and important part of the selection process.
- Decisions are becoming more challenging.
- More clearly defining primary considerations in the call for nominations and clearly stating that candidates should be able to reasonably be seen to represent the constituency that the panel position is seeking to represent (e.g., the environmental NGO position should be filled by someone that comes from an environmental NGO) would better serve the renewal process in the future.
- The completion of the initial 3-year terms could be an opportunity to revisit each appointment, as 3-year terms are not automatically renewable for a second term.

The Panel Renewal Working Group agreed to arrange a debrief meeting to discuss their reflections on the 2018 renewal process to inform the approach to the 2019 renewal process.

7.3. Assembly of First Nations Nomination

The Assembly of First Nations (AFN) submitted a nomination for the First Nations position on the Panel, which is currently vacant. MAC shared that AFN nominations do not require recommendations from the Panel, but rather are provided for information purposes only.

Panel member Chief Dave Walkem provided a brief summary of the nominated candidate Sunny LeBourdais. The Panel thanked Chief Dave Walkem for his important efforts in engaging with the Assembly in First Nations in securing a nomination for the First Nations position of the Panel.

8. Closing Reflections and Meeting Evaluation

Eight members of the Panel completed a survey feedback form following the Panel meeting. The Panel also shared reflections following the PVR process, which is captured in further detail in the "Post Verification Review Report 2018". Highlights from the discussion are summarized below.

- **Overall feedback of the meeting**
 - According to the evaluation survey, respondents felt the meeting met or mostly met expectations and was well organized, while all respondents felt they had adequate opportunity to express their interests.
 - All respondents felt the overall quality of the meeting was good and the majority of respondents marked the quality of facilitation as good or excellent.
 - All respondents were impressed with the excellent quality of materials received.
- **Communities of Interest engagement**
 - Given the lack of Indigenous representatives at the PLC meeting, Panel members suggested if Indigenous community members are unable to attend scheduled Panel meetings, that the Panel should instead visit the communities in person.
- **Mine site visit**
 - Several Panel members expressed appreciation for the site visit, with one Panel member noting that the tour was important to recognize the extent of the impact of the tailings breach and the resulting remediation efforts on site.
- **Panel renewal**
 - Some Panel members provided specific suggestions for improving the discussion on Panel renewal at the next fall meeting, including:
 - Conducting the discussion in a private room, rather than discussing a potentially sensitive topic in a public restaurant,
 - Providing background material for reference and
 - Requesting that any Panel members that nominated potential candidates excuse themselves from the conversation.
- **Post Verification Review**
 - While most respondents felt the PVR discussions overall were good, challenges on the tone and approach of the PVR discussion with Imperial Metals should be discussed during a PVR debrief session with the Panel.
 - A respondent shared that the room hosting the PVR discussions was potentially too large and that it was difficult to hear.
- **Other comments**
 - A Panel member commented that during a Panel dinner a city councillor and company representative offered to buy the Panel a round of drinks, which made the Panel member

"The tour was very important – to see, feel, the scale and extent of the breach and the remediation – beyond photos. Very impressive work."

"Sense of excellent leadership from both PVR companies as they prepared presentations and webinars and engaged."

uncomfortable; the Panel member suggested the Panel consider establishing a policy for accepting gifts.



Photo: Quesnell Lake during Mount Polley mine site tour

Appendix A: List of Participants

TSM Community of Interest (COI) Advisory Panel 2018 Membership List

COI Panel Category	Name
Social NGO including faith-based groups	Joy Kennedy
Aboriginal people	Dan Benoit
	Theresa Baikie
Environment	Stephen Hazell
	Nathan Lemphers
International development	Philip Oxhorn*
Economic / community development	Chief David Walkem
	Tim Johnston*
Finance/investment	Stephen Walker*
Labour/workplace	Doug Olthuis*
Expert	Maya Stano
Industry representatives	Alice Wong*
	Scott Yarrow*
	Pierre Gratton
	Peter Read*
	Shirley Neault
	Michel Julien
	Mark Wiseman
	Josée Méthot**

* Regrets

**Maxime Lachance attended as an alternate for Josée Méthot.

Additional Attendees	Organization
Presenters / Guests	
Lyn Anglin	Imperial Metals
Stephen Monninger	
Colleen Hughes	
Luke Moger	
Claudine Lee	Dominion Diamond Mines
Organizers	
Ben Chalmers	Mining Association of Canada
Andrew de Vries	
Michael van Aanhout	Stratos
Leah Henderson	

Appendix B: COI Panel Issue Prioritization 2019

Introduction

The below topics of interest were identified by COI Panel members during the March 2018 meeting. These issues were then ranked by COI Panel members through an online survey, using the following assessment criteria:

1. *Importance to non-industry COI Panel:* How important and/or relevant is this issue to you and the community of interest you represent to discuss at the COI Panel meetings in 2019?
2. *Importance or urgency of the issue to industry (for industry reps to assess):* How important and/or urgent/time sensitive is this issue to you and the mining industry to discuss at the COI Panel meetings in 2019?

These results are being shared with Panel members for reflections and response prior to being finalized. These final material issues will inform the topics of focus for Panel meetings in 2019.

Assessment Results

