Aboriginal Participation in Mining



information

PARTNERSHIP AGREEMENTS

The Minerals and Metals Sector of Natural Resources Canada promotes the participation of Aboriginal communities in minerals and metals activities across Canada by sharing information on Aboriginal-industry leading practices.

Troilus Mine

Project

Troilus is an open-pit gold and copper mine in the Frotet-Evans greenstone belt, located 120 kilometres north of Chibougamau in northern Quebec. The mine, operated by Toronto-based Inmet Mining Corporation, began production in 1997 after a three-year construction period. In 2004, Troilus completed a mill expansion to increase production and the mine now accounts for some 15% of Inmet's worldwide gross sales. Although formerly set to close in 2006, new ore discoveries will permit continued operation of the mine until 2010. A revised closure plan for Troilus is due to be finished in 2007.



Signed Agreements

In 1994, an Impact and Benefit Agreement (IBA) was signed between Troilus and the Cree of Mistissini, a nation representing about 3300 Cree from communities in the vicinity of the mine. The agreement had a particular emphasis on setting Cree employment targets, providing economic development benefits through procurement contracts for goods and services during construction and operation of the mine, and ensuring environmental

protection. It also made provision for a number of local families who were directly affected by the development, establishing a socio-economic development remedial fund and allowing for use of the access road, the main camp and its services. An Agreement Implementation Committee was formed by leaders of the Cree Nation and Troilus managers to ensure that the agreement is respected. Troilus has also contributed funding to the development of a case study on the implementation of the IBA that will examine employment issues and procurement service contracts within the mining sector.

Employment and Training

The Troilus mine employs 260 non-unionized employees and 95 contractors, of which 19 are women. The mine and the local community set a Cree employment target of 25%; however, robust competition for workers in the region has resulted in 14% Cree employment. A Cree Coordinator works to notify the community of job opportunities and interviews prospective employees. Workers live on-site away from their families on two differing shift schedules, either four days on/three days off or seven days on/seven days off. Workers are also guaranteed the right to take time off for traditional activities such as hunting. Training opportunities at the mine are supported in part by a \$1 million fund aimed at establishing training programs and generating capital for small business start-ups. Troilus has also worked in collaboration with the Cree School Board in delivering employee training programs that are recognized by the Quebec Ministry of Education. Two Cree employees are now qualified heavy machinery trainers, and Troilus will continue to support the development of trade skills for positions such as mine technician, surveyor, diesel mechanic, and assay lab technician through a job integration and apprenticeship program.

Economic/Business Development

The agreement reached between Troilus and the local Cree population allowed for the sharing of contract







details, accepted the possibility of dividing larger contracts into smaller units to encourage local bids, and gave the first right to bid on selected contracts for competitive offers. Procurement contracts amounting to some \$15 million were granted to Aboriginal-owned companies for mine development activities such as line cutting, road building, platform and building foundation construction, and the installation of potable water and waste water systems. Operation contracts amounting to \$3.5 million were granted to local cafeteria and lodging services, for aggregate and concentrate haulage, and for road maintenance. Some Cree employees have left Troilus to start their own trucking and logging businesses, while others have opened businesses in camp outfitting and tourism while remaining employed at the mine.

Social/Cultural and Community Support

Each year, Troilus holds a number of meetings with the local band council and the wider Mistissini community where employment, public health and environmental issues are discussed. The mine's Cree Coordinator has office space in the Cree Band offices and regularly liaises with the community to communicate job opportunities and conduct interviews. Troilus has pledged to investigate ways to assist substance abuse support groups and to help break destructive cycles that hurt the community. The company has also contributed \$63 000 to various regional organizations and events, including a local women's shelter, sporting groups, and cultural celebrations.

Environmental Protection

In 2005, Troilus updated its *Environmental Management* and *Procedures Manual* and pledged a renewed focus on environmental stewardship. In accordance with federal

law, the company now performs environmental effects monitoring, an activity assisted by the Cree Regional Authority's science advisor, who is generally involved in environmental activity at the mine. A 2006 environmental compliance audit showed an improvement over the previous audit. A good relationship between the mine, the community and the Cree tallyman family responsible for traplines is leading to improved communication on environmental issues. The mine closure plan is being re-evaluated in consultation with the Cree community.

Moving Forward

Inmet Mining Corporation will continue operating the Troilus mine until at least 2010 and a new phase of exploration is being planned. The company remains positive about the Troilus mine's future and operations, with Cree employees representing an important part of the work force. The retention and advancement of Cree employees will continue to be encouraged and supported.



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