



Community Sustainability Committee (CSC) Meeting Minutes

Date: February 22, 2019 **Time:** 10:00 am – 2:00 pm

Location: Centerra Gold Prince George Office **Date Issued:** April 16, 2019

Prepared by: Chelsea Ogilvie T: 250-997- 1371 E: chelsea.ogilvie@centerragold.com

Facilitator: Chelsea Ogilvie T: 250-997-7548 E: chelsea.ogilvie@centerragold.com

Attendees:

Name	Organization	Present
Erin Siemens	College of New Caledonia (FSJ), Project Planner	
Judy Greenaway	District of Fort St. James, Councillor	P
Jennifer Howell	District of Fort St. James, Councillor	P
Ann McCormick	Member at Large, Fort St James	P
Andy Barnes	District of Mackenzie, Councillor	P
Diane Smith	District of Mackenzie, Director of Corporate Services	P
Aiden Wiechula	Member at Large, Mackenzie	
Shannon Bezo	College of New Caledonia (Mackenzie), Regional Principal	P
Destiny Ketlo	McLeod Lake Indian Band, Councillor	
Ken Solonas	McLeod Lake Indian Band, Employment & Training Liaison	P
Tamara Dokkie	West Moberly Land Use Manager, West Moberly First Nation	
Colleen Erikson	Nak'azdli Whut'en, Natural Resources Manager	
Hilary Irving	District of Vanderhoof, Deputy Dir. Community Development	
Kevin Moutray	District of Vanderhoof, Councillor	P
Wayne Salewski	Member at Large, Vanderhoof	P
Terri McConnachie	City of Prince George, Councillor	P
Garth Frizzell	City of Prince George, Councillor	
Joanna Miller	Centerra Gold, Manager, Sustainability	P
Chelsea Ogilvie	Centerra Gold, Advisor, Sustainability	P

Guests: Tim Caldwell, Environment, Centerra Gold; Tara Valaire, HR Recruiter, Mount Milligan

Description: Summary of Action Items	Resp.	Due Date	Item
1. Centerra to share local procurement database once complete	CO	June 6	3
2. Centerra to share HR stats for embedded contractors	CO	June 6	6
3. Centerra will create a Recruitment and Training Sub-Committee of the CSC	CO	Q3 2019	5

4. Centerra to circulate update Community Project Fund Terms of Reference and Application documents with meeting minutes

CO

April 15

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#	Topic
1	<p>Welcome – Chelsea Ogilvie</p> <ul style="list-style-type: none"> Chelsea welcomed CSC members. Chelsea invited CSC members and guests to introduce themselves and then provided an overview of the agenda. <p><i>CSC questions and comments:</i></p> <p>C1: The two new CSC representatives from Fort St. James are Councillors Judy Greenaway and Jennifer Howell.</p>
2	<p>Centerra Gold BC Update – Chelsea Ogilvie & Joanna Miller</p> <ul style="list-style-type: none"> Mount Milligan is preparing to launch its Cultural Diversity course in the spring of 2019. All employees will be required to take the four-hour course, which teaches about the benefits of a diverse work environment, provides an overview of First Nations history in Canada, and includes sections prepared and presented by representatives of Nak’azdli Whut’en and McLeod Lake Indian Band. A similar course will be made for Kemess. Mount Milligan’s local supplier directory has been populated with information on businesses in Fort St. James and Mackenzie. This will be turned into a searchable database in the spring of 2019 and training for end users (Centerra employees) will support its roll-out across the site. Mount Milligan is preparing for the second annual Pre-Employment Training and Education Readiness (PETER) Programs in partnership with McLeod Lake Indian Band, Nak’azdli Whut’en, and the College of New Caledonia. Members of the working groups that developed the program have been invited to speak at the Prospectors and Developers Association of Canada conference in Toronto in March 2019. Joe Marks has been the Acting General Manager at Mount Milligan since Phil Welten’s departure at the end of 2018. He will continue to hold this role until the position is filled. IBA negotiations with Nadleh Whut’en and Stellat’en First Nation are ongoing at Endako. The process is going smoothly and we are hopeful that an agreement will be reached in 2019. Mount Milligan had an All Incident Reportable Rate slightly above the provincial average for 2018. There were six Lost Time Incidents in 2018. <p><i>CSC questions and comments:</i></p> <p>Q1: Are you still putting all your employees through Work Safe Home Safe safety training?</p> <p>A1: Yes. We continue to run Work Safe Home Safe 1 for all new employees, and have completed our first round of Work Safe Home Safe 2.</p>
3	<p>Centerra Environment & Permitting Update: Operations and Permitting Update – Tim Caldwell</p> <ul style="list-style-type: none"> Water quality work continues at all three Centerra sites in BC. The environmental teams at each site are looking at best available technology to help with the work. All sites are also working on Annual Reporting, which they build from data collected throughout the year. The Endako Water Quality Working Group is gearing up for more activity in the spring. There have been some personnel changes within the Environmental departments at all the sites as well. Kosta Sianis has left Endako to take a new role at Gibraltar mine.

Chris Hiemstra, a long-term employee at Endako, has been promoted, and we have hired a new Environmental Monitor to support him. Jordan Evans is no longer with Kemess Underground, but Peter Greene and Justine Walker, the site's current Environmental Coordinators, continue to oversee the field work and work closely with First Nations Environmental Monitors.

- Mount Milligan avoided a shutdown this year despite water limitations. The mine hit production guidance for 2018, which shows the potential of the site.
- Mount Milligan received its three-year water allowances and is preparing to collect water once freshet starts from Philip Lake #1 and Rainbow Creek. The three-year period will give the mine enough time to explore available options and get the permits and eventual infrastructure in place for long-term water collection.
- Meetings with First Nations and communities will begin this spring discuss water collection options for life-of-mine.
- The support of the CSC and the local communities is very much appreciated and has gone a long way in helping the mine attain permits.

CSC questions and comments:

Q2: What exactly do you mean when you say you will be getting infrastructure in place to support long-term water sourcing for the mine?

A2: We will need to build some roads and lay some pipeline. We have also committed to looking for groundwater, so we have a large water exploration project underway. We will need power sources for all this work as well.

Q3: What happens at the end of the three-year period? Will you have to apply for further water withdrawals?

A3: Yes. In 2017/2018 we applied for a one-year permit and had to jump right back into the permitting process for additional water withdrawal allowances. Over the next three years we will be working on another Environmental Assessment Amendment to seek permits for life-of-mine water.

Q4: Where are the decision makers based for these permit applications? Down South?

A4: Kevin Jardine is the statutory decision maker for the BC Environmental Assessment Office and is based out of Victoria. Andrew Rolo is the Senior person at the Major Mine Office, a branch of the Ministry of Energy, Mines and Petroleum Resources.

Q5: Is there any baseline data from the area around Endako mine?

A5: Since Endako is sixty years old it is unlikely that any baseline data was collected prior to construction. We do have sixty years of data that gets better as time goes on.

Q6: Some of the Citizen Science from the Glenannon Association might include baseline data. Can we ensure that this gets looked at? It could be very valuable.

A6: We do intend to get someone looking through all that information. It would be a good job for a summer student.

C1: The province is currently focusing on large lake assessments. They are starting to develop processes for working with high-residential lakes. Fraser Lake, Babine Lake and Francois Lake would all fall into this category. Perhaps Centerra could volunteer to collect and provide data that meets the criteria of the province?

R1: We are aware that this is happening with the province, and as Mount Milligan permitting slows down we should have time to get more involved with these initiatives.

Q7: Are you looking at how water will fit into future exploration and possible expansion plans?

A7: Yes. We are also looking at how climate change will affect our future water sources. For example, Mount Milligan is naturally a water-negative site. There is major input in the spring, but other than that we were supposed to have the Meadows Creek Supply Pond as a buffer. We are not getting the precipitation levels we anticipated, and climate change will impact this trend.

Q8: Is something that could be researched in partnership with UNBC?

A8: We could certainly be doing more work with the university. We have recently connected with a Professor working on a research project about water in the region, and we are exploring a potential partnership. We see the relationship with the neighbouring post-secondary institutions as potentially tying into our longer-term training and recruitment plans.

C2: I am glad the university is reaching out to industry. The data that can be sourced will really benefit the region.

Q9: It's great that water is being looked at across all three Centerra sites. Can you speak to the impact on care and maintenance at Endako? Will water quality and availability have an impact on the start-up of Endako? Or any kind of slow-down at Kemess? How will it impact overall mine life?

A9: Water availability is not a factor that will impact Kemess Underground moving into operation. The water quality and water management work happening there will continue regardless of the status of the operation. It is a legacy piece and has to move forward. Water treatment will be a major project at the site this year. Right now, there are optimization studies being done around the economics of the Underground project. Yesterday updated site studies were presented to the Board and we are waiting for a response. Centerra is looking to stagger the start-up of our projects, and our project in Turkey, Oksut, is current in construction. They plan to be pouring their first gold bars in 2020. At Endako, the start-up is affected by Molybdenum prices. We need to see sustained Moly prices of around fourteen dollars per pound to break even. We are looking for market stability, so that even with price fluctuations, will see the price staying around the fourteen-dollar mark. The water quality work at Endako is ongoing. There is a Water Quality Working Group which is a partnership between Centerra, First Nations and the government. While it is not a requirement of any agreement, we are seeing that these types of collaborative groups are becoming more common.

C3: I suspect the company would look to sell that asset before re-opening it.

R3: Perhaps. But it is much easier to sell an operating mine. We will have to wait and see what happens there.

Q10: The original design for the Mount Milligan tailings storage facility (TSF) was a closed-loop circuit, with recycled process water. What happened to the original design? Is the circuit open anywhere?

A10: The TSF is built to its original design. We have had lots of questions about whether the dam is leaking anywhere and the answer is no. We do regular water testing and it has all come back clear of tailings. It is a fairly new dam so perhaps ground water has not made it to the wells further away yet, but we have no evidence to indicate this is the case. What happened was that production in the mill started a year late. That meant that we were not able to line as much of the TSF with tailings as we might have. The result was that the sands and gravels at the bottom of the pit soaked up some water. We were always expecting to run at a negative water

balance within our closed circuit – the original design plans called for a dam and water storage pond to be built on Meadows Creek to offset this. We did not build this, and the negative water balance happened earlier than expected. The TSF is now completely lined with tailings and this will continue to build up. We are also moving our water balance into a program called GoldSim, which will allow us to do better modelling for the coming years. This will help inform our Mine Closure Plan and we hope to see this coming together before the end of the year.

A10b: We will continue to keep the circuit closed. There will be no discharge, just more inputs to help sustain the water balance.

C4: I would like to say that I am very happy Centerra has upheld the original promise to not use cyanide. I know there is quite a bit of gold in the tailings.

R4: Thank you. We have optimization projects underway looking at way to increase gold recovery, but no plans to use cyanide

Q11: Is Kemess designed the same way so that you need tailings to seal the TSF?

A11: Yes, Kemess is based on a similar design to Mount Milligan. They have a tailings beach that sits up against a wall for further support to avoid a breach. Kemess is going to have to treat the water being held in the old pit (TSF) and move it out to make room for more tailings. One of the limiting factors on the mine life at Kemess is its lack of facilities for tailings storage so research is being done in this area. Water treatment is certainly a key component.

Q12: In the scope of the region do you think that Mount Milligan will be competing with junior mining companies for water?

A12: That question speaks to exactly to why cumulative effects assessments are being looked with increasing frequency. The more industrial players you have operating in an area, the higher the competition for resources. If we see other mining companies coming online in the region, we will be sharing finite resources. There is quite a bit of exploration in our area, but that will take a long time before it turns into anything feasible. Exploration at Milligan was happening in 1992 but it took decades to come online. Most of the exploration Centerra is doing is very close to Mount Milligan, with the hope of expanding and extending mine life.

Q12: Are you having discussion about drawing from the Nation River for Mount Milligan?

A12: We met with the Nation River Keyoh holders from Nak'azdli at Nation River last summer, but beyond that we have had no discussions. There is still a lot of unknowns, but we are committed to keeping all engaged as we move forward.

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CSC Recruitment and Training Sub-Committee – Chelsea Ogilvie

- Centerra Gold would like to have a Recruitment and Training Sub-Committee to review and assist with the Company's new Regional Employment and Training Strategy. This strategy is aimed at increasing the number of Indigenous, local, and female employees across Centerra BC
- Since almost all CSC members are interested in reviewing the Strategy, it will be presented at the next CSC meeting. From there, a smaller group may move forward as a sub-committee, or certain members may choose to support various projects or initiatives in the strategic plan.

CSC questions and comments:

Q13: Will this plan focus on all Centerra's BC operations?

A13: Yes. Right now, the majority of the training initiatives will be focused on Mount Milligan. Eventually this is something we would include at Kemess and Endako.

5 **Mount Milligan Human Resources Update: Employment, Recruitment and Training - Chelsea Ogilvie & Tara Valarie**

- There are 546 full time employees at Mount Milligan as of January 2018, an increase from 545 in September 2018. Of those, 87% are male and 13% are female.
- The workforce is comprised of 12% Mackenzie, 15% Fort St James, 4% Vanderhoof, 24% Prince George, 8% Fraser Lake residents, 35% come from remainder of BC and 2% are national.
- 16.8% of the workforce is Indigenous, of which 1.1% is McLeod Lake, 8.4% is Nak'azdli Whut'en and 7.3% are from other Indigenous groups.
- 23% of applicants to entry-level positions since November 1, 2018 have been local. However, 100% of openings have been filled with local candidates.
- 21% of applicants to our trades roles have been local, and 47% of offers for these trades positions have gone to local candidates.
- Tara Valaire, the Mount Milligan recruiter, spoke with the CSC about some of the initiatives she has initiated, including updating job postings and the application process, working to relocate new hires to the region, and visiting local communities to give career presentations and meet with potential applicants.

CSC questions and comments:

Q14: Can we get these types of statistics for the embedded contractors on site?

A14: Yes, that should not be a problem. We will get that information for the next meeting.

Q15: I have been seeing ads pop up on Facebook for 'remote camp jobs' at Mount Milligan. Why are these ads appearing, and who are you trying to recruit with them?

A15: These groups pick up job postings from sites like LinkedIn and Indeed. We have no control over them, unfortunately. The sites make money from traffic and ads, we do not pay them. The only good thing about that ad is that when you click on the link it takes you directly to Centerra's website. On the website you will be able to see what jobs are available.

A15b: Our focus remains on hiring local candidates. We are working on a review of our job postings to ensure we are using language that is both inclusive and indicates we are looking for employees to live locally.

Q16: I had a question from someone in my community. They were told that their application was no longer valid after one year and they wanted to know if they should keep applying.

A16: In the past jobs used to remain open online long after the positions were filled. Applicants could continue to apply so long as the posting remained open. Now we close the postings after twenty-one days. If no candidate is found we will re-post the position. I would encourage everyone to apply to each individual posting they would like to be considered for, as they come up on the website. Their resume will not just sit on file for all openings. We cannot contact everyone that applies, unfortunately.

Q17: Is there any information about the process available on the website?

A17: When someone sends in an application they receive a confirmation email that their application has gone through. If they do not receive this email there is a good chance their

application did not work. The confirmation email explains that they will only be contacted if they are successful in attaining an interview or further screening. We are working on changing that language to make it clearer.

Q18: What about the 'General Interest' portion of the website? Can people still apply to that?

A18: Yes, they are welcome to apply to the expression of interest, and I tell people to take that approach when there is no specific job posting they are interested in. It will allow the applicant to set up a profile, and that makes it much easier to apply directly to postings when they become available.

C5: I am very excited that you are coming to Mackenzie to host a mini career fair. This is a great step to be taking and I hope we can do more in the future.

R5: I am looking forward to it and hope that I can get into all the local communities in the coming months to have some face time with community members. I am available if you ever would like me to come and speak.

R5b: We will be tying these community visits in with our community offices.

Q19: If you are unable to hire locally, how do you approach relocation?

A19: During every interview we ask the applicant if they are willing to relocate. This is something we can discuss on the Recruitment and Training Sub-Committee.

Q20: Can we do anything to help with relocation? We already do it for roles like physicians, and we are set up with materials, real estates profiles and information.

A20: Yes, I think we can pool our resources to ensure we are making the best pitch to our applicants to relocate to our region.

6 Mount Milligan Community Project Fund Application Review – Chelsea Ogilvie

Prior to reviewing the spring 2018 applications, members discussed past applications with funds still on hold. These organizations will be contacted, and depending on the status of their project, the hold of funds may be removed and they will be required to reapply once the project moves forward.

The Community Project Fund Terms of Reference and Application Forms were updated to reflect the regionalization of the Fund and to clarify some of the requirements for funding. The new application will be ready for the Fall 2019 intake period.

Four applications to the Community Project Fund were received by the February 1, 2019 deadline for the spring intake period. The Committee discussed each application in detail and discussed the importance of accurate and complete budgeting.

Each application was evaluated by the CSC and ranked from 1 to 4. The following table summarizes the ranking and amount of funding granted by the Committee.

PROJECT	OVERALL CSC RANKING BASED ON EVALUATION	FUNDING GRANTED
P1 Nechako Valley Community Services Society	1	\$8,500
P2 Autumn Services	2	\$2,184
P3 SD91 - Build a Whale	3	\$3,095
P4 McLeod Lake Indian Band - Community Garden	4	\$5,650

TOTAL FUNDING GRANTED: \$19,429

6	Working Lunch
7	<p>CSC Community Updates:</p> <p>The CSC members reported on activities in their respective communities since the last meeting in October 2018.</p> <p>McLeod Lake (KS)</p> <ul style="list-style-type: none"> • The Economic Development department is busy building partnerships and agreements with local businesses such as Canadian Natural Resources Limited. • The Annual MLIB Career Fair will be held on March 7 at the Mackenzie Community Hall. • Mount Milligan’s Pre-Employment Training 2.0 is going to start on April 1, and MLIB members of the planning group are going to the PDAC conference in March to present on the program with Centerra Gold. • BC Hydro has a new representative in our area – Sharon McCleod – and we are going to be working with her on employment and training opportunities for our members. • MLIB will be running driver’s training in community, starting with more courses for getting a Learner’s license. Adult upgrading continues with the CNC. • MLIB has an OH&S committee that has been working on policies, vehicle safety, and other projects. An Emergency Management Team was just created to help plan for things like evacuations and build emergency response plans. We will be running table-top exercises as well as a trial evacuation in April. We would like to involve the surrounding areas, as our signage will be going along the backroads to Carp Lake, Bear Lake and Summit Lake. • The AGA is booked for August 7-9 in McLeod Lake. We will also be hosting our third annual Canoe Journey. <p>District of Mackenzie (DF, AB)</p> <ul style="list-style-type: none"> • The Recreation Centre upgrades are almost complete, though portions have opened to the public like the community hall and the new play gym. We continue to look for funding opportunities to improve the facilities. • Wildfire mitigation and emergency preparedness have become a major focus of the community. We just put \$25,000 towards an emergency mobile unit, and another \$25,000 towards emergency route and evacuation planning. We are waiting to hear about applications for wildfire mitigation measures along highway 39. • The District has applied for funding for airport improvements. We would like to upgrade the fuel systems for the terminal. This initiative is driven by increased activity in the region, leading to a busier airport. • Mackenzie was successful in funding to build new relocation and marketing material. • The Economic Development plan has been updated and reviewed by the District. Drafts are available to the public. <p>College of New Caledonia – Mackenzie (SB)</p> <ul style="list-style-type: none"> • The CNC rebrand launches on March 1. There will be small events, but we will do a large celebration in September that coincides with 50th birthday celebrations. • The Mackenzie CNC Campus will be celebrating Aboriginal History Month in March with a week of programming from March 4-8. • We continue to work with Digital Delivery in the region and look for ways to bring the technology offsite for various upgrading initiatives.

- The WorkBC service contract has changed hands, but CNC will remain on board as the sub-contractor. The budget has been cut by about 40% so we expect to see some changes.

District of Vanderhoof (KM, HI)

- The pool is up and running. The first two weeks saw 2000 visitors on very reduced hours, so they expect things to pick up over the summer.

District of Fort St. James (JG, JH, AM)

- The District is partnering with Nak'azdli Whut'en to run a recycling program with curbside pickup.
- The District has applied for several grants to look at shoreline stabilization since Fort St. James has lost about fifteen feet of shoreline in one year.
- There has been some change in staff at the District, and we continue to work with our First Nations partners.
- Winterfest just finished and was a great success. Lots of people participated in three weeks of winter activities and events.
- Physicians seven and eight were recently hired. They will be working in Tlazt'en and Nak'azdli Whut'en as part of their community work. The clinic is working alongside the First Nations partners to strengthen those ties. Northern Health recently ran a pilot program to teach physicians about Indigenous health, dealing with trauma, residential schools and current barriers. The workshop was filmed and will air on CBC. This was an initiative driven by the First Nations communities. They are really shaping healthcare in our region.

City of Prince George (TM)

- The Para Nordic Skiing World Championships have been a great success. They have seen great conditions and lots of people from the community supporting and watching the events.
- There is a lot of discussion on wildfires, since we see it as only a matter of time before Prince George is directly affected. The city is working on several projects to ensure emergency preparedness.

8 Confirm next meeting date and location.

- The CSC decided to hold a meeting in early June at the mine site. The tentative date is set for June 6. The main focus of this meeting will be to review the Regional Employment and Training Strategy.