

CASINO

Supplementary Information Report A

to the Proposal for the Casino Project

submitted by Casino Mining Corporation

on January 3, 2014

*Pursuant to the
Yukon Environmental and Socio-economic Assessment Act*

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ABBREVIATIONS

SEMP	Socio-Economic Management Plan
the Project	Casino Mine Project
CMC	Casino Mine Corporation
YESAB	Yukon Environmental and Socio-economic Assessment Board
YMTA	Yukon Mine Training Association
HSS	Yukon Government Health and Social Services

REVISION SUMMARY

Version	Date	Revision notes	Revision authors
Preliminary Draft	January 2015	Produced for YESAB assessment process	CMC

A.22F – SOCIO-ECONOMIC MANAGEMENT PLAN

A.22F.1 INTRODUCTION

The purpose of the Socio-Economic Management Plan (SEMP) is to manage the socio-economic effects of the Casino Mine Project (the Project) on potentially affected First Nations and communities. The SEMP describes commitments and policies that Casino Mine Corporation (CMC) will undertake to encourage and promote positive socio-economic development to improve quality of life and well-being for those that live in neighbouring communities. The Plan is intended to maximize the Project opportunities for the benefit of First Nations and Yukoners that will be implemented during all stages of the Project consistent with Mining Association of Canada's Guiding Principles of "Towards Sustainable Mining" (2014), and will ensure that CMC:

- Protects the health and safety of employees, contractors, and communities;
- Practices continuous improvement through the application of new technology, innovation and best practices in all facets of operations; and
- Is responsive to community priorities, needs and interests through all stages of mining exploration, development, operations and closure.

CMC commits to the policies outlined in the SEMP that include a number of best practices to meet the following objectives:

- Provide long-term benefits to all employees and communities;
- Involve First Nation governments and stakeholders in staff hiring and business opportunities;
- Establish a relationship between the communities and stakeholders from the beginning of the Project based on mutual respect, understanding, and management of expectations;
- Engage and communicate with all groups to encourage and promote dialogue between communities and CMC on issues and concerns related to the management and procedures of the Project; and
- Establish a complaints/grievance mechanism which involves submission of local concerns and suggestions on Project operations; and
- Establish monitoring programs to track changes in socio-economic conditions of the communities and evaluate effectiveness of mitigation measures.

Mitigation of Project-specific socio-economic effects assessed by the Yukon Environmental and Socio-economic Assessment Board (YESAB) has been incorporated into, and will continue to feed into, the SEMP. CMC expects that the SEMP will be iterative and will evolve over the course of the environmental assessment, regulatory reviews, and development stages of the Project throughout the life of the Project. As the Project advances through the development stages and new ways to manage socio-economic effects are identified, the SEMP will be updated with the new mitigation measures. Suggestions and recommendations from the communities will be incorporated into the SEMP.

A.22F.2 EMPLOYMENT PLAN

The Casino Project is a major mining development project with potential to provide significant wealth in job creation and employment opportunities. This section outlines recruitment commitments, education and skills training commitments and employment commitments to be detailed in the final SEMP.

A.22F.2.1 Recruitment Commitments

CMC is committed to recruiting and hiring as many Yukoners as possible during the Construction and Operation Phases of the Project. Special emphasis will be placed on pre-employment training and employment of Aboriginal

persons who live in or originate from the communities of Pelly Crossing and Carmacks. Casino will also recruit for pre-employment training and employment in Whitehorse and other communities in the Yukon. Additionally, CMC will work with community leaders to address employment barriers for women and people with disabilities.

CMC will hire according to the following priorities, in order:

1. Hiring of First Nations;
2. Hiring of Yukoners who have been continuous resident in the Yukon Territory at least six months prior to being hired;
3. Hiring of Northerners residents in northern British Columbia and Northwest Territories; and
4. Hiring of Canadians across Canada.

Subject to the availability of Yukoners with the required skills, training and experience, CMC will work toward, and will take all reasonable steps, to meet the following goals:

- Meet a target employment of Yukoners in the Construction Phase of 63%;
- Meet a target employment of Yukoners in the Operations Phase of 78%;
- Encourage employment of First Nations by Contractors throughout the Project life; and
- Pursue recruitment and employment opportunities that meet the negotiated cooperation agreements between CMC and the First Nations governments.

CMC will maintain or consider various measures to meet these goals and assist employees who reside in the North. The company will, at its sole discretion, implement various measures related to qualifications for employment, terms of employment, wages, salaries, benefits, allowances, skills, training experience, work schedules, qualifications for training, terms of training, and promotion. CMC will work to:

- Establish a minimum of Grade school level as a standard for trainable positions;
- Develop work schedules compatible with the traditional pursuits of First Nations when possible;
- Fund and co-fund community research projects directed at gathering information and addressing barriers to successful employment;
- Actively promote and encourage careers in the mining industry to the youths in the Yukon;
- Promote and encourage partnerships with local schools for work experience and job placement programs as well as summer employment opportunities that allow students to gain experience while continuing to complete their education; and
- Provide opportunities for summer employment to Yukon post-secondary students during project operation.

A.22F.2.2 Education and Skills Training Commitments

CMC will collaborate with Yukon Government, Yukon College and Yukon Mine Training Association (YMTA) to provide education and skills training to increase the number of apprenticeships and positions to be filled for the Project. Apprentices, where reasonable, will be hired by CMC upon successful completion of apprenticeships.

Education and skills training programs will focus on:

- Providing pre-employment opportunities for training in accordance with the hiring priorities;
- Enabling Yukoners to gain access to jobs;
- Giving special emphasis on training opportunities in the communities of Pelly Crossing and Carmacks;
- Facilitating employment advancement for Yukoners;
- Enabling Yukoners to fill apprenticeships, technical, technological, supervisory, managerial, and professional occupations;
- Requiring all Contractors to adhere to the goal of maximizing the employment of Yukoners; and

- Collaboration with Yukon Government in the development of pre-employment preparation, skill development training, on-the-job training, and re-training programs to better enable Yukoners to take advantage of employment opportunities from the Project.

CMC agrees to:

- Collaborate with First Nations to encourage development and delivery of training programs based on cultural value systems which include a cultural component that would introduce new employees to rotation employment and the intricacies of scheduled work;
- Continue “on-the-job” training throughout the life of the Project;
- Initiate a pre-employment training program;
- Upgrade and train its Yukon employees so that they are able to accept positions of greater responsibility within CMC;
- Support programs that encourage careers in technology, science, and engineering, working in cooperation with the Yukon Government, YMTA, Yukon College and First Nations governments;
- Supplement existing training programs with “on the job” training as much as possible;
- Participate in regional career fairs;
- Organize and implement training programs so that employees completing the training will be able to use the skills acquired and time spent as credit towards certification or status;
- Support non-mining training and entrepreneurial initiatives in local communities;
- After Project production, CMC will assist employees to enhance their employability and find new employment in the mining industry; and
- Develop and implement training programs in accordance to the Yukon Government Apprenticeship Training Act.

A.22F.2.3 Employment Commitments

The company will provide employees with free work-related round-trip transportation to the mine site from the communities of Pelly Crossing, Carmacks, and Whitehorse. The company will also work with Yukon Government and Yukon College to enhance employment opportunities from other communities.

CMC will introduce and maintain measures to assist First Nation and non-First Nation employees to perform well in their jobs and to help their local communities with any potential effect of the Project, and will:

- Conduct cultural awareness training for all employees and contractors working at the mine site;
- Ensure that at least one Employee Relations Personnel will be able to communicate in Northern Tutchone language;
- Support efforts to revitalize Northern Tutchone language and incorporate Northern Tutchone language into mine signage;
- In cooperation with First Nation Governments, provide and maintain reading and video materials using the Northern Tutchone language on site;
- Address cultural sensitivity and cross-cultural awareness in all orientation training;
- Provide shifts to accommodate subsistence harvesting and participation in cultural activities / events;
- Fund cross-cultural training programs as may be agreed upon by CMC and First Nations Governments;
- Provide communication links to home communities;
- Permit periodic spousal tours of the work site;
- Develop an Assistance Program with personnel providing services and seminars in the field of counselling, addiction and rehabilitation, family adjustment, and savings plan for all employees;
- Provide space at the mine site for spiritual ceremonies for First Nations;

- Provide flexible work rotation schedules, where practical, that could accommodate the needs of local hires and industry practices;
- Enforce a sexual harassment policy at the mine site, and an alcohol-and drug-free workplace policy for the possession or use of any alcohol or illegal drugs at the Project; and
- Work with other mining companies to attract local workers set to be laid-off as other mines cease operations.

A.22F.3 LOCAL PROCUREMENT PLAN

CMC will establish local procurement policies to encourage and promote local businesses and contracting opportunities generated by Project operations. Whenever practicable, and consistent with procurement management, CMC will implement policies that are intended to maximize business opportunities and capacity building for local and Yukon businesses. CMC will purchase as many goods and services in the Yukon as possible.

CMC will take all reasonable steps to work toward the following objectives:

- Maximise the purchase of goods and services from local and Yukon businesses during the Construction Phase.
- Maximise the purchase of goods and services from local and Yukon businesses during the Operation Phase.
- Priority will be given to qualified businesses for procurement bids and opportunities in the following order:
 1. First Nation businesses;
 2. Yukon businesses; and
 3. Other businesses outside the territory.
- Special emphasis will be placed on developing business opportunities with the communities of Pelly Crossing, Carmacks and Whitehorse, and other communities where there is an expression of interest.

The criteria used for evaluating and awarding contracts for the Project shall include, but not limited to, the following:

- Quality;
- Ability to supply and deliver the goods and services;
- Timely delivery;
- Safety and environmental record; and
- Number of Yukon and First Nation staff and degree of participation by both groups.

The following measures will be taken to maximize Project related business opportunities for Yukon businesses:

- Work closely with Yukon Government to identify goods and services that will present the best opportunities for supply by Yukon businesses and to identify publicly available economic development programs in matching Project related business opportunities with new entrepreneurs and existing business capabilities;
- Work closely with First Nation and business groups to plan for and maximize participation of First Nation and Yukon businesses;
- Work closely with local communities to create long-term business and employment opportunities and increase business capacity;
- Develop clear guidelines and schedules regarding what resources the company will commit to Project-related business opportunity developments;
- Provide Yukon businesses with business opportunities forecast and other information relating to CMC's procurement needs; and
- Facilitate subcontracting opportunities for First Nation and Yukon businesses.

A.22F.4 SOCIAL AND CULTURAL WELL-BEING

The health and wellness of CMC's employees, their families, and local communities are the core foundation of a successful Project. CMC understands that while Project activities will have both positive and negative impacts, companies are increasingly expected to operate responsibly and to be committed to their employees and the communities in which the Project operates in. An important consideration is the expectation that businesses will foster and deliver sustainable benefits that enhances social and cultural well-being of all First Nations and community stakeholders. The success of the Project depends on the support of employees and communities.

To promote a healthy, stable and vibrant workforce and community support, CMC will work with employees to be successful in their jobs and careers and work collaboratively with communities to address and prevent negative impacts of the Project. CMC will work with agencies and parties to address the following social well-being issues for its employees and the communities:

- Support local and regional initiatives and programs to address alcohol and substance abuse problems;
- Establish partnerships to effectively address issues such as substance abuse, family violence, domestic abuse and provide programs for its employees, family members and the communities;
- Undertake prevention and awareness programs on-site and work with social service agencies such as Yukon Government Health and Social Services (HSS);
- Work with HSS and other social service agencies to assist with and deliver prevention and awareness programs on alcohol and substance abuse, family violence, and domestic abuse issues in the communities;
- Collaborate with HSS and other social service agencies to provide family counselling services in the communities for mine employees and their families that include family and relationship counselling, stress management, anger management, support services for women and single mothers, child care services, and parent training; and
- Encourage and promote use of support services in the communities by providing information on-site on the available programs and services in the communities.

CMC will also implement the following activities and initiatives:

- Hire a community liaison staff that is a First Nation member who will work with the local communities on community well-being matters;
- Help facilitate money management training in the communities to CMC's employees and their spouses as a mandatory requirement within the first six months of all newly hired employees;
- Work with First Nations and communities on ways to disseminate materials and information to employees and communities related to substance abuse awareness and prevention training;
- Establish a sexual harassment policy and an alcohol-free and drug-free workplace policy at the mine-site;
- Ensure that foods provided at the mine-site promote healthy living, and are appropriate for employees who are at risk for developing diabetes; and
- Provide recreation facilities and equipment on-site.

CMC will actively engage with and encourage Yukon Government to promote the well-being of its employees and the communities in the following ways:

- Facilitate the planning and delivery of community-based mental health and addictions programs and wellness programs;
- Collaborate with First Nations governments in the design of community mental health and addiction programs and wellness programs;
- Meet with Yukon Government to discuss program and service delivery plans and identify areas for collaboration.

Cultural preservation and protection of traditional activities is essential to the cultural well-being of First Nations. To promote and ensure that First Nations' cultural and traditional way-of-life are maintained and protected, CMC shall:

- Support the promotion of traditional cultural practices of the Aboriginal Authorities;
- Work with the community, governments and educational institutions to promote use of resources in local schools that are culturally appropriate to First Nations;
- Develop and implement a cultural exchange program to provide non-Aboriginal site employees with the opportunity to spend up to three days with a First Nation employee pursuing traditional activities;
- Provide cross-cultural training to all on-site staff;
- Provide mine site visits for employees' families; and
- Provide traditional foods on site when available.

A.22F.5 CASINO RESOURCE FUND

Mining provides tremendous social and economic opportunities to communities through employment, business opportunities, and the payment of taxes and royalties. In addition, benefits and opportunities can be realized through "social investment" where funds available from royalties and taxation are spent on cultural, economic, and social development projects. Investment funds can be established that are channelled back to communities and spent on projects that support community development goals. Specific criteria for expenditure of the monies can be established with proposals for the use of the fund will need to identify projects that provide social, economic and cultural benefits to the local communities.

Resource Revenue Sharing arrangements between First Nations Governments, the Federal Government and the Yukon Government will provide a significant source of funds. Further discussions with First Nations Governments and other governments are required to determine an appropriate and effective approach to funding mechanisms to meet the needs of the communities.

A.22F.6 STAKEHOLDER ENGAGEMENT / COMMUNICATION PLAN

CMC is committed to ongoing engagement and communication with First Nations, local communities, regulatory agencies, and other stakeholders and land users. For communities to benefit from the Project, transparent and ongoing communication is needed so that governments, communities, and stakeholders are engaged and informed about the mine, mining activities and schedule, as well as opportunities such as jobs and employment, skills training, and business procurement for goods and services. Prior to mine development, CMC plans to hire a community liaison staff to work with the communities on Project opportunities (i.e. jobs and employment opportunities, contract/business opportunities) as well as socio-economic issues related to the mine. The community liaison will be responsible for engaging and consulting with First Nations, agencies and stakeholders outlined below.

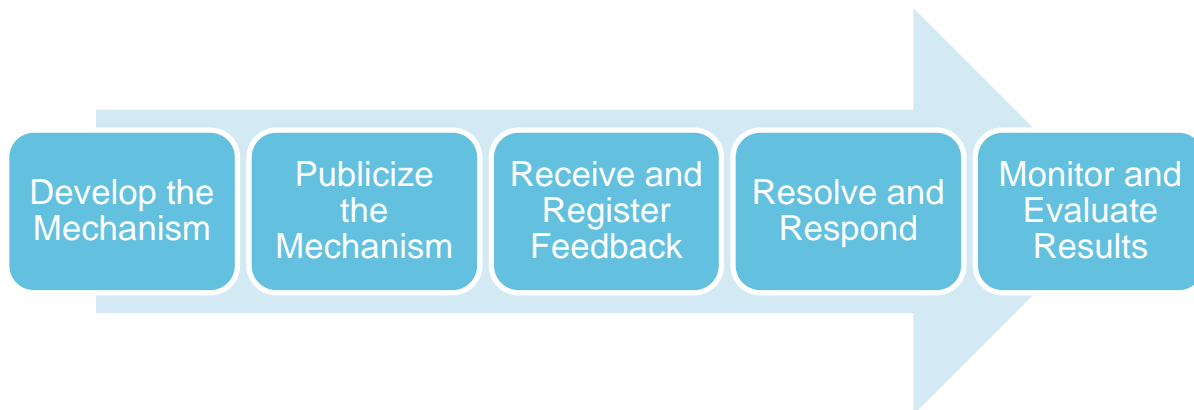
- First Nations Governments:
 - Selkirk First Nation
 - Little Salmon / Carmacks First Nation
 - Tr'ondëk Hwëch'in First Nation
- Municipal Governments:
 - Village of Carmacks
 - City of Whitehorse
- Yukon and Federal Government departments that interact with the communities.

To foster a collaborative and cooperative relationship with identified stakeholders, the objectives of the Stakeholder Engagement/Communication Plan are to:

- Promote engagement between the communities, the company and various levels of First Nations and Yukon Governments;
- Establish and maintain a relationship based on mutual respect and trust between CMC and the local communities;
- Encourage and promote dialogue from all stakeholders on issues and concerns related to the Project;
- Promote participation of communities, governments and other stakeholders in local initiatives and programs;
- Help to build trust and respect between CMC, First Nations, local communities, regulatory agencies, and other stakeholders and land users; and
- Establish a framework for engagement over the life of the Project.

Effective and open communication is also important in ensuring all parties' interests are considered. The company will establish a formal process of engagement and dialogue with First Nation governments and stakeholders to ensure dialogue and feedback are considered in the company's decision-making processes during all phases of the Project from construction to closure. Methods for engaging and communicating with affected parties will be developed collaboratively with the interest groups.

CMC will establish a Complaints/Grievance Management procedure for receiving complaints, grievances, suggestions, and recommendations from all parties. A formal grievance procedure provides the company and stakeholders an opportunity to improve overall management and operations of the Project. Submission of complaints and grievances can be filed in person, online through company website, letters, phone calls, and/or email, and an internal review process will subsequently be conducted. CMC will work toward establishing a procedure prior to the development of the mine, as summarized in the diagram below.



A.22F.7 MONITORING AND MITIGATION

CMC will work with affected First Nations and Yukon Government to monitor the activities of the Project to avoid or minimize adverse socio-economic effects on community health and well-being, and to enhance benefits where applicable.

CMC, in collaboration with government departments and affected First Nations, will work to establish a program to monitor the socio-economic effects of the Project during construction, operations, and closure phases in order to accomplish the following objectives:

- Collect and document data related to socio-economic conditions of affected communities;
- Work with local agencies to monitor Project socio-economic effects;

- Confirm and verify the predicted socio-economic effects of the Project;
- Identify unforeseen socio-economic effects of the Project;
- Monitor employment and skills training programs by CMC and other institutions such as Yukon College and YMTA;
- Evaluate the effectiveness of mitigation measures in managing socio-economic effects; and
- Revise, and where appropriate, develop new mitigation measures to manage unforeseen socio-economic effects.

This monitoring program will lay out the commitment and framework for monitoring the effects predicted through the environmental assessment under Yukon Environmental and Socio-economic Board (YESAB). Final selection of socio-economic valued components will occur following assessment of the Project through the YESAB process. Annual reports will be generated to summarize the monitoring program results and will include data on the socio-economic predicted effects in order to track the changes from pre-Project conditions through operations.

Monitoring and mitigation of socio-economic effects will also inform development of adaptive management plans in consultation with local and regional institutions and government agencies to determine effectiveness of adaptive and mitigation measures.

Where CMC deems applicable, CMC will not be required to report or disclose information considered to be of a proprietary or commercially sensitive nature, or that may infringe the personal privacy of its employees.

A.22F.8 REFERENCES

The Mining Association of Canada. (2014). Towards Sustainable Mining. Retrieved November 13, 2014, from The Mining Association of Canada: <http://mining.ca/towards-sustainable-mining>.