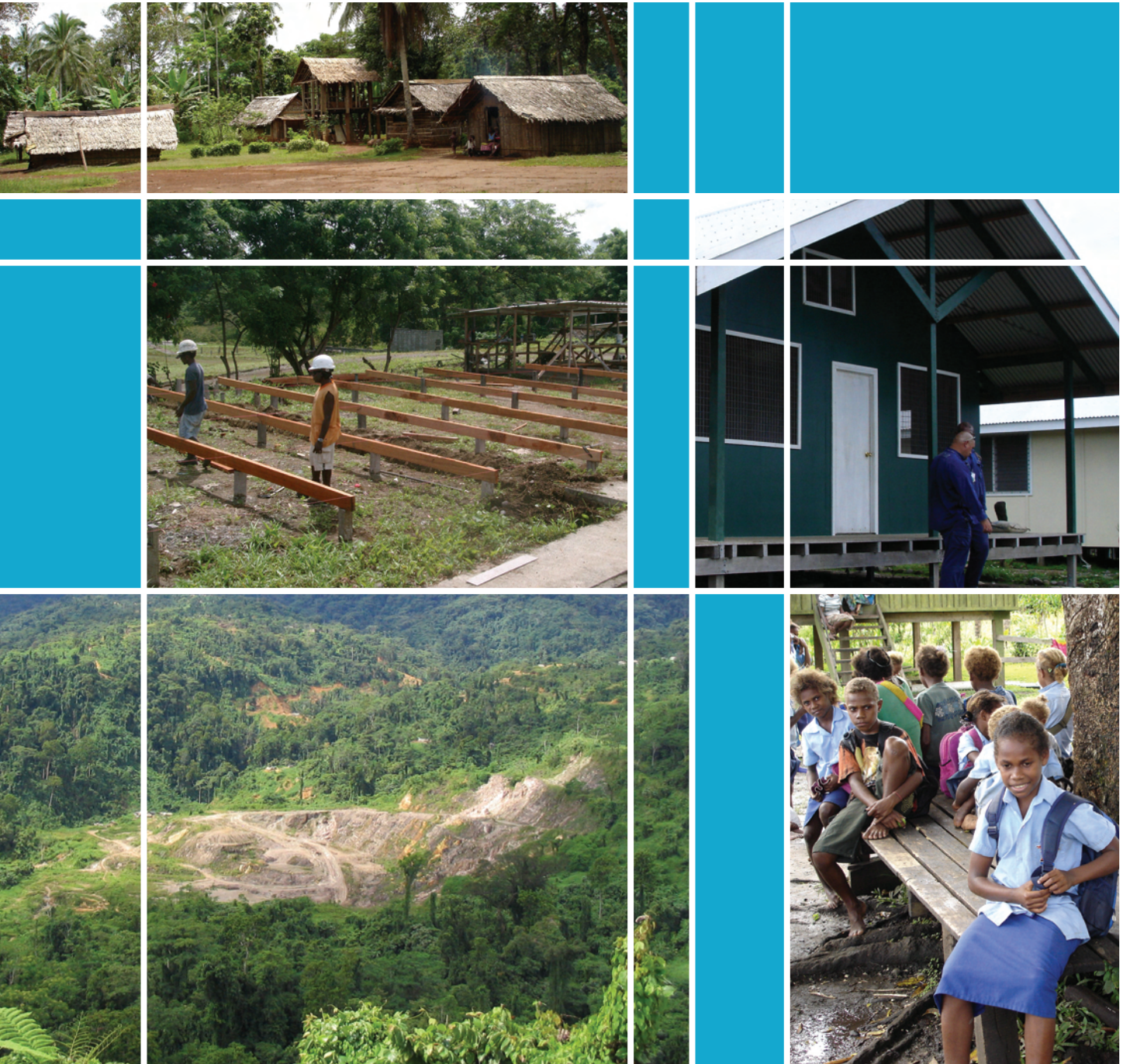


# Stakeholder Engagement Plan 2009

Gold Ridge Gold Mine  
Guadalcanal, Solomon Islands





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**Gold Ridge Gold Mine**  
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# 1. Introduction

## 1.1. Who are Stakeholders?

Stakeholders are persons or groups who are directly or indirectly affected by a project, as well as those who may have interests in a project and/or the ability to influence its outcome, either positively or negatively. Stakeholders may include locally affected communities or individuals and their formal and informal representatives, national or local government authorities, politicians, religious leaders, civil society organisations and groups with special interests, the academic community, or other businesses.

The “stake” that each of these different individuals or groups has in a project or investment will vary. For example, there may be people directly affected by the potential environmental or social impacts of a project. Others may be resident in another country altogether, but wish to communicate their concerns or suggestions to the project company. Then there are those who might have great influence over the project, such as government regulators, political or religious leaders, and others active in the local community. There are also stakeholders who, because of their knowledge or stature, can contribute positively to the project, for example, by acting as an honest broker in mediating relationships.

*(Source: International Finance Corporation Stakeholder Engagement: A Good Practice Handbook for Companies Doing Business in Emerging Markets)*

## 1.2. Gold Ridge Gold Project – History of Stakeholder Engagement

From its commencement in 1993, the Gold Ridge Gold Project was developed in close consultation with stakeholders. The Solomon Islands Government and the original proponents of the project, Ross Mining, commissioned studies to identify landowners and other project affected persons. In accordance with Solomon Islands law, the development proceeded only with the specific agreement of landowners and other materially affected groups. The landowner organisation formed during this process, the Gold Ridge Community and Landowners Association (GRCLA), continues to be the principal representative of the landowners.

The stakeholder engagement process undertaken during the original mining operation (to 2000) was regarded as a model for similar processes in developing countries and was documented by D.H. Tolia and M.G. Petterson in “The Gold Ridge Mine, Guadalcanal, Solomon Islands’ first gold mine: a case study in stakeholder consultation”, published in *Sustainable Minerals Operations in the Developing World*, Geological Society, London 2005.

This approach was continued by ASG in the processes for reopening the mine, commencing in 2005. One of ASG’s first actions on acquiring the right to reopen the project was the establishment of the Community Relations Department (CR Dept), staffed by Solomon Islands people, to maintain the process of engagement with the Gold Ridge Community. Actions which have been planned and initiated as part of the reopening of the mine, including test drilling, restoration of mine facilities and the resettlement of people from the mine site, have all involved detailed community consultation, and the Community Relations Department has initiated a range of community programs involving infrastructure and facilities, education, community activities and economic development.



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As the project proceeds towards resuming operations, it is recognised that a larger range of stakeholders need to be considered. As well as the Solomon Islands Government and project affected persons, other groups now have an interest in the project including the Solomon Islands population more generally, foreign governments providing aid to the Solomon Islands, Non-Government Organisations with an interest in the area, and people with a financial interest in ASG such as shareholders, lenders, insurers, employees and suppliers.

### **1.3. Commitment to Stakeholder Engagement**

ASG is committed to an active process of engagement with stakeholders.

ASG recognises that consultation is a two-way process which includes informing stakeholders about progress with the project, listening to stakeholders' views about the project, and responding to stakeholders' legitimate concerns.

ASG recognises that there is a range of stakeholders with differing interests in the project including people and organisations who:

- Are directly or indirectly affected by the project;
- Have "interests" in the project or parent company; and
- Have the potential to influence project outcomes.

ASG recognises that interest in the project can extend beyond a direct financial interest in the project's outcomes.

ASG is committed to a transparent approach to providing information to stakeholders about its operations and their impacts. Some company information, however, needs to remain confidential. This information includes:

- Security arrangements;
- Information where release could have adversely affect the commercial position of the company;
- Market-sensitive information which could affect the value of ASG shares, but which may be incomplete or inaccurate. ASG is required to make any disclosures of market-sensitive information to the Toronto Stock Exchange prior to any other form of public release;
- Information provided in confidence; and
- Information relating to the personal affairs of individuals.

Decisions on the release of information are made by the Chief Executive Officer ASG and the General Manager GRML.

### **1.4. Stakeholder Engagement Processes**

This Stakeholder Engagement Plan:

- Identifies the range of people and organisations who might be regarded as stakeholders in the project;



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- Identifies the strategies to be used for engaging with each type of stakeholder, including both the provision of information about the project and the opportunity for stakeholders to express their views.

Procedures exist within the company, as part of the Integrated Management System, for both provision of information to stakeholders and receiving, recording, considering and responding to stakeholder views. These procedures are outlined below.



## 2. Project Stakeholders

Stakeholder	Interest
<b>Directly or Indirectly Affected by the Project</b>	
Principal Landowners	Land acquired for project Resettlement Receive royalties and other benefits Community benefits
Landowner family members	Resettlement Receive royalties and other benefits Community benefits Employment and other economic opportunities
Other residents or users of Mining Lease area	Resettlement Community benefits
Downstream and other neighbouring communities	Environmental impacts Community benefits Employment and other economic opportunities
Vulnerable groups in landowner, downstream and other neighbouring communities	Resettlement Access to royalties and other benefits Community benefits Employment and other economic opportunities
Solomon Islands Government	Regulates project Receives royalties and other tax payments Infrastructure development Contribution to Solomon Islands economy
Guadalcanal Provincial Government	Receives royalties Infrastructure development
Potential suppliers and employees (Solomon Islands)	Supply and employment opportunities
ASG shareholders	Investment in the project Environmental and social responsibility Minimisation of project risks
ASG lenders and insurers	Investment in the project Environmental and social responsibility Minimisation of project risks
Potential suppliers and employees (international)	Supply and employment opportunities Minimisation of project risks
<b>Have "Interests" in the Project or Parent Company</b>	
NGOs, political and community organisations operating in the Solomon Islands	Environmental and social responsibility Community development opportunities
NGOs with a general interest in mining projects in developing countries	Environmental and social responsibility Community development opportunities
Solomon Islands community and media	Infrastructure development Supply and employment opportunities Contribution to Solomon Islands economy
Corporate analysts and rating agencies	Project returns Environmental and social responsibility Minimisation of project risks



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Stakeholder	Interest
Foreign governments	Contribution to Solomon Islands economy Impact on foreign aid requirements Impact on security situation
<b>Have the Potential to Influence Project Outcomes*</b>	
Solomon Islands Government	Project regulation Security Infrastructure (roads, port, communications, community facilities)
Guadalcanal Provincial Government	Infrastructure (roads, community facilities)
Solomon Islands politicians	Influence on governments
Landowners	Approval of project Resettlement Participation in economic opportunities and community development
Solomon Islands community	Security Participation in economic opportunities
ASG shareholders	Confidence in project
ASG lenders and insurers	Confidence in project

\* Includes stakeholders identified in other categories.



### 3. Stakeholder Engagement Mechanisms

Stakeholder	Engagement Mechanisms	Frequency	Responsibility
Principal Landowners	Meetings with GRCLA Meetings of Relocation Task Force and other specialist groups Awareness programs on specific issues Inquiries at CR Dept office	Monthly As required  As required Continuous	CR Dept
Landowner family members	Village liaison meetings Meetings with representative groups Meetings with GR Women's Task Force and GR Youth Executive Meetings with women's and youth zone committees Awareness programs on specific issues Inquiries at CR Dept office Posters and signs Newsletters Radio station	Continuous As required Monthly  Monthly  As required Continuous As required Quarterly Continuous	CR Dept
Other residents or users of Mining Lease area	Village liaison meetings Meetings with representative groups including Kolobisi Tailings Dam Association and Matepono Downstream Association Awareness programs on specific issues Inquiries at CR Dept office Posters and signs Newsletters Radio station	Continuous As required  As required Continuous As required Quarterly Continuous	CR Dept
Downstream and other neighbouring communities	Village liaison meetings Meetings with representative groups Awareness programs on specific issues Inquiries at CR Dept office Posters and signs Newsletters Radio station	Continuous As required As required Continuous As required Quarterly Continuous	CR Dept
Vulnerable groups in landowner, downstream and other neighbouring communities	Village liaison meetings Meetings with GR Women's Task Force and GR Youth Executive Meetings with women's and youth zone committees Awareness programs on specific issues Inquiries at CR Dept office Posters and signs Newsletters Radio station	Continuous Monthly  Monthly  As required Continuous As required Quarterly Continuous	CR Dept



## Gold Ridge Gold Mine Stakeholder Engagement Plan 2009

Stakeholder	Engagement Mechanisms	Frequency	Responsibility
Solomon Islands Government	Reporting required by Mining and Minerals Act and Regulations Briefings and meetings with relevant Ministers and officials Meetings of Relocation Task Force and other specialist groups Supply of all published information	Quarterly As required As required Continuous	GRML GM GRML CR Dept GRML
Guadalcanal Provincial Government	Briefings and meetings with relevant Ministers and officials Meetings of Relocation Task Force and other specialist groups Supply of relevant published information	As required As required Continuous	GM GRML CR Dept GRML
Potential suppliers and employees (Solomon Islands)	Media announcements and briefings Awareness programs on specific issues Telephone, mail and email inquiries Inquiries at CR Dept office Newsletters	As required As required Continuous Continuous Quarterly	GRML GRML GRML CR Dept CR Dept
ASG shareholders	Stock Exchange announcements Media announcements and briefings Major investor briefings Annual Meetings and Reports Corporate Sustainability Reports	As required As required As required Annual Annual (a)	ASG
ASG lenders and insurers	Due diligence information for lenders and insurers Stock Exchange Announcements Media announcements and briefings Major investor briefings Annual Reports Corporate Sustainability Reports Environmental and Social Audits	As required As required As required As required Annual Annual (a) Annual	ASG
Potential suppliers and employees (international)	Stock Exchange Announcements Media announcements and briefings Annual Reports Corporate Sustainability Reports	As required As required Annual Annual (a)	ASG
NGOs, Political and Community organisations operating in the Solomon Islands	Media announcements and briefings Awareness programs on specific issues Briefings, public and on request Telephone, mail and email inquiries Newsletters	As required As required Continuous Continuous Quarterly	GRML GRML GM GRML GRML CR Dept
NGOs with a general interest in mining projects in developing countries	Public disclosure of due diligence information in accordance with lenders' and insurers' policies Stock Exchange Announcements Media announcements and briefings Briefings, public and on request Annual Reports Corporate Sustainability Reports	As required As required As required As required Annual Annual (a)	ASG
Solomon Islands community and media	Media announcements and briefings Media interviews Awareness programs on specific issues Newsletters	As required As required As required Quarterly	GRML GM GRML GRML CR Dept



## Gold Ridge Gold Mine Stakeholder Engagement Plan 2009

Stakeholder	Engagement Mechanisms	Frequency	Responsibility
Corporate analysts and rating agencies	Public disclosure of due diligence information in accordance with lenders' and insurers' policies Stock Exchange Announcements Media announcements and briefings Major investor briefings Annual Reports Corporate Sustainability Reports	As required As required As required As required Annual Annual (a)	ASG
Foreign governments	Public disclosure of due diligence information in accordance with lenders' and insurers' policies Stock Exchange Announcements Media announcements and briefings Briefings, public and on request Annual Reports Corporate Sustainability Reports	As required As required As required As required Annual Annual (a)	ASG

(a) After commencement of operations.



## 4. Consultation Procedures

Corporate procedures for managing stakeholder engagement are documented in the GRML Integrated Management System, System Procedure *External Communication and Reporting (IMS-003-SYS-002)*.

ASG is responsible for all communications with stakeholders located outside the Solomon Islands. The Chief Executive Officer ASG or delegate is responsible for authorising communications with those stakeholders and for making public statements on behalf of the company.

GRML is responsible for all communications with stakeholders within the Solomon Islands. The General Manager GRML or delegate is responsible for authorising communications with these stakeholders and for making public statements on behalf of the company. The Community Relations Manager is responsible for day to day communication with stakeholders located in the mining affected area. All GRML managers are responsible for identifying when matters falling within their responsibilities may call for stakeholder consultation or communication.

GRML will maintain close liaison with ASG to ensure that all references to corporate governance matters in stakeholder communications are consistent with ASG Board policies and have proper regard to ASG's reporting obligations to the Toronto Stock Exchange.

All external communications (with the exception of grievances and informal discussions) shall be recorded in the *Communications Register (IMS-003-REG-001)*.

If a communication is a grievance or complaint, it will be dealt with according to Community Relations Procedure *Grievance Redress (CRD-011-SYS-001)*. Grievances are formally recorded on a *Grievance Form (CRD-011-FRM-001)* and documented in the *Grievance Register (IMS-003-REG-001)*. Feedback on grievances is provided either orally or in writing, in a language understandable by the complainant. There is provision for appeal to an external mediator when grievance cannot be resolved. A summary of grievances received and their respective responses/actions as well as updates on outstanding grievances is reported to the affected communities periodically at landowner meetings.