

REGULUS
ENVIRONMENTAL AND SOCIAL ACTION PLAN
September 27, 2011

#	Action Description	Indicator of Completion	Timeframe
PERFORMANCE STANDARD 1 – SOCIAL AND ENVIRONMENTAL ASSESSMENT AND MANAGEMENT SYSTEMS			
1	Sustainability Organization and Management a) Revise the existing HSEC Policy to reflect the site specifics of Regulus (Argentina) b) Disclose updated HSEC on Regulus website c) Ensure adequate (internal/external) resources for environmental and social management	Updated HSEC Policy Disclosure of HSEC and HR Policies on the Company Website	December 2011
2	Monitoring a) Develop a monitoring plan covering water consumption, discharged water (water cleaned through the sewage system), ground water levels, air quality, soil and noise .	Monitoring plans and procedures in place	December 2011
3	Stakeholder Engagement Regulus will as part of its community engagement requirement develop a Stakeholder Engagement Plan (SEP) commensurate with the identified impacts and risks. The SEP will include but not be limited to the following content: a) Identification of stakeholders b) Documentation of existing and planned community engagement with all stakeholders (i.e. communities potentially affected by project activities, communities indirectly affected, NGOs, governmental agencies, interested groups, influential parties, etc) following : <i>A Good Practice Handbook for Companies Doing Business in Emerging Markets (May 2007)</i> . c) The SEP will include a description of the principles and procedures for negotiations and compensation for land acquisition and right of way if relevant for future developments. d) Grievance Mechanism. e) Framework for Community Reporting: provide regular feedback to local stakeholders on the implementation of agreed environmental and social mitigation measures related to impacts that could affect them. f) Emergency, Preparedness and Response Plan for local communities	Grievance mechanism and SEP in place	December 2011

REGULUS
ENVIRONMENTAL AND SOCIAL ACTION PLAN
September 27, 2011

4	Potential Future Mine Development a) Prior to any mine development conduct an ESIA in compliance with the IFC Performance Standards. The ESIA shall be developed in parallel to the feasibility study to ensure minimization of environmental impacts in the final mine design.	ToR for ESIA reviewed and approved by IFC Draft ESIA reviewed and approved by IFC	Final draft ESIA reviewed and approved at least 5 months prior to mine development October 2011
5	Reporting In close collaboration with IFC agree on a format of Annual Monitoring Report		
PERFORMANCE STANDARD 2 – LABOUR AND WORKING CONDITIONS			
6	1. Regulusdevelop a Human Resources (HR) policy by addressing the following areas in line with IFC Performance Standards and host country laws and regulations: a. Articulate a HR policy, Document recruitment process; promotion procedure; freedom of association; and formalized grievance mechanism. b. Integrate the various elements of HR policy into one document to be made available to staff. c. Develop a grievance mechanism for staff and contractors	Human Resources Policy and Grievance Mechanism in place	November 2011
7	Incident Reporting Initiate formalized OHS and environmental incident reporting	OHS and incident procedure in place and reporting reflected in the Annual Monitoring Report (AMR)	December 2011
PERFORMANCE STANDARD 3 – POLLUTION PREVENTION AND ABATEMENT			
9	Water Consumption - Exploration Phase On the basis of the monitoring data of water consumption and recharge of basins conduct a desk review (initially an internal review and subsequently an external review if required by IFC) of current water use and the potential impact on downstream users and sensitive ecological receptors to determine threshold water levels for the project. In the event that threshold levels are reached, implement the necessary mitigation measures to avoid impacts on the identified receptors	Internal desk review report	December 2012

PERFORMANCE STANDARD 8 – CULTURAL HERITAGE			
10	Chance find procedures Develop chance find procedures outlining the procedures to follow in case any cultural heritage is found during the exploration phase.	Chance find plan and procedures in place	February 2012