



AGNICO EAGLE

MELIADINE GOLD PROJECT

SD 9-4

Human Resources Plan

APRIL 2014

VERSION 3

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DOCUMENT CONTROL

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		2.1	5-6	Transfers from Meadowbank	
		2.1	7-8	Details on EFAP	
		2.1	8	Details on cross-cultural training program	
		2.3	10	Training facilities	
		2.4	10-12	Added section on Career Path Program	
		4.2	18-19	Added details on work schedules and on-site safety	
		App. A		New Appendix A on Career Path Program (old App. A is now App. C)	
		App. B		Competencies Matrix	

EXECUTIVE SUMMARY

AEM will develop employment and Human Resources (HR) policies that comply with all applicable labour standards legislation in force in Nunavut (*Labour Standards Act*), reflect best practices in HR management, and provide clear, transparent and efficient general practices. Policies will be applied fairly to all employees in a respectful workplace free from violence and harassment.

AEM will provide, for all its employees, a comprehensive compensation and benefits plan coverage which will include dental, medical, accidental death and dismemberment insurance, life insurance (both short- and long-term disability coverage), as well as an Employee and Family Assistance Program (EFAP). Other benefit programs may involve: registered pension plan, medical travel assistance program, mobility premium, travel allowance, employee share purchase plan and recreation committee. Vacation and maternity/paternity/adoption leaves are also discussed in the Plan.

All positions at Meliadine Gold Project will be staffed with qualified candidates selected and appointed on the basis of attitude, education, experience, knowledge, abilities, suitability and, when appropriate, seniority and residency. AEM is committed to the principles of being an equal opportunity employer and will ensure that non-discriminatory practices respectful of Human Rights are adopted in all employment-related programs.

AEM will preferentially hire people from the Kivalliq region when qualifications and experience allow it, during both construction and operation phases. Recruitment and retention strategies with communities will include such initiatives as:

- Maintaining a database of potential Kivalliq employees;
- Facilitating transfers from Meadowbank;
- Providing communities with full, timely and easily accessible information (in English and Inuktitut) on workforce requirements, job descriptions, qualification and performance criteria;
- Designing recruitment methods that reduce artificial barriers (including language);
- Providing with counseling; and
- Promoting and partnering in skills training and development programs.

As part of its responsibility to Nunavut, AEM is strongly committed to employing and training people who are native to this area and/or permanent residents. In 2012, AEM signed a Memorandum of Understanding (MOU) with the GN Department of Education. The formal objective of this MOU is to establish a strengthened partnership which will focus on increasing the number of students in the Kivalliq region who are able to successfully transition from high school to trades and mining-related career opportunities. AEM is also a founding member of the Kivalliq Mine Training Society (KMTS).

In order to attract, retain, and develop the calibre of employees necessary to optimize operations at the Meliadine Project, AEM will put in place recruitment and retention strategies that will strive to develop leadership and other required skills. AEM is committed to providing talent building opportunities for all employees through formal and informal performance management meetings and discussions on training for career path development, skills development and job enrichment opportunities.

All employees will undergo a multi-day orientation program that will include their responsibilities in environmental protection and health and safety programs. Separate programs will address items such as cultural and financial management training (e.g. cross-cultural orientation, life skills training).

Work rotations at the Meliadine Gold Project will be based on two-week turnarounds (i.e., two weeks working followed by two weeks off; work shifts will be 12 hours per day). Pay schedule will be weekly. AEM will provide no-cost commuting to allow workers to continue living in their home community without the need to relocate home and family to Rankin Inlet for employment. It will also allow the employee to continue a traditional way of life in their home community during their time away from the job (to participate in their traditional economic and cultural activities in their home community).

AEM will operate the mine site as a “no shooting zone” including a tight boundary extending no further than 0.5 km from any of the mine’s operating infrastructure and mine access roads. Access to mine site will be controlled such as public safety and wellbeing is protected. AEM will restrict all employees from hunting or fishing from the mine site. Employees will not be permitted to bring hunting equipment to the Meliadine site. These requirements are to be put in place to protect and preserve wildlife and fish in the immediate area of the Project site from over-harvesting due to the presence of the Project.

Inuit employees will have the opportunity to bring, store and prepare their own country food in the country food kitchen facility that will be available on site.

Alcohol and illegal drugs are not permitted at any of AEM's properties at any time, including special occasions. Anyone caught with alcohol or illegal drugs will be subject to disciplinary action up to, and including, immediate termination. Where government regulations restrict or prohibit smoking, employees are asked to comply. Out of respect for others, smoking will be prohibited within offices except in areas designated for this purpose. Smoking will be permitted outside in designated areas. AEM does not currently have a gambling policy, but plans to incorporate one in its management policies in the near future. The Meliadine Project has already a Discrimination and Harassment Policy that applies to all employees, contractors and visitors. The objective of this policy is to ensure that all employees are assured of a work environment that is free of all forms of discrimination and personal and sexual harassment. A substantiated harassment violation will be considered as a serious incident subject to disciplinary actions up to, and including, immediate termination. AEM will

provide quality third party assistance for employees who require support with substance abuse, family problems or other personal situations that impact them.

Assuming an agreement is reached between AEM and the KIA, AEM will communicate the content of the IIBA to both its employees and the public through training sessions with AEM supervisors, information sessions, posting of the IIBA on bulletin boards and AEM website.

Caveat

AEM is currently in the process of negotiating with the KIA an Inuit Impact and Benefit Agreement (IIBA) for the Meliadine Project. In this management plan, AEM has provided its intended actions based on its current practises at its Meadowbank Mine combined with its intentions for the Meliadine Project. However, it must be noted that once the new IIBA is ratified by both parties and subsequently implemented, the actual conditions as set out in the IIBA will take precedence over the Human Resources Plan (SD 9-4). At that time, AEM will modify the Human Resources Plan to reflect the requirements of the IIBA. The IIBA remains to be concluded for the Meliadine Project¹.

¹ In early 2012, AEM and the KIA initiated negotiation on an IIBA for the Meliadine Project. Negotiations are proceeding with the expectation that a final agreement will be completed by the end of 2014 or early in 2015. This IIBA will encompass many of the employment, business and other issues covered in this Human Resources Plan (SD 9-4). Consequently, many of the elements covered in this Plan may need to be modified in the future based on the outcome of these IIBA negotiations. In the interim, AEM has based the elements covered by this Plan on its experience operating the Meadowbank Mine where AEM has operated under an IIBA with the KIA since 2008.

ACRONYMS

AEM	Agnico Eagle Mines Limited
AD&D	Accidental Death & Dismemberment
AWAR	All-Weather Access Road
EFAP	Employee and Family Assistance Program
EIA	Environmental Impact Assessment
ERP	Emergency Response Plan
ERT	Emergency Response Team
GN	Government of Nunavut
HR	Human Resources
IIBA	Inuit Impact and Benefit Agreement
KIA	Kivalliq Inuit Association
KMTS	Kivalliq Mine Training Society
MOU	Memorandum of Understanding
NIRB	Nunavut Impact Review Board
NLCA	Nunavut Land Claims Agreement
OHSP	Occupational Health and Safety Plan (SD 9-6)

SECTION 1 • INTRODUCTION

1.1 Purpose and Scope

This plan was developed by Agnico Eagle Mines Limited (AEM) to provide a framework for human resources (HR) management at the Meliadine Gold Project in Nunavut throughout the project life until closure. It was prepared in conformity with the Nunavut Impact Review Board (NIRB) guidelines issued in the course of the Environmental Impact Assessment (EIA) of the Meliadine Project.

The purpose of the Human Resources Plan is to achieve project success by ensuring that:

- The appropriate human resources are acquired with the necessary skills;
- People are trained if any gaps in skills are identified;
- Team building strategies are clearly defined; and
- Team activities are effectively managed.

1.2 Inuit Impact and Benefit Agreement (IIBA)

AEM's current exploration activity is subject to a land use lease benefit agreement with the Kivalliq Inuit Association (KIA).

The primary vehicle for project impact mitigation and benefit enhancement will be the Inuit Impact and Benefit Agreement (IIBA) to be negotiated between AEM and the KIA. The main objectives of the IIBA for the Meliadine Gold Project will be to:

- Mitigate the impacts and enhance the benefits of Project development;
- Create opportunities for the people of Rankin Inlet and Chesterfield Inlet, specifically, and the Kivalliq region, generally, to participate in the Project, thereby enhancing self-determination;
- Establish AEM's role as an active member of the community and participant in the sustainable development of Rankin Inlet; and
- Maintain goodwill and good relations with communities and their governments.

In early 2012, AEM and the KIA initiated negotiation on an IIBA for the Meliadine Gold Project. Negotiations are proceeding with the expectation that a final agreement will be complete by the end of 2014 or early in 2015. This IIBA will encompass many of the employment, training and other issues covered in this Human Resources Plan. Consequently, many of the elements covered in this Plan may need to be modified in the future based on the outcome of these IIBA negotiations. In the interim, AEM has based the elements covered by this Plan on its experience operating the Meadowbank Gold Mine where AEM has operated under an IIBA with the KIA since 2008.

Sustainability criteria will be incorporated by emphasizing the need to enable local and territorial participation in employment and business opportunities, training, and partnerships with government and community, all of which are a subject of the IIBA.

It is AEM's intent that this agreement be open to public scrutiny. AEM has discussed this intent with the KIA and, while approval is needed from the Boards of Director from both parties, both parties are of an opinion that all or most of the IIBA agreement should be made public (similar to the current situation at Meadowbank where most of the IIBA was made public in October of 2011).

Assuming such an agreement is reached, AEM will communicate the content of this IIBA to both its employees and the public through the following means:

- Training sessions with AEM supervisors;
- Information sessions on relevant terms and conditions within the IIBA with AEM employees;
- Posting of the IIBA on site bulletin boards in both Inuktitut and English; and
- Posting of the IIBA on the AEM Nunavut website (<http://www.aemnunavut.ca/>) and on the AEM Corporate Social Responsibility website (<http://www.agnico-eagle-reports.com/responsibility/2012/index.php>).

SECTION 2 • EMPLOYMENT AND TRAINING

In the course of the EIA, AEM evaluated that approximately 1,000 direct jobs would be created through construction (2-3 years) of the Meliadine Project, and 700 jobs during the operational phase (10-13 years). Estimated employment breakdown is available at Table 2-1².

In order to attract, retain, and develop the calibre of employees necessary to optimize operations at the Meliadine Project, AEM will encourage and provide opportunity of advancement and promotion to current employees.

AEM will adhere at all times to the training requirements outlined in the Nunavut *Mine Health and Safety Act* and regulations. Where an employee is required to have specific skills to operate equipment in the course of their duties, training will be provided. When necessary, people with operating skills will be employed. AEM reserves the right to train on an as-needed basis; it is not our intention to train employees in skills that they may never have the opportunity to use while employed at the Meliadine Project.

All employees will be required to undergo appropriate testing before they are allowed to operate company equipment. Comprehensive testing and training programs will be implemented to ensure the safety of all employees at the mine site.

² Based on an ore production rate of 8 500 tonnes per day. It is important to note that these are pre-feasibility estimates and are subject to revision as the feasibility study is completed.

Table 2-1 Estimated Employment – Meliadine Project

	Workforce (# of workers)	Origin of Workforce (# of workers)		Wages (\$/year)
	Average	Nunavut	Elsewhere	Average
Construction Phase	1,000	200	800	
Management (2 %)	20	0		190,000
Supervisory/Professional (13 %)	130	0		140,000
Skilled (55 %)	550	50		90,000
Semi-Skilled/Manual (30 %)	300	150		60,000
Estimated Indirect Employment	282			
Estimated Induced Employment	91			
Operation Phase	700	210	490	
Management (2 %)	14	0		190,000
Supervisory/Professional (13 %)	91	7		140,000
Skilled (30 %)	210	35		90,000
Semi-Skilled/Manual (55 %)	385	168		60,000
Estimated Indirect Employment	114			
Estimated Induced Employment	60			

2.1 Employee Recruitment and Retention Strategies

AEM is committed to attracting and retaining top talent to meet the changing needs of its workplace at the proposed Meliadine Gold Mine while advancing the strategic goals of the organization. At its Meadowbank operation, AEM has established general standard practices and policies that, in our view, deal fairly and in a uniform manner with all employees. These policies will also be applied by AEM at its proposed Meliadine Project. Through its employee recruitment and retention strategies, AEM strives to develop leadership and other required employee skills. AEM is committed to promoting career advancement through internal skills development and career path development among all of its employees. To meet these commitments, AEM will:

- Comply with all applicable labour standards legislation in force in Nunavut (*Labour Standards Act* (RSNWT (Nu) 1988, c L-1) which came into force January 01, 2011);
- Provide clear, transparent and efficient general practices and policies, and apply them fairly to all employees;
- Provide a competitive Total Rewards package to employees in exchange for their contributions to business results;
- Provide a socially responsible work environment that fosters diversity;
- Monitor, update, revise and enhance HR services and processes to ensure they reflect emerging trends and best practices in HR management;

- Assist all departments in ensuring employees receive the training required to work safely and effectively in their jobs;
- Provide talent building opportunities for all employees through formal and informal performance management meetings and discussions on training for career path development and job enrichment opportunities;
- Maintain a collaborative and professional relationship between all employees and management;
- Provide a respectful workplace free from violence and harassment;
- Provide quality third party assistance for employees who require support with substance abuse, family problems or other personal situations that impact them; and
- To the extent practical, accommodate employees recuperating from occupational or non-occupational illnesses or injuries to allow for the opportunity to perform meaningful work.

It is important to segments of the population that wage employment not conflict with traditional activities and practices that are both economically, socially and culturally critical to livelihoods as well as individual, family and community wellbeing. There can be limits to people's preparedness for the challenges of rotational work. Under-representation of women in the rotational workforce can be due to a lack of opportunity due to family responsibilities rather than to a lack of desire to participate. Cross-cultural challenges can represent a disincentive to participation.

Initiatives that AEM will be put in place at the proposed Meliadine Gold Project to enhance recruitment, employment and retention through HR policies and procedures are identified below:

- Maintain a regularly updated database of potential Kivalliq employees. AEM will preferentially hire people from the Kivalliq region when qualifications and experience allows it, during both construction and operations phases. For entry level position, AEM will favor a pool of Kivalliq Inuit beneficiaries that will have been through a work readiness training program. The first preference (in accordance with the IIBA) will be given to qualified applicants from the most affected communities (Rankin Inlet and Chesterfield Inlet), and then to other qualified applicants from the other Kivalliq communities. AEM will share its database with contractors that are awarded work for the Meliadine Project with a view to maximizing local Inuit employment;
- At its Meliadine Project, AEM will look to allowing its existing skilled workforce at Meadowbank the opportunity to transfer to fill the new jobs at Meliadine. It is AEM's intention that all employees working at its Meadowbank Mine will be offered the opportunity to transfer to the Meliadine Mine once operations commence at Meliadine. These transfers will be subject to: a) the terms and conditions of the Inuit Impact and Benefit Agreement to be negotiated between AEM and the KIA for the Meliadine Project such as preference for Inuit Beneficiaries; b) the timing of available positions at the Meliadine Mine; c) the ability of the transferring employees to fill the positions as they

- become available at the Meliadine Mine; and d) the need to maintain economically viable operations at both sites, i.e., the winding down of mining operations at Meadowbank and the ramping up of operations at Meliadine. This is to ensure continuity of employment opportunities as our Meadowbank operation begins to wind down its operations and ensures that our existing workforce is given the first opportunity to continue their career advancement within the AEM family;
- As priority recruitment communities, the seven (7) Kivalliq communities will have pickup points to transport employees to and from the mine site in order to enable Project employment without a need to permanently leave home communities;
 - AEM will provide to the Kivalliq communities and to the KIA full, timely and easily accessible information in English and Inuktitut on workforce requirements, job descriptions, qualifications and performance criteria;
 - AEM will undertake community information and career awareness programs in all Kivalliq communities once each year. AEM may do this in collaboration with government and other agencies through participation in initiatives aimed at providing information on:
 - The labour needs of AEM's Nunavut operations, including hire plans and schedules;
 - The skills and qualifications required for employment and advancement;
 - The training opportunities available to prepare for employment; and
 - Educational support programs for development of qualifications in the mining industry.
 - During both the construction and operation phases of the Project, AEM, working in partnership with the KIA, will set annual Inuit employment objectives on a best effort basis consistent with Project skill requirements, with job and training interests and performance, and with health and safety standards;
 - AEM will review educational and training requirements for Project positions and conduct prior learning assessments, with a view to accepting experience in lieu of qualifications where this is acceptable within legal and regulatory frameworks for mining projects under the Nunavut health and safety legislation;
 - AEM will strive to enable the use of Inuktitut at Project work sites where health and safety standards permit: the identification of positions accessible to Inuit with limited English language skills and the development of Inuit supervisors to lead Inuit work groups are examples;
 - AEM will design recruitment methods, advertisements, application procedures, interview protocols, selection procedures, and training and promotion decision making to reduce artificial barriers, including language barriers;
 - AEM will provide informal counseling at the mine site to assist workers in meeting the challenges of the rotational work schedule and working conditions;

- AEM will put in place a culturally appropriate Employee and Family Assistance Program (EFAP) to address individual and family problems that threaten an individual's ability to continue working. At its Meadowbank Mine, AEM offers all Nunavummiut employees and their families with free access to an Employee and Family Assistance Program (EFAP). The program is delivered via a contract with Homewood Human Solutions (the same contractor that provides family assistance services to GN employees). The EFAP provides psychological counseling, along with a wide range of work life and wellness services. In addition to counseling, staff members and their eligible dependents have access to nutritional, legal and financial consultation, e-learning courses, health and wellness resources, and work life services. This company has a network of professionals who can be called upon to provide the necessary counselling/support services. It can be accessed either through a web-based portal, on-line chat, through phone contact, or through the Human Resources (HR) group based at the Meadowbank Mine site. The EFAP is available to AEM employees and their families. The professional group provides counselling/support services and has an Inuktitut speaking counselor on their staff, which is a benefit in helping Nunavummiut access help in Inuktitut.

Not all of the potential services that may be required under an EFAP are available in Nunavut and thus most of the services are also not available in Inuktitut. Many of the required counselling services are not available in Nunavut, or are not available outside of Iqaluit and thus it is impossible for AEM to guarantee that all services under any EFAP can be made available either in the employee's local community or in Inuktitut. Our EFAP programs unfortunately must still rely on southern service providers for some of the potential counselling services required. However, AEM is of the view that it is better to move forward with its EFAP rather than wait, and adapt new programs to our unique circumstances as they arrive.

AEM has provided Inuktitut speaking personnel working within the on-site HR team so that Nunavummiut can be helped to obtain access to whatever counselling is required through an Inuktitut speaking HR representative. AEM has also set up a network of HR representatives in the larger Kivalliq communities through whom employees and their families can gain access to the HR team based at Meadowbank. If necessary, AEM will pay for independent translation services to help an employee receive the counselling services they may need should language be the barrier.

AEM has communicated the EFAP to its workforce and their families through a number of ongoing means which include the following:

- Information sessions on site;
- Postings on site; and

- Distribution of written flyers/information on the EFAP program in the Kivalliq communities through the Hamlet office, Medical Centres, Social Service Provider offices and through the RCMP detachments.

It is AEM's intention that a similar set up will be put in place at the Meliadine Gold Project if and when the Project should proceed. At the current time, all AEM employees working on the advanced exploration program at Meliadine are covered by the AEM EFAP; however, this program does not extend to employees of contractors working at the site. EFAP services for contractors are a matter between the contract company and their individual employees. This is standard, and we suspect that similar conditions exist for employees of contractors working for the GN in Nunavut

- AEM will conduct exit interviews with a view to increasing the understanding of barriers to successful long term employment, and will integrate the results of those interviews into other initiatives, as relevant;
- AEM will provide cross-cultural training to all employees to help bring together our diverse workforce and to help our Inuit employees adjust into the workforce. The role of cultural awareness training is to bring together people through understanding of different values, assumptions and perceptions that are instilled early on in life and are expressed in the way we behave and interact.

Key objectives for the cross-cultural training program are summarized as follows:

- To gain a solid understanding of cross-cultural history and social practices;
- Identify and consider adopting attitudes to cultural matters which are necessary to work effectively;
- Demonstrate cross-cultural awareness, problem solving skills and functional skills in the workplace;
- Increase awareness and sensitivity to cross-cultural workplace issues and opportunities;
- Identify and define culture, the layers of culture, and how they can impact the workplace;
- Identify key cultural values and attitudes: time, space, group dynamics, authority, risk, tasks, relationships;
- Explore cross-cultural communication: interpreting styles and adapting your own to others;
- Explore strategies to work through language barriers; and
- Identify similarities to enhance workplace togetherness and collaboration.

AEM will provide culturally appropriate services to workers, including recreational facilities, food and accommodation, country food storage, translation services, and work schedules that accommodate to the extent practical traditional activity;

- AEM will provide training on and enforce policies related to vehicle operation, controlled substances, gambling, alcohol and harassment, towards establishing a workforce discipline which encourages health, safety, learning, retention and advancement of Inuit employees;
- AEM will provide recrimination-free opportunities for workers to express complaints or concerns and bring to light conflicts such that grievances are addressed promptly;
- AEM will maintain a safe workplace for women workers and on a case-by-case basis, provide additional support to women applicants and employees to enhance the potential for employment success; and
- AEM will regularly review (annually) the results of initiatives in order to identify barriers to employment, particularly women and challenged workers, such that appropriate additional responses can be developed.

2.2 Contractors and Employment

Contractors will have to adhere to AEM policies in force on Project's site and provide the appropriate training when applicable.

In the evaluation criteria for contractors, AEM will include the extent to which they commit to similarly prioritize and enhance the use of Kivalliq labour in meeting their contractual obligations and use this criterion in decisions on contract awards. AEM will also monitor contractor performance for compliance with their commitments and use those monitoring results in decisions on contract administration and management.

2.3 Access to Training Programs

Employees will be provided with job-specific training and instruction as part of their employment. Training will be accessed as a prerequisite to employment (orientation, for example), or upon request by an employee's supervisor. Training may occur on-site or off-site. Training management and follow-up will be done through a dedicated Training Department.

Consideration to fill apprenticeship positions will be based on:

- Qualification;
- Demonstrated interest (attitude);
- Performance in current or prior assignment; and
- Education and technical skill acquired.

Training and apprenticeship opportunities will be determined during IIBA negotiations and outlined in the final IIBA.

In addition to apprenticeships, AEM will operate a training program at Meliadine (similar to the one already in place at Meadowbank) that will provide classroom, simulator and on-the-job training in the skills required for career advancement at the mine.

The Meadowbank Mine does have on-site training facilities. These facilities are targeted at delivering classroom and simulator-based skills training. They are not targeted at academic upgrading and AEM does not currently offer any academic upgrading programs at Meadowbank. However, the training room facilities could be used for such programs in the evenings. At the current time, AEM is of the opinion that the skills-based training (including skills upgrading) is what is most needed to ensure that our Inuit employees grow from entry level positions into skilled operating positions. In other words, our focus is to take employees who demonstrate good aptitude and attitude in entry level positions and help them grow into operator positions in the mine, mill and maintenance areas. It is our intent that similar facilities will be included at the Meliadine Project. It is AEM's intention that as much of the training facilities and programs developed at Meadowbank as possible will be moved to the Meliadine Project site.

2.4 Career Path Program

In 2012, Meadowbank designed a new "Career Path Program" that is intended to support the upward mobility of Inuit employees within the company. The program is designed to offer employees with limited formal skills or education an opportunity to advance towards more meaningful employment and improved compensation. This program identifies the incremental steps that an employee is required to accomplish to advance in their chosen career of interest. The path directs a combination of work experiences, hours of completion, training and skills development for an employee to achieve each step. The Career Path Program is currently available in five (5) career path areas: Heavy Equipment Operators, Mine Drillers, Process Plant, Road Maintenance and Site Services. The charts in [Appendix A](#) show the elements of the Career Path Program in each of the five (5) areas.

The Career Path Program has been well received by Meadowbank's Inuit employees and as of December 31st 2012, 73 Inuit had enrolled in the program (59 men and 14 women).

With the implementation of the Career Path Program, AEM has also improved training management by creating a competencies matrix. A sample copy of a competencies matrix is attached in [Appendix B](#). For each department, a list of all mandatory, general and specific training required for the different positions has been developed. The supervisors of each department will be able to review the training received and the training required for each of their employee. With this tool, AEM will ensure that all employees have received the appropriate training to advance to the next step in their career path.

The competency matrix includes the development of competency profiles that will consider the technical competencies for each position. Competency profiles are useful as they provide a standard for all human resources activities such as recruitment, training, performance management and remuneration.

While still early, AEM has seen significant improvement in employee retention since implementing the Career Path Program as evidenced in the following figures.

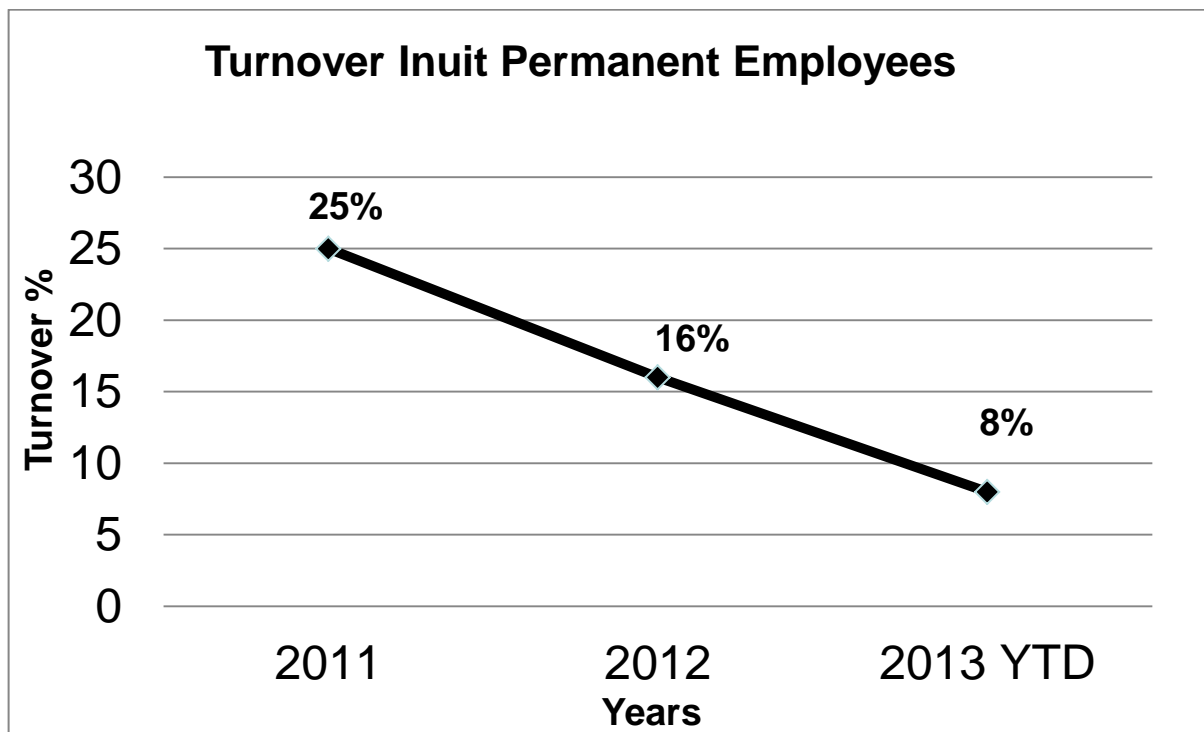


Figure 2-1 Meadowbank Inuit Employees Turnover Rate – 2011 to 2013

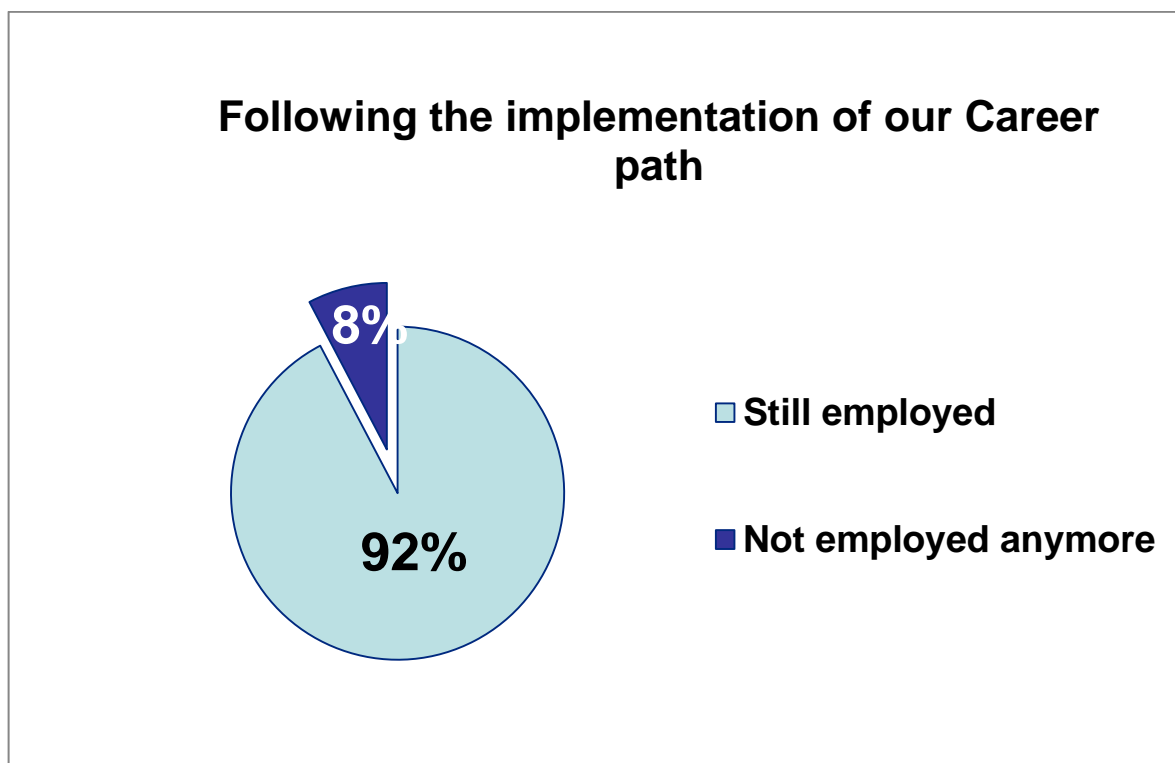
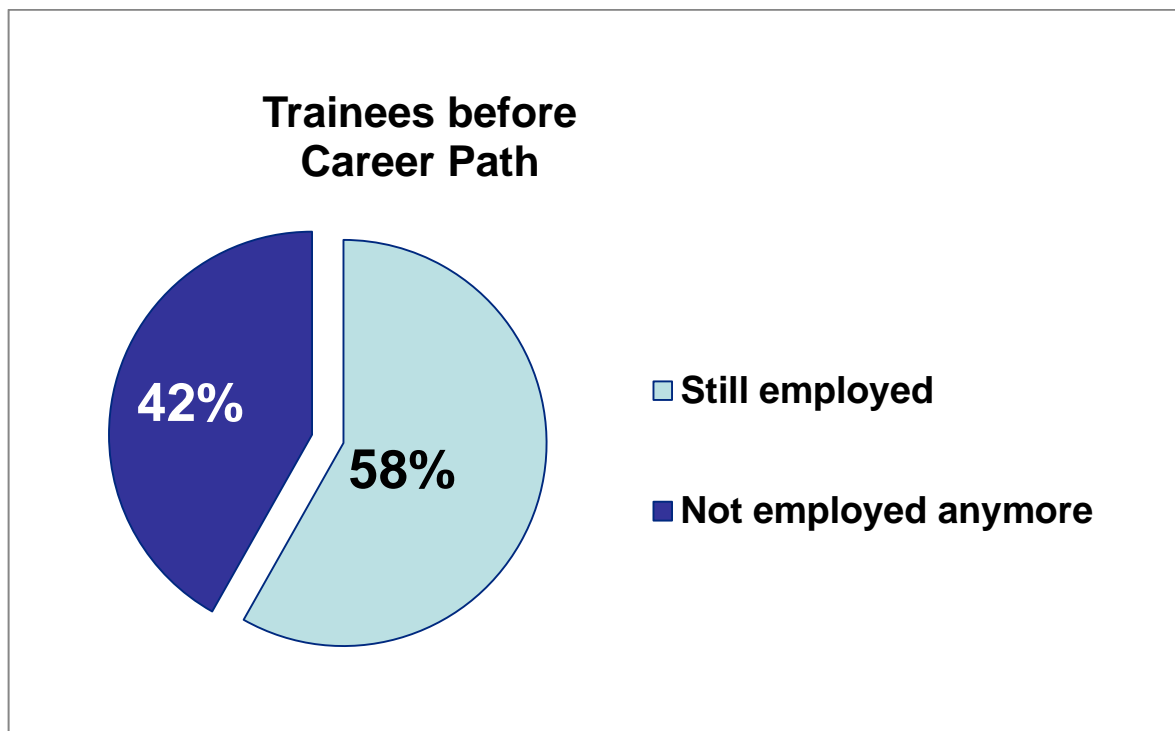


Figure 2-2 Meadowbank Inuit Employees Retention Before and After the Implementation of the Career Path Program

2.5 New Employee Orientation

All employees starting employment at Meliadine will undergo a multi-day orientation program that will:

- Provide them with an orientation to the mine site;
- Inform them of their responsibilities to health and safety on the mine site;
- Inform them of the operating rules and policies in place, such as work schedules, mealtimes, procedures for shift changes, etc.;
- Provide basic training on health and safety requirements, policies and procedures;
- Provide basic training on environmental protection responsibilities, requirements, policies and procedures at the mine site; and
- Provide basic training on human resources procedures and policies such as anti-harassment, no-discrimination, how to report a grievance or file a complaint, etc.

Separate programs will address items such as cross-cultural training (see Section 2.6) and life skills planning (see Section 2.7).

2.6 Cross-Cultural Training

As part of their ongoing employment, all employees will take part in cross-cultural training to assist with the development of positive working relationships at the mine. This training will cover subjects such as preparing Inuit to enter the wage economy, and training southern employees on Inuit culture and traditions, etc.

2.7 Life Skills Training

Life skills training will be made available on an as-needed basis through the Training Department. Life skills training programs will provide employees assistance in coping with new situations, e.g camp life, financial planning, personal budgeting, how to address family stress brought on by the work rotation, etc.

2.8 Training Partnerships

AEM is a founding member of the Kivalliq Mine Training Society (KMTS). Through this organization, AEM has been working in partnership with Human Resources and Skills Development Canada, Kivalliq partners in development, Government of Nunavut (GN), Nunavut Arctic College and the Kivalliq Inuit Association to design and deliver skills training and development programs designed to prepare Inuit for employment at Meadowbank and to advance employee skill development at the mine. AEM is committed to continuing these existing partnerships and to working under whatever umbrella organization these partners choose to work to deliver skills-based training for its Meliadine Project.

Examples of partnerships formed by AEM and its partners to advance skills development training in the Kivalliq region to date include:

- The Diamond Driller's helper training program in Arviat;
- Driver's Training program in Arviat; and
- Haul Truck Operator training program at Meadowbank.

In 2012, AEM signed a Memorandum of Understanding (MOU) with the GN Department of Education. The formal objective of this MOU is to establish a strengthened partnership between the Department of Education and AEM which will focus on increasing the number of students in the Kivalliq region who are able to successfully transition from high school to trades and mining-related career opportunities. Under this MOU, the organizations will seek to enhance trades-related experiential learning opportunities for students in the Kivalliq region. They will also share ideas, resources and expertise in the development and delivery of mine and trades-related curricula, career development strategies, and other related activities. This agreement will also cover projects between the partners in the development and support of trades-related career orientation and transition programs.

SECTION 3 • HIRING PRACTICES

AEM is an equal opportunity employer with **Inuit and Northern preference**. As part of our responsibility to Nunavut, we are strongly committed to employing and training people who are native to this area and/or permanent residents of Nunavut.

Medical: All employees will be subject to a medical examination prior to commencing employment, and will be required from time to time to undergo other medical tests to comply with legislation.

Orientation: The Company will provide a complete orientation (induction) program for all new employees that will discuss policy issues ranging from safety and environment to camp rules. An employee handbook will be provided to each employee; this book will be reviewed during orientation.

Employee responsibility: It is each employee's responsibility to carry out their duties in accordance with the Nunavut *Mine Health and Safety Act* and regulations.

To provide an effective, systematic, and effective method for the recruitment and selection of suitable employees, AEM will ensure compliance with the legislation governing human rights and employment is maintained.

All vacant positions in Meliadine Gold Project that are required to be filled will be staffed by qualified candidates selected and appointed on the basis of attitude, education, experience, knowledge, abilities, suitability and, when appropriate, seniority and residency.

3.1 Equal Employment Opportunity

AEM is committed to the principles of being an equal opportunity employer and this philosophy will govern in dealing with employees and applicants alike. The *Canadian Human Rights Act* protects individuals from acts of discrimination with respect to employment. AEM is committed to respecting all principles of employment equity and will ensure that non-discriminatory practices are adopted in all employment-related programs. These programs will have the objective of preventing discrimination based on:

- Race and ethnic origin;
- Ancestry or nationality;
- Colour of skin;
- Religion;
- Age;
- Sex;
- Family, social or marital status;
- Pregnancy;
- Language;
- Professional conviction;
- Sexual orientation;
- Political conviction;
- Membership in a non-prohibited organization; and/or
- Handicap/disability.

AEM will take affirmative action to make sure those applicants and employees are treated without regard to these characteristics. AEM seeks to ensure that:

- Recruiting, hiring, training, promotions, and placement decisions be conducted without discrimination;
- Personnel actions including, but not limited to, pay, benefits, discipline, transfers, layoffs, training and recreational programs be administered without discrimination; and
- Reasonable accommodations be provided to employees with disabilities to make sure they are able to accomplish their jobs.

Over the past number of months, the AEM Human Resources (HR) team at the Meadowbank Mine (Meadowbank) have been working on a new approach to the hiring of Inuit employees from the Kivalliq region aimed at improving the retention of such employees. The program centers on doing a “better job” of selecting and preparing Inuit for employment at Meadowbank. This program is a subject of ongoing IIBA negotiations between the KIA and AEM under the Meliadine IIBA, and thus the program is still a work in progress. We do however assume that AEM and KIA will reach agreement on this new approach and that this will become our way of hiring at both Meadowbank and Meliadine in the near future (within a year at Meadowbank). Under this context AEM sees a “promising job candidate” as an Inuit Beneficiary from the Kivalliq Region that has completed the following steps:

- Has indicated a desire to work at Meadowbank by making an application through one of our Community HR Coordinators or through direct application;
- Has completed an informational session conducted in their home community hosted by AEM’s Community HR Coordinator. These sessions will cover topics on life at camp, work organization, job requirements, work schedule, employment arrangements, etc.; and
- Has successfully passed an in-person interview with an AEM HR representative, who will assess previous experience, education, skills, literacy and numeracy skills, attitude, and gather data to help ascertain equivalencies.

Successfully completing these steps would then qualify this individual as a promising job candidate.

3.2 Criminal records check

Current AEM hiring practices do not imply systematic criminal records check³. Checking for criminal records is a restricted exercise that requires well defined rationale to be conducted. Criminal records check could be done for candidates prior to their appointment to a position of trust, to a highly sensitive position or other position that could be identified as requiring

³ Criminal records check is a computer search for information contained in the records of the Royal Canadian Mounted Police (RCMP) and other police forces based on name and date of birth.

verification. Under those circumstances, employee's written consent would be requested before proceeding.

3.3 Drug and alcohol

The *Canadian Human Rights Act* prohibits discrimination on the basis of disability and perceived disability. Disability includes those with a previous or existing dependence on alcohol or a drug. Perceived disability may include the perception that a person's use of alcohol or drugs makes him or her unfit to work.

AEM does not have a systematic pre-hiring or workplace drug- or alcohol-testing policy. Nevertheless, AEM recognizes that drug and alcohol abuse can affect employees' health and productivity, potentially leading to monetary loss, absenteeism, higher medical costs, more accidents and injuries. **Promoting health and safety is a core value of AEM.** Thus, AEM can offer individualized or personalized support to help employees coping with their self-recognized substance abuse problems. Testing could be requested for employees with safety-sensitive jobs (i.e. jobs in which incapacity due to drug or alcohol impairment could result in direct and significant risk of injury to the employee, others or the environment). Under such circumstances, employee's consent to testing would be requested.

SECTION 4 • COMPENSATION

4.1 Compensation

AEM is committed to providing fair and equitable salary programs to ensure internal equity while maintaining external competitiveness. AEM will reward individuals for their contribution to the company. Salary reflects the responsibilities of the position held as well as the individual's skills and performance. Average wages are provided for the major job descriptions at Table 2-1.

4.2 Work Schedules

Work rotations at the Meliadine Gold Project will be based on two-week turnarounds (i.e., two (2) weeks working followed by two (2) weeks off; work shifts will be 12 hours per day). The potential positive impacts of rotational employment include reduced cross-cultural contact within communities, time and resources for traditional ways of life, and workforce discipline while on the job, contributing to long-term capacity building. AEM will provide transport to and from the mine site to all of its employees from their local point of hire in all seven (7) of the Kivalliq communities. This transport will be provided at no cost to the employees. This will enable the employee to continue living in their home community without the need to relocate home and family to Rankin Inlet for employment. It will also allow the employee to continue a traditional way of life in their home community during their time away from the job (to participate in their traditional economic and cultural activities in their home community).

Because of the proximity of the Meliadine Project to the Hamlet of Rankin Inlet, AEM will entertain alternate work schedules for the Meliadine Project for its employees who are residents of Rankin Inlet. Such schedules could include allowing employees working in service roles to commute day and night back and forth to Rankin Inlet, or allowing certain employees to work on a 5-2 or 4-3 day work schedule to avoid long rotations. At this point in the Project development, AEM has not fixed on any alternate work schedules but will consider practical alternatives that work for both the employees based in Rankin Inlet while still meeting the operating needs of the mine. AEM sees employee morale benefits from having local employees able to work on a work rotation that reduces their time away from home; however, this needs to be balanced against maintaining orderly operation at the mine. For all alternative schedules, AEM plans to:

- Require that employees use Company supplied transport to travel between Rankin Inlet and the Mine at both the beginning and end of their respective work shifts. This is to minimize or eliminate the need for employees to use their own vehicles to travel back and forth. It is a safety-related issue designed to reduce the potential for vehicle accidents along the road;
- Not allow employees to bring their personal vehicles (cars, trucks, snowmobiles, ATV's) to and from the mine site for the purpose of coming to and from work; and

- Provide available shelter on site in the event that an employee cannot be transported back to Rankin Inlet because of adverse weather conditions along the AWAR.

AEM plans to have a security system in place to prevent inadvertent access from the AWAR onto the working mine site. This likely will be in the form of a gate and gatehouse at the northern end of the AWAR. The gate arrangement would be designed to prevent any motorized vehicle from driving into the working mine site to control the mixing of mine vehicles with vehicles owned by the public. This system will also enable AEM to manage who comes and goes from the mine site, to limit access to authorized persons for the purpose of protecting the public from wandering into active working areas, and to protect employees and mine assets from vandalism/theft from non-authorized persons.

AEM will maintain security personnel on site at all times to ensure the physical safety of its employees (and all contractors and visitors to the Meliadine site) and assets from unauthorized personnel and to monitor for illicit or threatening behaviour within the camp or other areas of the mine. Security will in essence police the site.

Work safety will be managed through AEM's Workplace Safety systems, procedures, policies and initiatives.

Participation in traditional way of life is high in Nunavut and Rankin Inlet. Traditional activities shape social relationships and are a source of individual identity and values, sustaining Inuit culture. This project will not significantly restrict access to, or affect the productivity of lands used for traditional activity.

4.3 Pay Schedules

Pay schedules for staff and hourly employees will be weekly.

SECTION 5 • BENEFIT PROGRAMS

5.1 Benefit Programs

AEM will provide, for all its employees, a comprehensive benefits plan coverage which will include dental, medical, AD&D⁴ insurance, life insurance (both short- and long-term disability coverage), as well as an Employee and Family Assistance Program (EFAP)⁵. Other benefit programs may involve some or all of the following:

- Registered pension plan;
- Medical travel assistance program;
- Mobility premium;
- Travel allowance;
- Employee share purchase plan; and
- Recreation committee.

5.2 Vacation Leave/Pay

All AEM employees are entitled to vacation as defined under the Nunavut *Labour Standards Act*. Vacation pay will be done as follow:

Number of Completed Years of Employment	Vacation Pay
Less than a year	As per <i>Labour Standards Act</i>
From 1-5 years	2 weeks (6 %)
From 6 to 10 years	2 weeks (8 %)
From 11 to 15 years	3 weeks (10 %)
From 16 to 19 years	3 weeks (13 %)
20 years and over	3 weeks (15 %)

5.3 Maternity Leave, Parental and Adoption Leave

Legislated requirements for maternity leave, parental leave and adoption leave are aimed at ensuring that biological and adoptive parents have access to time off to have and care for a new child, and to assure that they can go back to the same job or a comparable position when the leave is over. Employees can apply to receive Employment Insurance benefits while they are on maternity leave or parental/adoption leave. Service Canada Employment Insurance (EI) provides Maternity and Parental Benefits to individuals who are pregnant, have recently given birth, are

⁴ Accidental Death & Dismemberment

⁵ The EFAP is designed to assist employees with problems that may affect their well-being and/or their ability to perform their jobs. The primary objective of the EFAP is to maintain the employee's ability to be fully productive through early intervention and prevention. Confidentiality will be maintained at all times.

adopting a child, or are caring for a newborn. Canadian maternity benefits include both a component for leave and compensation.

5.4 Country Food

AEM will provide facilities at the Meliadine site for Inuit employees to safely store, prepare and enjoy country foods brought from their home communities. These will be similar in design and function to the country food kitchen installed at the new Meadowbank camp kitchen.

Under legislation, AEM can only serve food in its camp dining hall that has been supplied by a source that is approved and inspected by the Canada Food Safety Agency. This is because the camp kitchen is classed as a commercial kitchen facility. The only source of country food meeting the requirements of such a facility near the mine site is Kivalliq Arctic Foods located in Rankin Inlet. Their current capacity to supply country food to the Meliadine site is limited by capacity and availability of locally sourced country food. AEM currently has an agreement covering the ongoing purchase of char and caribou meat from Kivalliq Arctic Foods for use at the Meadowbank Mine where it is a popular menu choice. AEM anticipates that a similar arrangement will be in place for the Meliadine camp. In addition, Inuit employees will still have the opportunity to bring, store and prepare their own country food in the country food kitchen facility available on site.

SECTION 6 • HUNTING AND FISHING

AEM will operate the Project site as a no shooting area. This means that under the health and safety policies, no hunting or shooting will be allowed within the Project site boundary. This is required for the protection of all employees who are working on site. This boundary will be a tight boundary extending no further than 0.5 km from any of the operating infrastructure. A similar no shooting zone will be imposed immediately along the Meliadine access roads to protect people traveling along the roads while working.

This “no shooting” zone will likely be a subject of negotiation between AEM and the KIA as part of the Production Land Use Lease (Commercial Lease) and AEM expects that the no shooting zone will likely mirror the boundary of the Production Land Use Lease (subject to agreement by the KIA). All of the land that falls within this no shooting zone will be Inuit Owned Land. AEM anticipates that both AEM and the KIA will consult with the Kangiqliniq Hunters and Trappers Organization on how this no shooting zone will be established and managed. A similar no shooting zone has been in place at the Meadowbank site since 2008, and the lessons learned there will be applied in developing the procedures to manage the no shooting zone at Meliadine. The primary and only purpose for this no-shooting zone is to protect the safety of workers on the mine site and to clearly indicate to hunters where the areas of higher safety risk are from inadvertent contact with mine activities such as blasting and heavy equipment operation.

AEM recognizes that under the Nunavut Land Claims Agreement (NLCA), Inuit Beneficiaries have the right to hunt, fish, conduct traditional activity and travel across the land within Nunavut. Outside of the no shooting zone discussed in the previous paragraph, AEM will not put in place any policy or procedures that will infringe on these NLCA rights to hunt, fish, harvest wildlife, conduct traditional activities or travel in the areas surrounding the Project site and its access roads.

AEM will however restrict all employees from hunting or fishing from the site. This requirement is to be put in place to protect and preserve wildlife and fish in the immediate area of the Project site from over-harvesting due to the presence of the Project. Employees will not be permitted to bring hunting equipment to the Meliadine site. These restrictions will be made a condition of employment.

Overall AEM’s intent is to strive to cause minimal change or impact to wildlife and fish harvesting in the region directly attributable to the mine presence or to mining activity. It is important to note that AEM has no direct role to play in the management of wildlife or fish harvesting by Inuit; however, AEM will maintain close ongoing liaison with the Kangiqliniq Hunters and Trappers Organization to monitor and adaptively manage potential Project impacts to local harvesting efforts by Inuit hunters (both to wildlife and fish resources).

AEM acknowledges that local residents may travel near the proposed Project site to access lands for hunting, fishing, harvesting and other traditional pursuits. AEM will work with the KIA to identify safe corridors for such travel in and around the active Project site. An example includes AEM's commitment to provide a boat launch into Meliadine Lake from the proposed Phase 2 All-weather Access Road (AWAR) so that residents can safely and easily continue to reach Meliadine Lake when the mine is in operation.

SECTION 7 • DRUGS, ALCOHOL AND SMOKING

7.1 Drugs and Alcohol

Alcohol and illegal drugs are **not permitted** at any of AEM's properties at any time, including special occasions. Anyone caught with alcohol or illegal drugs will be subject to disciplinary action up to, and including, immediate termination.

Employees who report to work under the influence of alcohol or illegal drugs will not be allowed to work their scheduled shift and will be subject to disciplinary action up to, and including, immediate termination.

Employees found to be using alcohol or illegal drugs during their scheduled shift will not be allowed to complete their shift and will be subject to disciplinary action up to, and including, termination.

Employees who arrive at the air terminal to depart to Meliadine under the influence of illegal drugs or alcohol will not be allowed on the aircraft. They will be sent back home immediately and will be subject to disciplinary action up to, and including, termination.

7.2 Smoking

Where government regulations restrict or prohibit smoking, employees are asked to comply. Out of respect for others, smoking is prohibited within offices except in areas designated for this purpose. Smoking is permitted outside in designated areas.

AEM does not currently have a gambling policy, but plans to incorporate one in its management policies in the near future.

SECTION 8 • HARASSMENT AND DISCRIMINATION

The Meliadine Project has a Discrimination and Harassment Policy (see [Appendix C](#)) that applies to all employees, contractors and visitors. The objective of this policy is to ensure that all employees are assured of a work environment that is free of all forms of discrimination and harassment. It is the intention of AEM to ensure proper workplace behaviour exempt of personal and sexual harassment. AEM will also ensure that the treatment of individuals is fair and equitable and in full compliance with all applicable human rights legislation, notably in terms of avoiding any kind of discrimination.

It is the responsibility of all employees to fully comply with the Discrimination and Harassment Policy, and it is the responsibility of every department manager to monitor and ensure that the work environment is free from all forms of discrimination, personal and sexual harassment, and to conduct appropriate investigations promptly and confidentially.

A substantiated harassment violation will be considered as a serious incident. Where appropriate, one or more of the following measures may be taken:

- Demand for written apology;
- Mandatory counselling;
- Written warning;
- Final written warning;
- Suspension;
- Discharge; and
- Legal action/charges.

Personal or sexual harassment involving physical assault warrants immediate suspension without pay during the investigation period, and, if found to be culpable, is ground for dismissal and possible legal action.

If a complaint is unfounded, any income or benefits lost as a result of suspension will be reinstated. Where an allegation is found to be malicious, the accuser will be subject to disciplinary action.

SECTION 9 • LABOUR RELATIONS

AEM believes in the right of every employee to be able to express a position or lodge a complaint that he/she has been treated unfairly and can do so without fear of retribution. Accordingly, AEM will develop specific procedures for employees to air their complaints in a manner that allows the greatest opportunity for an amicable resolution and harmony within the workplace.

At Meadowbank Mine, AEM has helped employees form a Collaboration Committee, a committee of employee representatives, elected by the employees, who regularly meet with management (six (6) times per year) to discuss all issues relating to labour relations and conditions of work at the mine. AEM is committed to creating a similar Collaboration Committee at its Meliadine operation.

9.1 Communication

AEM believes that strong employee relations, good morale, and a constructive atmosphere of teamwork depend on good communication between all supervisors and their employees. Senior management is committed to ensuring that good communication takes place within the management infrastructure, and that upward communication through all levels of management is encouraged. Therefore, every member of management is responsible for, and plays a crucial role in, facilitating communication.

9.2 Procedure for Submitting Concerns

Under principles established by *Labour Standards Act* and *Mine Health and Safety Act* and their regulations, an employee is expected to comply with all work assignment directives unless an assignment is clearly detrimental to the safety and well-being of the employee or others.

The employee should be encouraged to discuss issues on a “one-to-one” basis with their supervisor. Generally, timely resolution of issues helps promoting a positive and harmonious work environment. It is crucial, therefore, that employees be encouraged to discuss with their supervisor, on an informal basis, on any problem, concern, or difference that arise. It is equally important that supervisors be approachable, take the time to listen, and make every effort to try to resolve an employee’s issue before it becomes a formal complaint.

Should this dialogue not produce a mutually satisfactory solution to the problem, the employee may formalize the complaint to their supervisor or to the Human Resources (HR) Department.

AEM is committed to resolving complaints in a manner that meets the interests of the company and the concerns of its employees.

It is AEM’s intent to provide its employees and their representatives with a workable mechanism for the timely resolution of complaints. If an issue cannot be resolved through this initial

process, it is likely that the complaint will be documented and submitted to the supervisor and the Collaboration Committee.

9.4 Disciplinary Measures

It is the policy of AEM to operate efficiently and to ensure that all employees are treated fairly and consistently. There are certain rules and certain basic standards of work, safety and dependability that will be maintained. Employees will be disciplined for violation of company's rules and regulations, inappropriate behaviour, unexcused absenteeism, or deliberate performance problems.

Barring unforeseen circumstances, the department manager will discuss the situation with the employee to determine any mitigating factors.

All notes of any disciplinary measure will be placed in the employees Human Resources file.

9.5 Progressive Discipline

The objective of "progressive discipline" is to correct unacceptable behaviour in a positive fashion. Shortcomings are to be brought to the attention of the employee and, if the employee continues to fail to meet reasonable standards of behaviour, disciplinary suspensions will result. In the event that an employee fails to modify his/her behaviour to conform to acceptable standards, discharge on the basis of culminating incident will result.

Progressive discipline may include:

- Warning letter;
- Second warning letter;
- Final warning letter;
- Days off work without pay; and
- Dismissal.

The level of discipline will depend on the severity of the offence and/or prior warnings. There are also some infractions that will justify immediate discharge. Discipline shall be the decision of the department manager in consultation with the HR Department. If discipline results in dismissal, the termination policy will be followed.

SECTION 10 • HEALTH AND SAFETY PROGRAMS

AEM believes that a healthy workplace is a fundamental right of our employees. We are committed to protecting the health and safety of our workers and to meeting and/or surpassing legislated occupational health and safety standards. Health and safety considerations will be paramount in all aspects of the Meliadine Gold Project, from design through construction, commissioning, start-up, and operations, and to closure and reclamation. Management is committed to providing all resources necessary to prevent injuries and to maintain a healthy work environment. Our goal is an injury-free workplace for all of our employees.

All employees at the Meliadine Project will receive a health and safety induction as well as a workplace induction. All employees are to participate in safety huddles and will be trained on the proper operation of all equipment. AEM will follow the rules and regulations of the NWT/Nunavut Mines Inspection Services.

More details on this subject are provided in the Occupational Health and Safety Plan (SD 9-6).

SECTION 11 • EMERGENCY RESPONSE

AEM is committed to protecting the health and safety of all its workers and the environment and to adhering to all legislated safety standards. The necessary resources will be available to respond quickly and efficiently to all emergencies, including disasters, to prevent injury to, or degradation of, the health of individuals or the environment. In implementing its Emergency Response Plan (ERP), AEM will set preparedness targets and report its progress on a regular basis. More details on emergency response are provided in the Risk Management and Emergency Response Plan (SD 2-15), the Occupational Health and Safety Plan (OHSP; SD 9-6), the Spill Contingency Plan (SD 2-16) and the Hazardous Materials Management Plan (SD 2-13).

To this end:

- All relevant safety and emergency response laws and regulations will be incorporated into AEM's Emergency Response Plan as minimum standards;
- Senior management will be responsible for making funds and other resources available, including hiring and training qualified personnel, to ensure the successful implementation of the ERP in the event of an emergency;
- All supervisors will be responsible for ensuring that their employees are aware of, and trained in, the proper emergency response procedures, and that procedures and contact information are posted in all work areas. Supervisors will also be responsible for ensuring that all employees follow safe work methods and all related regulations to prevent emergencies from occurring (for more information, see AEM's OHSP SD 9-6); and
- An Emergency Response Team (ERT) and coordination centre will be established at the Meliadine site.

An ERP has been prepared by AEM in concert with the EIA to address the requirements for a more comprehensive Emergency Response Plan for the Meliadine Gold Project. It addresses gold mining, processing, and related activities at the Meliadine Project. AEM will ensure the mining contractor fully understands and complies with all legislated safety standards as well as the policies and procedures outlined in the final ERP before any work commences at the Meliadine site.

Development of the final ERP will be guided by the following principles:

- A clear chain of command for health and safety activities;
- Accountability for health and safety performance;
- Well-defined corporate expectations regarding health and safety;
- Comprehensive hazard prevention and control methods; and
- Record-keeping requirements to track program progress.

As part of AEM's follow-up and adaptive management process, the ERP will be reviewed annually, or more frequently as required, to evaluate its effectiveness and to ensure continual improvement in the procedures. All employees will be encouraged to offer suggestions for ways to eliminate potential hazards and improve work procedures.

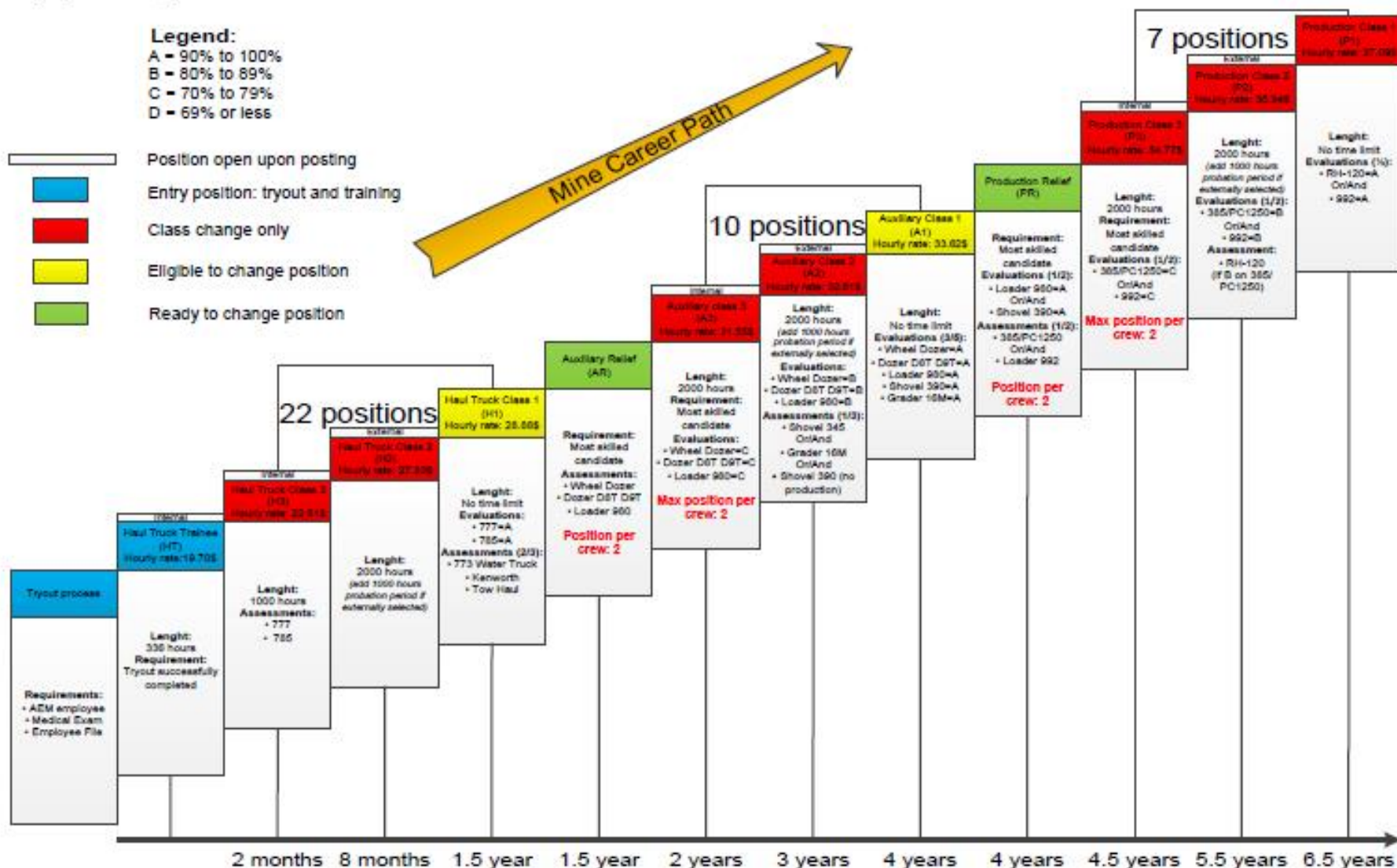
APPENDIX A • CAREER PATH CHARTS

Equipment Operators Career Path

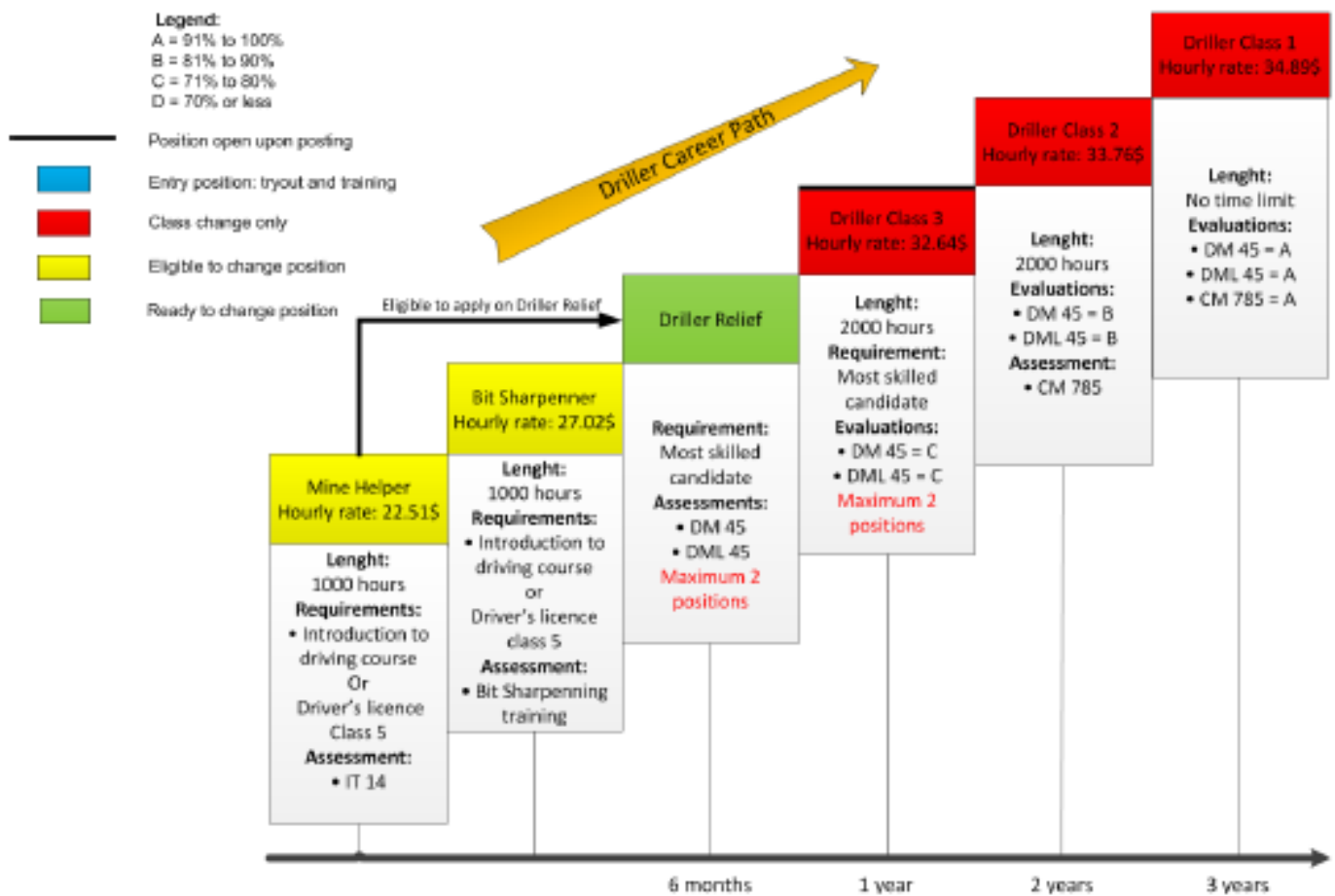
Legend:

- A = 90% to 100%
- B = 80% to 89%
- C = 70% to 79%
- D = 69% or less

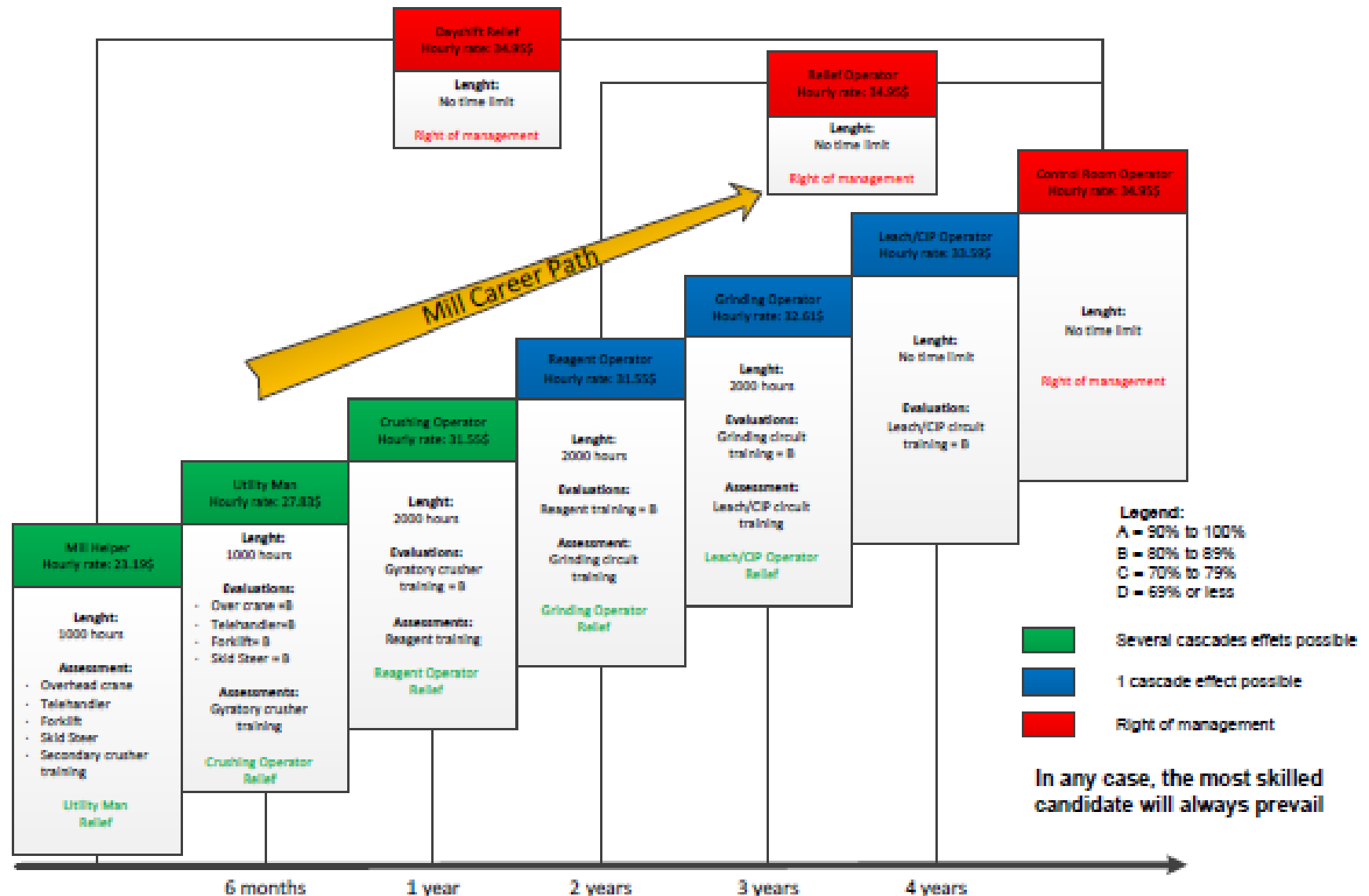
- Position open upon posting
- Entry position: tryout and training
- Class change only
- Eligible to change position
- Ready to change position



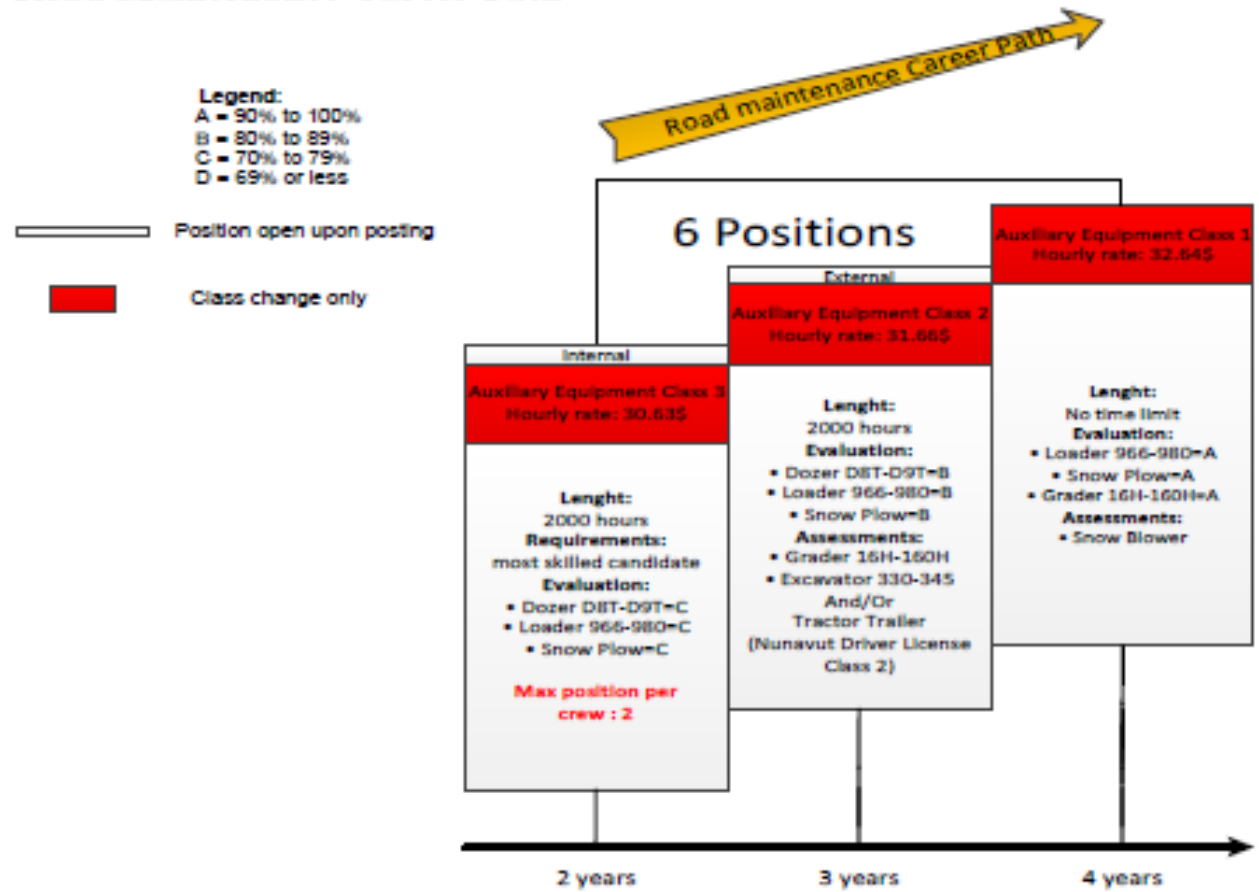
Mine Drillers Career Path



Process Plant Career Path



Road Maintenance Career Path

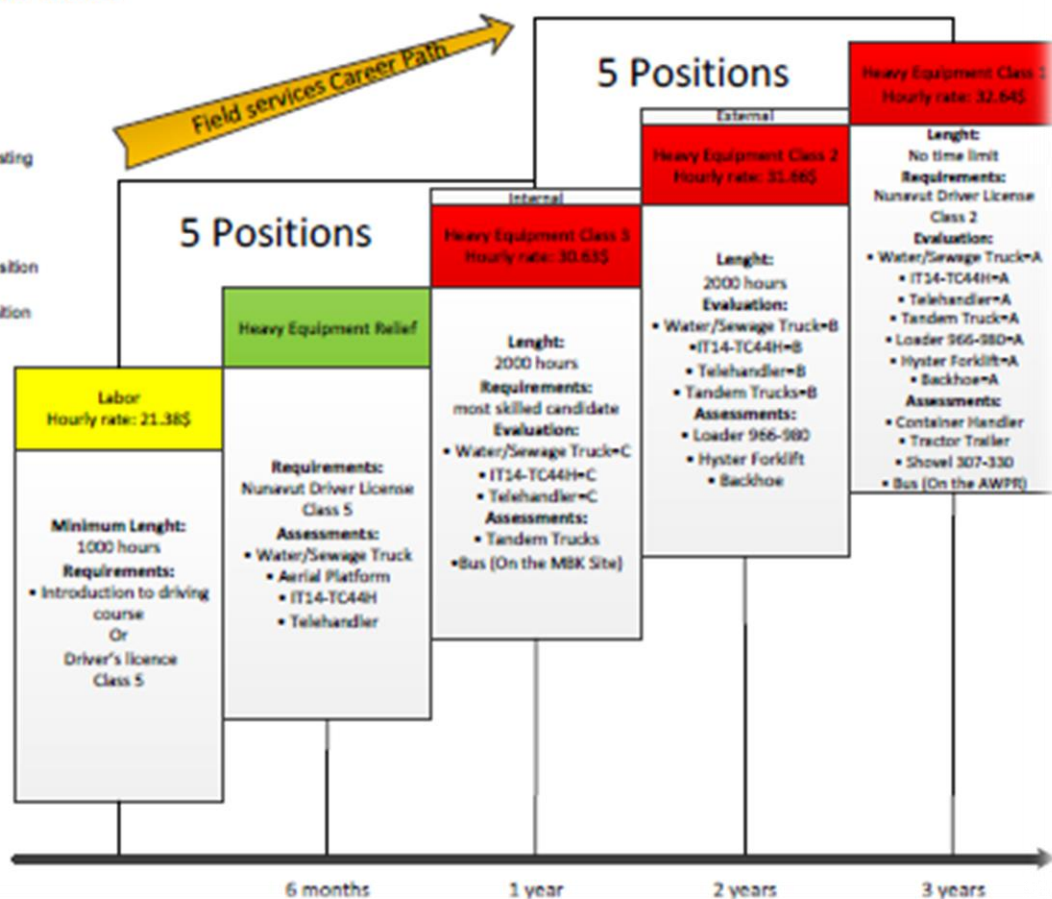


Site Services Career Path

Legend:
 A = 91% to 100%
 B = 81% to 90%
 C = 71% to 80%
 D = 70% or less

Position open upon posting

- Class change only
- Eligible to change position
- Ready to change position



APPENDIX B • SAMPLES OF COMPETENCIES MATRIX

Department: Mine

[illegible]

Department: Site Service

[illegible]

APPENDIX C • DISCRIMINATION AND HARASSMENT POLICY

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DISCRIMINATION AND HARASSMENT POLICY MELIADINE PROJECT

The policy applies to:

All employees of Agnico Eagle Mines Limited
 All employees of contractors working on the Meliadine Project
 All visitors to the Meliadine Project locations

Location:

This policy is in force at all Meliadine Project locations, including but not limited to the Meliadine Project mine site, the Rankin Inlet office, in the helicopter, all along the all-weather access road, including quarries and the temporary construction camp, the exploration camp at all exploration activity locations

Discrimination and Harassment in the work place

- Agnico Eagle Mines (AEM) will not tolerate any form of discrimination or harassment at the Meliadine Project either by its own employees, employees of contractors working on site or visitors to our site. The following Discrimination and Harassment Policy is put in place by AEM to ensure that all people working or visiting the Meliadine Project site are treated with respect and dignity.
- This is a fundamental right that is included in the *Canadian Charter of Rights and Freedoms* extended by the *Canadian Human Rights Act*. Every person in Canada has the right to expect protection from discrimination and harassment. In that regard, unjustified discrimination and all forms of harassment in the workplace and off the workplace are unacceptable and will in no way be tolerated by AEM.
- This Policy applies to all Agnico Eagle employees, contractors, agents, proxies, officers, administrators, and visitors to our project sites, and deals with the relation between managers, supervisors and employees, as well as between co-workers and colleagues within the framework of the execution of their work or as part of relations pertaining to work, during work or simply on site. Harassment occurring out of the work environment, but that could have an impact on the relations at work or even off duty, or directly or indirectly arising from it, will also be the object of this Policy. This Policy applies whether you are on the job or off the job within any of the Meliadine Project facilities or in the communities in which the company does business. The people working on the Meliadine Project come from many different cultures. We must all work hard to be sensitive to these different cultural backgrounds and act in a respectful manner in word and deed both on and off job.

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DISCRIMINATION AND HARASSMENT POLICY MELIADINE PROJECT

AGNICO EAGLE MELIADINE

- Any actions that upon investigations prove to be a contravention of this Policy could be grounds for dismissal (AEM employees) or permanent removal from the Meliadine Project site (for non-employees, such as contractors and visitors). Such actions could also be subject to other legal recourses under law.

What is harassment? A definition

Harassment may be defined as a verbal or non-verbal behavior that is abusive, humiliating or inopportune for an individual or a group of people, and that could lead to creating a harmful, intimidating, offensive or hostile environment. Remember something you say in jest could be seen as offensive or insulting to another party. Be respectful of all people that you encounter in the workplace and off the job in the local communities. Be sensitive of how what you say will make others feel.

Sexual harassment

A conduct, reflected by words or gestures with sexual connotation that could be nature likely lead to be prejudicial to the dignity or the physical or psychological integrity of a person or entail unfavorable work conditions for this person, including the termination of his employment.

Psychological harassment

According to the *Labour Standards Act* (article 81.18):

“(…) is understood as “psychological harassment” any vexatious conduct that is shown by way of behavior, words or repeated gestures that are hostile or undesired, and that may adversely affect the dignity or the psychological or physical integrity of an employee and that entails, for this employee, an ill-fated work environment. A single behavior may also constitute psychological harassment if it adversely affects or produces a continuous harmful effect for the employee.”

Definition of discrimination at work

The Canadian Dictionary of Labour relations defines discrimination at work as “any distinction, exclusion or preference based on race, color gender, religion, political opinion, national descent or social ancestry, that has for effect the destruction or alteration of equal opportunity or pay equity in matters pertaining to employment or occupation”.

What do you do if you are harassed or discriminated against?

In the event that you feel that you have been improperly harassed or discriminated against while on the Meliadine Project sites listed above, then you should take the following action:

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DISCRIMINATION AND HARASSMENT POLICY MELIADINE PROJECT

EMPLOYEES

- Avoid confrontation with the offending party or parties;
- Discuss the situation with your immediate supervisor in the event that the supervisor is not one of the offending parties;
- Allow your supervisor appropriate time to investigate and address the offending behavior in an appropriate fashion;
- If your supervisor takes no action then take your complaint to your departmental manager and/or human resources representative (assuming that neither of these parties are the offending party);
- Allow your departmental manager and/or human resources representative appropriate time to investigate and address the offending behavior in an appropriate fashion;
- If you still see no satisfactory action, then take your complaint to the Project General Manager (assuming the General Manager is not the offending party); and
- If any of the parties in this chain are involved in the incident, then they should be bypassed and the complaint taken to the next level.

EMPLOYEES OF CONTRACTORS

- Employees of contractors should follow this same reporting procedure within their own company but if there is no action being taken, then they should report the incident to the Agnico Eagle human resources representative on site or to the Project General Manager if the HR representative is not on site.

VISITORS

- Visitors to the Meliadine Project should immediately report any incident to their host or to the Agnico Eagle human resources representative on site or to the Project Manager if the HR representative is not on site in the event their host is one to the offending parties.

Please Print Your Name Here

Please Sign Here acknowledging receipt of this Policy

Date