

REGISTRATION

Duck Pond Camp

PROJECT NO. 1013942



EXECUTIVE SUMMARY

Aur Resources Inc. (Aur) is in the final stages of constructing the Duck Pond Mine/Mill in Central Newfoundland. The project is described in detail in the Duck Pond Copper-Zinc Project Environmental Impact Statement and more recently in the Duck Pond Development Plan.

To facilitate construction of the mine and mill complex, a 160-person camp was installed in 2005 and is currently in use on the site. Aur had originally planned that this camp would be removed following construction of the mine and that, during the operations phase, the workforce would reside in local communities. However, maintaining the highest standard of health and safety for employees so as to ensure the security of the working environment compels Aur to maintain a camp on site for the life of mine.

In addition, due primarily to the relatively short life of the mine and the current tight labour market, most of the current and potential workforce indicate that they will not work at the Duck Pond Mine unless there is a camp. Accordingly, Aur now recognizes the necessity of providing on-site camp accommodations for approximately half the workforce.

The Minister of Environment and Conservation has determined that the proposed operations camp is a significant deviation from the original project and therefore requires an environmental assessment. This registration has been prepared to initiate the environmental assessment process. The Minister also requires that a comprehensive assessment of the socio-economic effects of the operations camp be completed to facilitate a review by the appropriate government agencies and stakeholders. A comprehensive assessment of the socio-economic effects is provided in Section 5.0 of this registration document.

Table of Contents

EXECUTIVE SUMMARY	i
1.0 NAME OF UNDERTAKING	1
2.0 PROPONENT	1
3.0 THE UNDERTAKING	2
3.1 Nature of the Undertaking	2
3.2 Purpose/Rationale/Need for the Undertaking	2
3.3 Alternatives to the Undertaking	3
4.0 DESCRIPTION OF THE UNDERTAKING	4
4.1 Geographical Location	4
4.2 Physical Features.....	4
4.2.1 Existing Infrastructure and Project Features	4
4.2.2 Camp Location Relative to Existing Project Features	4
4.2.3 Construction and Operations	4
4.2.4 Construction Period	4
4.2.5 Potential Sources of Pollution during Construction and Operations	7
4.2.6 Potential Resource Conflicts during Construction and Operations	7
4.2.7 Description of the Operation	7
4.2.8 Estimated Period of Operation	7
4.3 Closure and Reclamation	7
4.4 Occupations	8
4.5 Project-Related Documents	8
5.0 ASSESSMENT OF SOCIO-ECONOMIC EFFECTS	9
5.1 Employment and Labour	9
5.1.1 Local Context	9
5.1.2 Construction Phase Effects.....	10
5.1.3 Operations Phase Effects	10
5.1.4 Closure Effects.....	11
5.2 Business.....	11
5.2.1 Local Context	11
5.2.2 Construction Phase Effects.....	12
5.2.3 Operations Phase Effects	12
5.2.4 Closure Effects.....	13
5.3 Housing	13
5.3.1 Local Context	13
5.3.2 Construction Phase Effects.....	13
5.3.3 Operations Phase Effects	14
5.3.4 Closure Effects.....	14
5.4 Community and Social Services	14
5.4.1 Local Context	14
5.4.2 Construction Phase Effects.....	15
5.4.3 Operations Phase Effects	15

5.4.4	Closure Effects.....	16
5.5	Municipal Government	16
5.5.1	Local Context	16
5.5.2	Construction Phase Effects.....	16
5.5.3	Operations Phase Effects	17
5.5.4	Closure Effects.....	17
5.6	Summary.....	17
6.0	APPROVAL OF THE UNDERTAKING	19
7.0	SCHEDULE	20
8.0	SIGNATURE.....	20
9.0	REFERENCES.....	21

List of Figures

Figure 4.1	Location of Duck Pond Mine	5
Figure 4.2	Site Plan of Duck Pond Mine.....	6

List of Tables

Table 4.1	List of Construction Occupations.....	8
Table 4.2	List of Operations Occupations	8
Table 5.1	Socio-economic Effects Summary: Duck Pond Camp	18
Table 6.1	List of Permits and Approvals.....	19

1.0 NAME OF UNDERTAKING

Duck Pond Camp

2.0 PROPONENT

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3.0 THE UNDERTAKING

3.1 Nature of the Undertaking

The undertaking comprises the renovation and upgrading of an existing construction camp into a 100-person operations camp at the Duck Pond Mine Site, and the use of that camp to provide accommodations for some of the mine employees.

3.2 Purpose/Rationale/Need for the Undertaking

The 100-person camp is required to accommodate some of the Duck Pond Mine employees during operations. This requirement results from a change to the original plan, which would have seen all operations phase employees living in nearby communities and commuting to the mine on a daily basis. There are two main reasons for the undertaking: Safety and Recruitment

Safety

Aur believes that an operations camp at site would have a significant positive impact on the safety of its employees by reducing the traffic to and from the site and by providing a faster and more efficient response to emergencies at the site. The Duck Pond Mine has highly trained emergency response and mine rescue personnel who are spread across all shifts. This ensures that in the event of a mine rescue/emergency the five person response team plus the five person back-up team are available to respond as soon as possible, regardless of the time of day or weather. Response time is critical, especially in the case of fire whether it is on surface, in the mill or underground. The majority of response time is spent locating and assembling the teams. Having a large part of the workforce based in a camp at site ensures that response time will be minimized. Were all employees living off-site, the effectiveness of the response would be seriously compromised. Having these emergency response teams plus two paramedics on site at all times, staying in camp, could in Aur's opinion save one or more lives in the case of an emergency.

Recruitment

The assumption that the operations labour requirement could be filled by personnel living in, or relocating to, housing in the local area, though based on prior experience with mining and related operations in Newfoundland and Labrador, has proven erroneous in the current provincial labour market. Skilled and experienced employment candidates living elsewhere are now unwilling to relocate themselves and their families to the vicinity of the mine, especially given its life expectancy of only six to seven years. The tight labour market for skilled and experienced workers, which results from an aging workforce and the abundance of industrial projects across Canada (including in northern Alberta), means that persons with the necessary skills and experience are in a position to refuse work that does not meet their preferences and needs.

The operations camp permits the use of a rotational work schedule, whereby workers would alternate between spending one week at the mine and one in their home communities, allowing them the freedom to live virtually anywhere in the Province. This option, while it is considerably more costly for Aur (it is estimated that the renovation of the construction camp for use during operations will cost

about \$100,000, and that running the camp will cost in the order of \$1.5 million a year) will allow the company to attract the required labour force.

3.3 Alternatives to the Undertaking

There are no viable alternatives to the proposed undertaking:

- The labour force is generally not willing to relocate families to the area for the six to seven year life-of-mine.
- Millertown and Buchans Junction, the two closest communities to the site, cannot provide enough rental accommodations; and
- Alternative accommodations in more distant communities are not attractive to Aur Resources or the labour force given the length of commute, the fact that some of it is over an access road that is also used by heavy haul trucks, the 12-hour shift schedule, and associated safety concerns.

4.0 DESCRIPTION OF THE UNDERTAKING

4.1 Geographical Location

The operations camp is to be located at the Duck Pond Mine Site, approximately 30 km south-east of Millertown (Figure 4.1).

4.2 Physical Features

4.2.1 Existing Infrastructure and Project Features

The mine/mill is in the final stages of construction and scheduled for commissioning in October or November 2006. Construction has been facilitated by an on-site construction camp located inside the main gate (Figure 4.2). Bulk water is supplied by a pumphouse situated at Tally Pond, and three drilled water wells provide water to the temporary mine dry, construction camp and administration office building. Potable water is bottled water brought in daily from Millertown. Sewage is treated in a septic disposal field. The construction camp receives power from a newly built 69 kV transmission line from Buchans that services the site. A parking area is adjacent to the construction camp. In addition to a dining room, the construction camp has laundry facilities and a common area for recreational pursuits.

4.2.2 Camp Location Relative to Existing Project Features

The operations camp will be created by renovating and upgrading the existing temporary construction camp. The potential biophysical effects of the operations camp will be the same as those for the construction camp which was assessed as part of the mine/mill EIS (JWL 2001a, 2001b), although the operations camp will be approximately 38 percent smaller in capacity.

4.2.3 Construction and Operations

The construction camp will be renovated and upgraded to an operations camp at the same location. The change from the temporary camp to the operations camp will be relatively straight forward while mine/mill construction, commissioning, and operations will proceed with no anticipated delays.

No new areas are required to be cleared, and the same water supply, power connection, and sewage and solid waste disposal will be used. Parking areas are already in place, as is security, firefighting and other site infrastructure.

4.2.4 Construction Period

Camp facilities are to be ready for occupancy in late 2006 or early 2007. The renovation and upgrading work will be in stages as determined by the successful contractor and as stipulated in the contract awarded.

Figure 4.1 Location of Duck Pond Mine

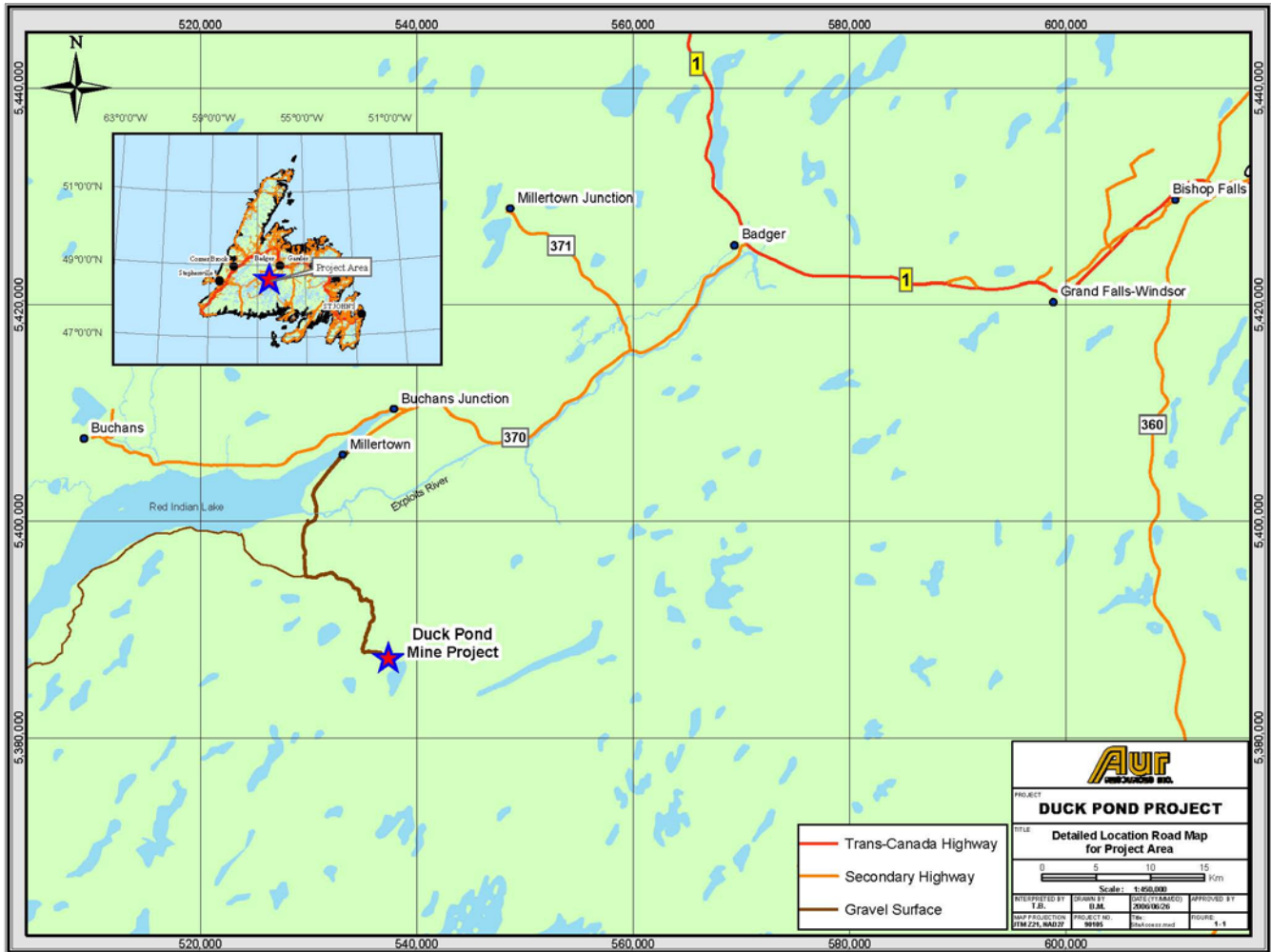
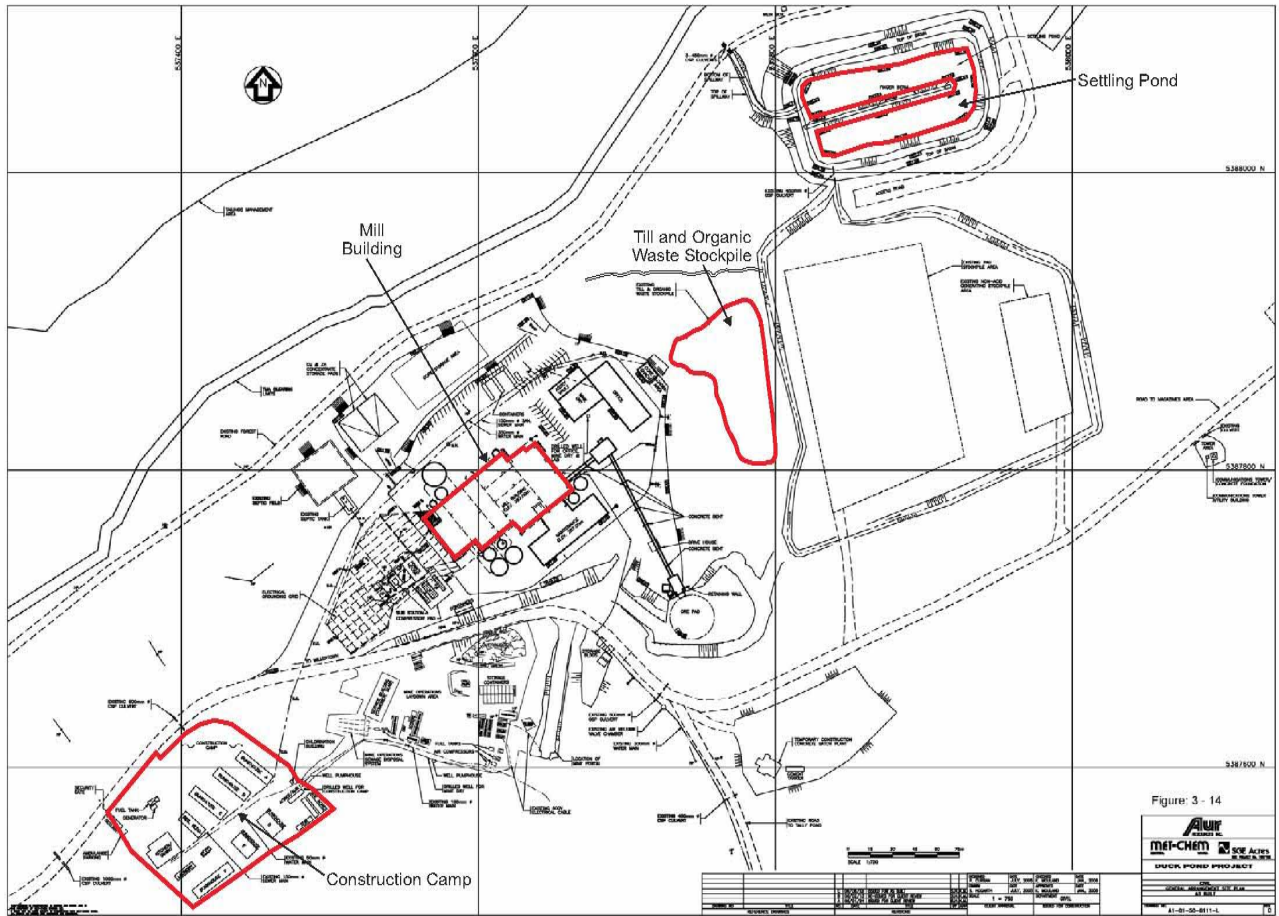


Figure 4.2 Site Plan of Duck Pond Mine



4.2.5 Potential Sources of Pollution during Construction and Operations

The existing infrastructure will be modified and transferred to support the operations camp. The water supply and waste water disposal systems are in place and appropriately sized to handle the operations camp. Sewage will continue to be treated by discharge to the existing septic tile bed. Domestic garbage will continue to be taken to the Grand Falls-Windsor regional landfill. Hazardous wastes will continue to be handled by licensed disposal contractors.

The EPP details environmental control measures and contingency responses to unplanned events.

The use of an operations camp on-site will curtail a large amount of commuting from the local communities, including from Grand Falls-Windsor and farther a field. This will reduce fuel consumption and associated emissions.

4.2.6 Potential Resource Conflicts during Construction and Operations

The continued use of an on-site camp should not add any new potential for resource conflicts, given the current level of development and activity.

The EPP stipulates that, as a wildlife protection measure, hunting, trapping and fishing by project personnel is not permitted on site.

The provision of on-site accommodations for the workforce may discourage the placement of trailers and recreational vehicles at un-serviced locations off-site.

4.2.7 Description of the Operation

Operational phase mine employees will be accommodated at the camp. They will work on a rotational basis, spending a week working 12 hour night or day shifts, followed by a week at home. Camp operations will require a number of services related to catering, housekeeping, security, maintenance, and recreation, all of which are already present in some form.

4.2.8 Estimated Period of Operation

The camp will operate on a seven day per week basis for the duration of mining operations, anticipated to be six to seven years. After this, there will be some employment related to dismantling and site reclamation. The camp may be used to accommodate these employees during operations, after which time the camp itself will be dismantled and removed.

4.3 Closure and Reclamation

The operations camp will be decommissioned and removed as part of the mine/mill closure and reclamation (JWL 2006). All materials will be removed and the site will be reclaimed by contouring and revegetation to control erosion.

4.4 Occupations

Table 4.1 provides an enumeration and breakdown of occupations anticipated (NOC 2001) for renovation/upgrading and operations phases.

Table 4.1 List of Construction Occupations

Occupation	NOC Classification	Number of Employees
Electrician	7241	4
Heavy Equipment Operator	7421	1
Labourer	7611	2
Plumber	7251	4
Carpenters	7271	4
TOTAL (all occupations)		15

Table 4.2 List of Operations Occupations

Occupation	NOC Classification	Number of Employees
Cleaners	6661	5
Cook	6242	5
Cook Assistant	6641	2
Dishwasher	6641	2
Maintenance/Cleaner	6663	2
TOTAL (all occupations)		16

4.5 Project-Related Documents

The following reports have been prepared for the Duck Pond Site and are relevant to this exercise:

- Duck Pond Copper-Zinc Project Environmental Impact Statement. Prepared by Jacques Whitford Environment Limited for Thundermin Resources Inc., August 2001.
- Duck Pond Copper-Zinc Mine EIS Response Document. Submitted to the Minister of Environment, Government of Newfoundland and Labrador. Submitted by Thundermin Resources Inc., November 2001.
- Environmental Protection Plan for the Duck Pond Copper-Zinc Project. Prepared by Jacques Whitford for Aur Resources Inc., November 2004.
- Rehabilitation and Closure Plan. Prepared by Jacques Whitford Limited for Aur Resources Inc., April 2005.

5.0 ASSESSMENT OF SOCIO-ECONOMIC EFFECTS

This section is presented in response to the requirement of the Minister of Environment and Conservation that the Registration include a comprehensive assessment of the effects of the proposed operations camp on the local communities, and a comparison of them with those identified in the approved Duck Pond Mine Environmental Impact Statement (EIS) (JWL 2001a). Because the EIS does not include an assessment of socio-economic effects, such an assessment has been prepared specifically for this document.

The assessment examines the expected effects of an operations camp (“Camp”) versus the daily commute system originally planned (“Daily Commute”). It considers the effects on five topics, identified in consultation with the Department of Environment and Conservation:

- Employment and Labour;
- Business;
- Housing;
- Community and Social Services; and
- Municipal Government.

For each topic, there is an initial short description of the local context within which these effects will occur, presenting data on a study area identified in consultation the Department of Environment and Conservation approximating a 150 km driving distance to the site.

5.1 Employment and Labour

5.1.1 Local Context

In 2001, the most recent year for which Census data are available, the study area had a labour force of 10,445 people. Of these, 5770 were male and 4675 female, with corresponding unemployment rates of 41.3 percent and 27.3 percent respectively. The labour force participation rate was 51.7 percent for men and 38.8 percent for women. The average personal income in the study area in 2001 was \$17,953.

All industries, as defined by the National Occupational Classification (NOC 2001), are well represented in the study area. The Retail Trade and Health and Social Services sectors are the largest employers, employing 1610 and 1590 people respectively. There are also large numbers of people working in Manufacturing (970), Other Services (620), Construction (615), Accommodation and Food Services (610), Transportation and Warehousing (475) and Primary industry (410).

The construction and operation of the Duck Pond Mine is having and will continue to have a major impact on the employment and labour in the study area. The project is currently employing approximately 270 construction phase employees, comprising approximately 120 permanent mining, support, supervision and administration personnel and about 150 construction-related contractor personnel. By year-end the project is scheduled to staff-up to a permanent workforce of approximately 180 employees for the expected six to eight year life of the operation.

The most significant positive effect of maintaining the camp during operations will be to allow the mine to attract and keep the high quality of personnel required to efficiently operate it and to provide a higher

level of safety during its operation. In so doing both Aur and the Province can expect to maximize the value of the Duck Pond resource and reduce the potential for operating problems and premature closure.

5.1.2 Construction Phase Effects

Camp

Approximately 45 person-months of employment will be created during the estimated three-month camp renovation and upgrading period. This will include work for heavy equipment operators, electricians, plumbers, carpenters and labourers. Many of these trades are available in the local area, and it is expected that most of this employment will go to local residents. There will be some modest local spin-off employment and income effects from this construction phase employment.

Daily Commute

Had Aur been able to proceed as originally planned, without an operations camp, the above-noted employment would not have been required.

5.1.3 Operations Phase Effects

Camp

Approximately 16 direct full-time catering/cooking, cleaning/janitorial, safety/security, maintenance and other jobs will result from the operation of the camp. These jobs will be of six to eight year duration, and it is expected that all will be held by residents of local communities (likely mostly from Millertown, Buchans, Buchans Junction, Badger, Springdale and Grand Falls-Windsor). The company currently provides free transportation to and from Grand Falls-Windsor, Badger, Buchans Junction and Millertown, and this will continue during operations, although likely with some adjustments to better reflect and serve the residential distribution of operations employees.

Approximately 20 other management and administrative personnel will commute to the Duck Pond Mine on a daily basis, perhaps choosing to use the free transportation between Grand Falls-Windsor and the site. Hiring patterns to date suggest that a majority of these daily commute workers will reside in Grand Falls-Windsor. To the extent that they are already local residents at the time of hire, they too will reduce local unemployment for the life of the mine.

These management and administrative personnel, the camp operations personnel, and other in-migrant locally resident workers, will also contribute to the local economy, with resultant multiplier effects. It is not possible to estimate the size of these multipliers, because of the unknown scale of economic leakages from the locale (for example, as locally-resident Duck Pond workers spend their money on vacations or in St. John's), but it is likely that they will be quite small.

As has been noted above, the operations camp will primarily provide accommodations for mine and mill operations personnel. On the basis of the experience to date, it is expected that most of them will be in the 45 to 54 year age group and married, many with children. (It is thought this contributes to the unwillingness of personnel to relocate, given that they typically own their homes and have spouses who have careers and children in school.) These mine and mill workers will spend some of their income in their home communities, mostly in other parts of Newfoundland and Labrador, with resultant

employment and income multiplier effects. It is again impossible to estimate the size of the multipliers, but they will likely be quite small.

Additional employment will result from the provision of supplies and services to the operations camp. This is discussed below in the section on Business impacts.

Daily Commute

Had Aur been able to hire enough locally-resident mine workers, or mine workers willing to relocate into the local area, the direct and associated multiplier employment benefits in local communities would have generally been larger and, based on experience to date, mostly concentrated in Grand Falls-Windsor. (Construction phase hiring and commute patterns have seen most of the employees moving into the area choosing to live in Grand Falls-Windsor, rather than the closer but much smaller communities of Millertown, Buchans, Buchans Junction or Badger, and make a longer commute to the Site.) Some of the in-migrant workers might also have relocated their families into the area, increasing the size of multiplier effects, but Project experience to date (only 19 permanent hires have relocated to the area) indicates that, given the relatively short mine life, few would have chosen to do so.

At the same time, relative to the use of an operations camp, a daily commute system would see the loss of the approximately 16 full-time operations camp catering/cooking, cleaning/janitorial, safety/security, maintenance and other jobs, which would mostly be filled by local residents, and their employment and income multiplier effects in the local area.

5.1.4 Closure Effects

A small amount of labour will be required to close and dismantle the camp and restore its site. However, there would be no difference between the camp and daily commute options, other than for the timing of the activity and its effects. In the former case, the effects would occur with the closure of the operations camp; in the latter case, when the construction camp was closed and dismantled.

All employment and related multiplier benefits will cease with Mine closure, other than the increased employment skills and experience that will have resulted from working on the Project. These skills and experience should make it easier for these personnel to find work at other mines, mills or other types of projects.

5.2 Business

5.2.1 Local Context

The region lies within Economic Zone 12, with economic development efforts coordinated by the Exploits Valley Economic Development Corporation. As is indicated by the occupational data presented above (Section 5.1.1), a wide range of businesses operate in the region, providing goods and services for local consumption and export. Many of these businesses will be in a position to bid competitively to supply goods and services to the Duck Pond Mine. Furthermore, many have experience working with mining enterprises, and understand fully the types and levels of service required for such operations.

5.2.2 Construction Phase Effects

Camp

There will be a requirement for construction services and supplies to renovate and upgrade the construction camp. The renovation and upgrading contract has an estimated value of approximately \$100,000. Aur is committed to awarding contracts to local area companies whenever possible and, failing that, to award them to companies elsewhere in Newfoundland and Labrador. Eddie's Services, based in South Brook, Newfoundland and Labrador, has the contract to construct and operate the current construction camp, and it will likely be selected as contractor for the operations camp. Other local business opportunities generated by camp renovation and upgrading will relate to the provision of construction materials, plumbing and electrical supplies, and camp consumables.

Daily Commute

The above-noted construction services and supplies would not have been required had it been possible to use a daily commute, thus reducing local business opportunities.

5.2.3 Operations Phase Effects

Camp

As has been noted above, running the operations camp will require substantial additional expenditures by Aur. There will be a requirement for camp supplies and services including, for example, those related to catering, cleaning and recreation. Several companies in the local area will be in a position to bid competitively on contracts related to the provision of these services.

Construction camp residents already spend money in local businesses during their off hours, for example through purchases of food, entertainment items (books, magazines, DVDs, etc.) and gasoline. Such expenditures will undoubtedly continue with the establishment of an operations camp.

Daily Commute

The above-noted camp-related expenditures and associated business opportunities would not have occurred given the use of a daily commute system.

As was noted above, had Aur been able to hire locally-resident mine workers, or had mine workers and, in some cases their families, been willing to relocate into the study area, the benefits to local communities would have generally been larger, and likely concentrated in and around Grand Falls-Windsor. It has been suggested that some local businesses have invested in preparation for the daily commute operation, in hopes of providing retail, recreation and other services to these workers and family members. However, it is not known to what degree this has happened, where any such businesses are located, how successful they would have been in getting such Project-related business, or whether it would have provided them an adequate return on their investment over the six to seven year life of the mine.

5.2.4 Closure Effects

There will be a small short-term requirement for contracted equipment associated with the removal of the operations camp, some of this would be filled by competitive local area companies. Camp removal will be included in the camp construction contract and has an estimated cost of \$49,000. However, as with the employment effects (Section 5.1.4), these would have occurred anyway with the closure of the construction camp.

The spin-off business related to serving operations camp residents, or (under the daily commute option) in-migrant workers and any family members, will be lost when the mine closes.

5.3 Housing

5.3.1 Local Context

In 2001, there were 8900 private households in the study area, of which 6805 owned and 2085 rented their accommodations. The average dwelling value was \$56,601 and the average gross monthly rent was \$488. The overwhelming majority of the 1355 rental properties were located in Grand Falls-Windsor, with significant additional numbers in Bishop's Falls (280 units) and Botwood (340 units).

The population in the study area is declining. It fell by 11.3 percent between 1991 and 2001 (from 26,777 to 23,774 respectively), largely as a result of net out-migration and fewer births (the number of births declining from 300 in 1993 to 215 in 2001). Even the population of Grand Falls-Windsor, the area's largest urban centre, experienced a population decline of 8.6 percent (from 14,780 in 1991 to 13,515 in 2001), and there is no reason to think that these trends have not continued.

This suggests that there may be some spare capacity in the local housing market to absorb any in-migrants and their families, including in Grand Falls-Windsor, which has been demonstrated to be the employee preference. The fact that there has been some modest growth in the number of households (an increase from 1996 to 2001 of 1.0 percent across the study area and an 1.8 percent increase in Grand Falls-Windsor) does not confound this expectation, given that the growth in households has been trailing off (for example, in Grand Falls-Windsor the rate of increase declined from 4.9 percent in 1991-1996 to 1.8 percent in 1996-2001), and that the shrinking average household size is seeing movement out of family units into smaller and senior's units.

5.3.2 Construction Phase Effects

Camp

The workers undertaking the renovation and upgrading will live in the existing construction camp and hence place no additional demand on the local housing market.

Daily Commute

Given the use of a daily commute system, there would be no such renovation and upgrading activity and hence no housing market impact.

5.3.3 Operations Phase Effects

Camp

The use of an operations camp will limit the new local housing demand to that that would result from the movement of management and administrative personnel into local units, principally in the Grand Falls-Windsor area. At present 19 employees have relocated to the area: six from elsewhere in Newfoundland and Labrador and 13 (some of them expatriate Newfoundlanders) from elsewhere in Canada. Of the latter group, 14 (74%) moved to Grand Falls-Windsor, three to Buchans Junction, and one each to Millertown and Springdale.

Daily Commute

On the basis of hiring to date, it is estimated that about 40 of the operations camp residents will be from outside the study area. Therefore, it is safe to assume that without an operations camp there would have been of a maximum of about 40 additional in-migrants to the study area, had these employees been willing to relocate. However, many of them would be from such places as Springdale and Robert's Arm and would likely find ways of commuting to the site from their home communities on a daily basis. Furthermore, given the short mine life, few of those moving into the study area would have relocated their families. Instead, they would likely have rented local accommodations, individually or collectively, traveling back to their family homes for weekends and vacations.

It has been indicated that there may have been some speculative investment in housing in anticipation of project-related demand. It is not known how many units were involved, or whether they are of the right types (mostly smaller rental units) or in the right communities (primarily Grand Falls-Windsor) to address the likely demand from project employees. Employees who have made inquiries into the local housing market to date have reported inflated prices for the few units available outside of Grand Falls-Windsor. This may be an indication of some unrealistic speculation in the local housing market around the potential project-related effects.

5.3.4 Closure Effects

The closure of the mine will see the end of any project-related housing demand. Whether, and for how long, the units will remain vacant thereafter will depend on market conditions at that time. This impact would be larger under the daily commute scenario.

5.4 Community and Social Services

5.4.1 Local Context

Community and Social Services includes health care, emergency services, policing, recreation, education and social assistance. The area is serviced by health centres located in Buchans, Grand Falls-Windsor, and Botwood. The area is policed by the RCMP, which has a detachment in Grand Falls-Windsor, and three municipal officers in Grand Falls-Windsor itself. Education is provided by the Nova Central School Board, which administers seven schools in the region. Recreational opportunities can be found throughout the study area in the form of hiking, fishing, snowmobiling and hunting, as well as more structured activities in the form of golf, tennis, soccer and other clubs and groups.

Some of these services are easily available across the study area, but others are more readily accessible in Grand Falls-Windsor. It is the largest centre in Central Newfoundland and serves as a hub, providing community and social services to the surrounding area. The easy access to services and amenities in Grand Falls-Windsor has been a major factor contributing to the residential choices of in-migrant Duck Pond workers to date.

5.4.2 Construction Phase Effects

Camp

The renovation and upgrading of the operations camp will require a small additional labour force (see above) for a short period of time. Any non-local construction workers will stay in the construction camp and are unlikely to spend much time in local communities, or hence to make much use of community and social services. It is certainly the case that no added demand for community and social services has been attributed to the construction force currently residing at the Duck Pond Mine site.

Daily Commute

The use of a daily commute system will remove the requirement for the operations camp and related activity.

5.4.3 Operations Phase Effects

Camp

The operations camp residents will work 11-hour days, leaving them little free time. It is expected that they will spend most of this free time eating, sleeping, and using the on-site recreation centre, which will be equipped with a pool table, televisions, card tables, shuffleboard tables, and dart boards. Furthermore, 82 percent of the long-term hires to date are over 35 years of age, 49 percent are over 45 years of age, 73 percent are married and another 16 percent living in common law relationships. It is expected that this general demographic profile will apply over the life of the mine, contrary to any expectation or concern that there will be large numbers of unattached men in the camp. Given these factors, and the distance to adjacent communities, there will be limited interaction between camp residents and neighbouring communities, or hence demands on the social services available therein.

In terms of emergency services, Aur will be providing the site with four full-time paramedics and experienced emergency response teams, including a surface fire crew. First-aid seminars and safety orientation training will be mandatory for all employees, fire alarms and hoses will be present in every building, and fire extinguishers and hydrants will be located in strategically designated areas. When it comes to policing requirements, on-site personnel will provide 24-hour site security. For these reasons, the mine and its employees will place few demands on community emergency services. On the contrary, Aur Paramedics will assist local communities if major emergencies arise; the Duck Pond fire crews will undergo joint training with the Millertown fire department, with which they will also share equipment as needed.

Daily Commute

A daily commute operation would require that about 50 Duck Pond Mine workers, some accompanied by their families, move into the study area. Given the six to seven year mine life, most would seek

rental housing, mostly in Grand Falls-Windsor. They would be employed, likely married and older, and therefore unlikely to use or cause a significant requirement for community and social services. Given that Grand Falls-Windsor is a larger community that has been losing population; any demand would be easily absorbed by existing capacity.

Demands for police and emergency services would also be minimized by the on-site provision discussed above, which again could be made available to assist local communities in a major emergency.

5.4.4 Closure Effects

It is possible that local area residents who have been directly or indirectly employed on the project will require employment and other services to help them make the transition away from work on the project. However, as was noted above, given the anticipated scale and duration of employment, the fact that their employability will have been increased through their work on the Project, and their likely places of residence, it is not thought that these demands will be large or long-lived.

It should be noted that Aur will be paying substantial direct taxes and royalties to the Government of Newfoundland and Labrador over the six to seven year life of the mine. The project will also result in an increase in employment and consumption related provincial taxes. These revenues will assist the government in delivering a wide range of community, social and other services to the citizens of Newfoundland and Labrador.

5.5 Municipal Government

5.5.1 Local Context

Municipal governments in the study area, including those of Buchans, Millertown, Badger, Grand Falls-Windsor, Bishop's Falls, Botwood, Peterview and Northern Arm, have considerable experience in providing community infrastructure and services to a population with changing needs. The fact that the overall population of the area has been declining suggests that there is some capacity for any population growth resulting from the Project. Any added stresses on the municipal system related to in-migration should be minimal, especially given the camp scenario, which will limit Project-related pressures.

5.5.2 Construction Phase Effects

Camp

None.

Daily Commute

None.

5.5.3 Operations Phase Effects

Camp

There may be a very minor additional demand for building permits, residential land and municipal services, concentrated in Grand Falls-Windsor, associated with in-migration to work at the Duck Pond Mine.

Daily Commute

There would have been a minor additional demand for building permits, residential land and municipal services, concentrated in Grand Falls-Windsor. Given that in-migrants would have been primarily renting properties, which has some available capacity due to population decline, these effects would have been small.

5.5.4 Closure Effects

Few or no effects on municipal government are anticipated.

5.6 Summary

The socio-economic effects of the use of an operations camp, compared to the daily commute system originally proposed, is provided in Table 5.1.

Table 5.1 Socio-economic Effects Summary: Duck Pond Camp

Socio-economic Component/Phase	Camp	Daily Commute
Employment and Labour		
Construction Phase	<ul style="list-style-type: none"> ◆ Direct (approximately 45 person-months) and multiplier employment 	<ul style="list-style-type: none"> ◆ Not applicable
Operation Phase	<ul style="list-style-type: none"> ◆ Direct (approximately 16 full-time jobs) and multiplier employment ◆ Multiplier effects of employees resident across Newfoundland and Labrador 	<ul style="list-style-type: none"> ◆ No such direct employment ◆ Multiplier effects of employees, mostly resident in Study Area
Business		
Construction Phase	<ul style="list-style-type: none"> ◆ \$100,000 construction contract 	<ul style="list-style-type: none"> ◆ Not applicable
Operation Phase	<ul style="list-style-type: none"> ◆ Camp expenditures on supplies and services ◆ Multiplier effects of employees expenditures across Newfoundland and Labrador 	<ul style="list-style-type: none"> ◆ No camp expenditures ◆ Multiplier effects of employee expenditures, mostly in Study Area
Housing		
Construction Phase	<ul style="list-style-type: none"> ◆ None 	<ul style="list-style-type: none"> ◆ None
Operation Phase	<ul style="list-style-type: none"> ◆ Approximately 50 percent of labour force resident in camp, 50 percent in the Study Area 	<ul style="list-style-type: none"> ◆ Approximately 40 additional employees resident in Study Area, likely in rental accommodations
Community and Social Services		
Construction Phase	<ul style="list-style-type: none"> ◆ Minimal 	<ul style="list-style-type: none"> ◆ None
Operation Phase	<ul style="list-style-type: none"> ◆ Minimal ◆ Local emergency services benefit from on-site provision 	<ul style="list-style-type: none"> ◆ Minimal ◆ Local emergency services benefit from on-site provision
Municipal Government		
Construction Phase	<ul style="list-style-type: none"> ◆ None 	<ul style="list-style-type: none"> ◆ None
Operation Phase	<ul style="list-style-type: none"> ◆ Very minor additional demands 	<ul style="list-style-type: none"> ◆ Minor additional demands

6.0 APPROVAL OF THE UNDERTAKING

The undertaking will require that the following permits be in place or that existing permits be amended as necessary.

Table 6.1 List of Permits and Approvals

Permit, Approval Or Authorization	Issuing Agency
Provincial	
<ul style="list-style-type: none"> Environmental Approval (Release) to Proceed with Project 	DOEC – Assessment Division
<ul style="list-style-type: none"> Environmental Approval for a Water Intake Structure/Withdrawal System (modify existing approval if necessary) Water Use Licence (modify existing approval if necessary) 	DOEC - Water Resources Management Division
<ul style="list-style-type: none"> Certificate of Approval for a Water Supply System (modify existing approval if necessary) Certificate of Approval for a Sewage/Septic System (modify existing approval if necessary) Fire, Life and Safety (modify existing approval if necessary) 	GSC
<ul style="list-style-type: none"> Approval of Rehabilitation and Closure Plan 	DNR, Mineral Development Division
<ul style="list-style-type: none"> Certificate of Approval for Construction 	DOEC – Pollution Prevention Division
<ul style="list-style-type: none"> Permit to Control Nuisance Animals 	DOEC-Wildlife Division
<ul style="list-style-type: none"> Approval for Operation of Lunchroom/ Washroom Facilities Food Establishment License (modify existing approval if necessary) 	Newfoundland and Labrador Department of Health, Public Health Inspector
Municipal	
<ul style="list-style-type: none"> Approval for Waste Disposal 	Local Service District of Grey River
DOEC - Newfoundland and Labrador Department of Environment and Conservation DNR - Newfoundland and Labrador Department of Natural Resources - Mines DNR – Newfoundland and Labrador Department of Natural Resources - Forest Resources DFO – Fisheries and Oceans GSC – Newfoundland and Labrador Department of Government Services – Government Service Centre	

7.0 SCHEDULE

The renovation and upgrading process will commence no earlier than November 2006 and no later than December 2006. This timing was selected so as to: permit the optimal use of the construction camp for construction purposes, permit the completion of the operations camp design and camp contracting arrangements, and satisfy all regulatory requirements.

8.0 SIGNATURE

Sept 26, 2006
Date


Name: Guy Belleau
Position: Mine Manager

9.0 REFERENCES

- JWL (Jacques Whitford Environment Limited). 2001a. Duck Pond Copper-Zinc Project Environmental Impact Statement. Prepared for Thundermin Resources Inc., August 2001.
- JWL (Jacques Whitford Environment Limited). 2001b. Duck Pond Copper-Zinc Mine EIS Response Document. Submitted to the Minister of Environment, Government of Newfoundland and Labrador. Submitted by Thundermin Resources Inc., November 2001.