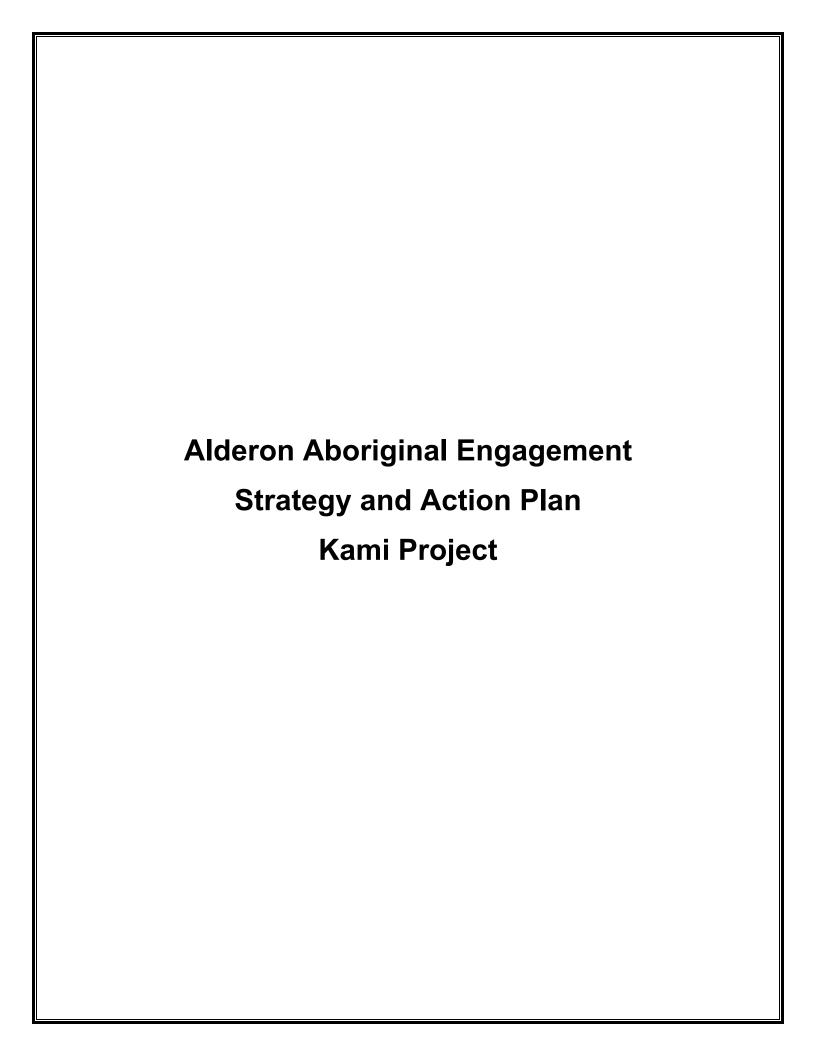
ALDERON IRON ORE CORP. ENVIRONMENTAL IMPACT STATEMENT KAMI IRON ORE MINE AND RAIL INFRASTRUCTURE, LABRADOR



Appendix M

Aboriginal Engagement Strategy and Action Plan



A. ABORIGINAL ENGAGEMENT STRATEGY AND ACTION PLAN – KEY DRIVERS

Alderon Iron Ore Corp ("Alderon") is committed to sustainable development. This means integrating economic, environmental and social considerations in the decision-making process relating to the Kami Project (the "Project").

One of the principles of sustainable development is to engage with Aboriginal groups, communities and organizations who may be affected by the Project. Alderon is committed to working with those Aboriginal groups in order to understand how its operations may impact them and to achieve mutually beneficial outcomes.

The principles guiding this Aboriginal Engagement Strategy and Action Plan are set out in Alderon's Aboriginal Relations Policy:

- Respect for the legal and constitutional rights of Aboriginal peoples
- Respect for the unique history, diverse culture, values and beliefs of Aboriginal peoples and their historic attachment to the land
- Recognition of the need to pursue meaningful engagement with Aboriginal groups
- Recognition of the importance of collaboration with Aboriginal groups to identify and respond to issues and concerns

B. ABORIGINAL ENGAGEMENT STRATEGY AND ACTION PLAN – KEY STRATEGIES

Alderon has adopted a 'life of Project' approach to engagement with Aboriginal groups. Engagement commenced prior to Project registration and will continue throughout the environmental assessment ("EA") process and conclude only upon closure and decommissioning. The *Aboriginal Engagement Strategy and Action Plan* is intended to be a coordinated and comprehensive process which will meet or exceed regulatory requirements and assist the Crown's in satisfying its requirements with respect to consultation. It is a process which will implement the following key strategies set out in the *Aboriginal Relations Policy* pursuant to which Alderon will:

- Acknowledge potential or established aboriginal or treaty rights and comply with the requirements of any applicable treaties, laws, regulatory measures and governmental policies
- Provide opportunities for aboriginal groups to share traditional knowledge and information on traditional land and resource use in the project area
- Develop an effective, respectful and meaningful engagement process
- Work cooperatively and collaboratively with aboriginal groups to identify project effects and develop and implement appropriate mitigation measures, including, where appropriate, the negotiation of agreements to address adverse effects and provide access to benefits

Consistent with its *Aboriginal Relations Policy*, Alderon recognizes the importance of building relationships based on mutual trust and respect with Aboriginal groups may be affected by the Project and is committed to working constructively and collaboratively with those Aboriginal groups in proximity to the Project in order to achieve mutually beneficial outcomes. Alderon is committed to ensuring that potentially affected Aboriginal groups are appropriately engaged to enable Alderon to identify, understand and address any potential effects on Aboriginal communities and groups and their current land and resource use for traditional purposes.

C. ABORIGINAL ENGAGEMENT STRATEGY AND ACTION PLAN – KEY ELEMENTS

(A) Identification of Legal and Policy Requirements

Preparation for engagement involves the identification of the legal and policy requirements governing Aboriginal engagement in the EA process. Alderon is committed, in carrying out its engagement and consultation action plan, to act in accordance with existing commitments and processes respecting engagement with involving Aboriginal groups, including commitments and processes imposed on Alderon as a requirement of legislation or policy, as a delegate of the Crown, or as a result of a treaty or contractual arrangement.

(B) Identification of Aboriginal Stakeholders

Alderon's Aboriginal Relations Policy requires engagement with those Aboriginal groups who have treaty rights or recognized or asserted Aboriginal rights or Aboriginal title (collectively referred to as "Aboriginal Interests") and who may be affected by the Project. In order to determine the existence of such Aboriginal Interests, Alderon has canvassed all publicly available information including information directly provided by Aboriginal groups or organizations to Alderon, land claims documentation, materials generated during litigation, treaties and other agreements, legislative or administrative arrangements (such as the Saguenay Beaver Reserves) and information previously generated in the environmental assessments of projects in Labrador and northeastern Quebec. These materials have been reviewed by Alderon in order to gain a general understanding of the nature of known Aboriginal Interests in the Project area and the relationship of the Project to those Aboriginal Interests and to identify the aboriginal groups, communities and organizations which will be engaged by Alderon.

(C) Implementation

Alderon's engagement activities with each Aboriginal group are based on key initiatives:

- Information Sharing Initiatives: provision of opportunities for document and permit review through the transmission of documentation (translation as appropriate) to the Aboriginal groups and the publication of such information on the Project website, offers to meet with Aboriginal leadership and communities to provide Project information in the language and manner to be determined in consultation with the community.
- Community Engagement Initiatives: offers to meet with Aboriginal leadership to identify appropriate engagement methods and activities, meetings and offers to meet with

communities in order to identify and respond to community issues and concerns with respect to the Project, offers to conclude formal consultation arrangements, supported by capacity funding, and the provision of financial and other support for community initiatives.

- Assessment of Project effects on current use of land and resources for traditional purposes initiatives: offers to provide funding and technical resources to conduct traditional land and resource use studies and collect traditional knowledge, offers to meet with elders and to engage directly with particularly affected members of Aboriginal communities.
- Avoidance and Mitigation initiatives: discussion, where and as appropriate, of mitigation
 and avoidance measures to address adverse impacts upon current use of land and
 resources for traditional purposes, offers to meet with the community to respond to
 issues of concern, incorporation of traditional land and resource use information into the
 EIS, offers to enter into benefits agreements to address potential adverse effects of the
 Project.

These intitiatives will be operationalized through the following actions:

- Initiation of the engagement process at the earliest possible opportunity (ideally prior to Project registration) through a letter of introduction which notifies Aboriginal groups of the proposed activity, provides corporate contact information.
- Confirmation of the appropriate person or group authorized to represent an Aboriginal group in ongoing dealings.
- Discussion with each Aboriginal group as to the preferred method of ongoing engagement, including the need for any translation requirements.
- Assessment of the capacity of each Aboriginal group to participate meaningfully in the engagement process, including the need for financial and technical support, and where appropriate, offers to enter into formal information-sharing and engagement arrangements.
- Provision of clear, user-friendly and relevant Project-related information to each Aboriginal group on a timely and ongoing basis through the life of the Project to enable the identification of issues and concerns.
- Regular offers to meet with both leadership and the community in order to provide multiple opportunities to understand the Project, its potential effects upon Aboriginal rights and related interests and to identify issues and concerns.
- Ensuring that Aboriginal groups have sufficient time to review Project-related information, assess the potential adverse impacts of the Project on asserted rights and land and resource use and prepare and submit issues and concerns.
- Adapting plans based on Aboriginal input and providing feedback on how input has affected plans and decisions. Establishing feedback mechanisms to ensure that input is being captured and concerns addressed on an ongoing basis.

- Flexibility in the implementation of a variety of engagement techniques to exchange information through:
 - (i) Individual stakeholder meetings
 - (ii) Multi-stakeholder committees and meetings
 - (iii) Workshops
 - (iv) Project updates and presentations
- Follow-up as necessary and appropriate to discuss issues and concerns through community meetings, correspondence and telephone calls.
- Ensuring that appropriate representatives of Alderon respond in a coordinated and timely manner to communications received from Aboriginal groups.
- The making of offers to fund traditional land and resource use studies to augment Alderon's understanding of current use of the Project Area by Aboriginal groups
- Consideration of the concerns of Aboriginal groups and response to those issues and concerns in a meaningful and timely way
- The incorporation of knowledge gained from traditional land and resource use studies, independent research and other information generated through the engagement process into Project planning and execution
- Provision of opportunities to Aboriginal groups to be consulted on the development of
 mitigation or avoidance measures by providing opportunities in consultation with an
 Aboriginal group, where, as a result of information generated through engagement, it is
 determined that the Project is likely to have adverse effects upon Aboriginal Interests or
 to otherwise adversely affect traditional land and resource use. Such mitigation or
 avoidance measures may include environmental monitoring, land and cultural protection
 measures and the negotiation of benefits agreements.
- Honour all commitments and ensure that all undertakings are implemented in a timely and thorough manner.

(D) Documentation and Monitoring

Alderon will document all engagement activities and will maintain a standardized data base which will record each engagement activity by reference to event, communication type, stakeholder, issues and responses and commitments. All communications will be summarized and all relevant documentation will be entered into the database.

Alderon recognizes that the engagement process will continue through the life of the Project and therefore must be flexible and responsive. The engagement process will be monitored and revised as necessary to adapt to new information and changing circumstances.