

## Community Engagement Plan

<b>Term</b>	<b>Definition</b>
Aboriginal organization/ government	an organization representing the rights and interests of a First Nation (as defined in section 2 of the MVRMA) Métis, or Inuit community or region, a Tłı̨cho First Nation, or the Tłı̨cho Government.
affected community	a community that is affected, or is predicted to be affected, either adversely and/or beneficially, by a proposed project.
Boards	Land and Water Boards of the Mackenzie Valley, as established by the <i>Mackenzie Valley Resource Management Act</i> .
duty to consult	Practically, the duty to consult is the process of ensuring that Aboriginal people's rights are fairly considered in government conduct that could potentially affect those rights, particularly in the approval of developments involving land and resources. The duty to consult is an obligation of the government as a whole. In <i>Haida, Taku River</i> , and <i>Mikisew Cree</i> , the Supreme Court of Canada held that provincial and federal governments have a legal obligation to consult when the Crown contemplates conduct that might adversely impact potential or established Aboriginal or Treaty Rights.
engagement	the communication and outreach activities a proponent is required, by the Boards, to undertake with affected communities and Aboriginal organizations/governments prior to and during the operation of a project, including closure and reclamation phases.
engagement plan	a document that clearly describes how, when, and what engagement will occur with an affected community and Aboriginal organization/government at each stage during the life of the project.
engagement record	a record, including supporting documents, that details the engagement processes and outcomes between the proponent and the affected community and Aboriginal organization/government.
GLWB	Gwich'in Land and Water Board
MVLWB	Mackenzie Valley Land and Water Board
MVRMA	Mackenzie Valley Resource Management Act
NWT	Northwest Territories
project	any development that requires a land use permit or water licence.
proponent	applicant for, or holder of, land use permits and/or water licences.

public participation	a general term for any process that involves public input in decision making. It involves the process or activity of informing the public and inviting them to have input into the decisions that affect them
SLWB	Sahtu Land and Water Board
WLWB	Wek'èezhii Land and Water Board

## Introduction

This Community Engagement Plan (CEP) has been developed to ensure continuing consultation with affected communities in a progressive manner as the Mon Gold Mine project develops. The CEP is based upon the guidelines published by the Mackenzie Valley Land and Water Board, October 2012 “Community Engagement Guidelines for Applicants and Holders of Water Licences and Land Use Permits”, “Engagement and Consultation Policy” June 1, 2013, and extracts from draft exploration agreements developed by the Yellowknife Dene First Nation.

The CEP recognizes the statutory requirement for consultation and attempts to make it inclusive and effective.

The affected communities have been identified by reference to the MVLWB guidelines and in preliminary discussions with these communities.

The Best Practices guidelines in Appendix A of Community Engagement Guidelines for Applicants and Holders of Water Licences and Land Use Permits is followed.

The CEP is prepared to accommodate an application for small scale mining; however it anticipates further work that will require additional consultations.

## The Project

### Overview

It is planned to complete underground sampling of an inferred extension to a mine that was operated in the 1990’s. This would be the first phase and if successful would follow with applications for continued mining and to re-install a 100 tpd milling circuit to process this material and subsequently developed material. Property-wide exploration will be conducted from the same camp.

## **Location**

The Mon Gold Mine is located within the Yellowknife Greenstone Belt, 50 km north of Yellowknife. It was discovered in 1937 by prospectors under contract to Cominco Ltd. Cominco sunk a shaft in 1938 and 1939, completed diamond drilling in 1947, 1950, 1963, and between 1965 and 1975 allowed a local prospector, Jack Stevens to high-grade the surface exposures. In 1986 Cominco optioned the property to Troymin Resources who completed 11 diamond drillholes. In 1987, Troymin and partner Coronado Resources drilled another 12 holes and allowed the option to lapse. In 1988 Dave Webb optioned the Mon Property and with partner Can-Mac Exploration completed six diamond drillholes identifying a small resource. In 1989 Webb completed 49 meters of decline and 15.5 meters of raising on an east-dipping vein. A total of 2,300 tonnes of material was stoped from this vein and the material was custom milled at the Ptarmigan Mill in Yellowknife. In 1990 the property was leased to Ger Mac Construction Ltd and a 37 m crosscut was driven from a new adit (central adit) and 77m of vein was developed for mining.

Can-Mac defaulted on the option and the property reverted back to Webb, and between 1991 and 1997, Ger Mac Construction Ltd extracted an estimated 10,000 tonnes and processed this through a 100 tpd crush / grind / gravity mill on site. Mining ceased in 1997 and all equipment was removed and the tailings containment area was graded, capped with a plastic liner and covered with 35 cm of gravel.

New Discovery Mines Ltd applied for permits and licenses to reinstall the mine and mill and after discussions with the affected communities conceded to make the application in two parts. The permits and licenses to install the camp and related infrastructure and to commence mining the next level of the Mon Mine was made to the MVLWB and Land Use Permit (MV2013C0021) and Water License (MV2014L2-0002) was received in July 3, 2014. Consultations with the affected communities continued to seek support and input on the current milling application.

## **Resource and Reserves**

There are no NI 43-101 Reserves or Resources at the Mon Gold Mine. NI 43-101 governs a company's public disclosure of scientific and technical information about its mineral projects.

It is believed that the previously completed mining has established a mineralized trend that can be assessed by diamond drilling or additional underground development. A cost-benefit analysis suggests that the underground development is the best way to proceed.

## **Engagement with Affected Parties**

### **What is Engagement?**

Engagement is defined by the MVLWB as “the communication and outreach activities a proponent is required, by the Boards, to undertake with affected communities and Aboriginal organizations/governments prior to and during the operation of a project, including closure and

reclamation phases.” One might also believe engagement should go beyond this to communicate with the affected communities on all matters, even those not directly related to the project to get a perspective on what might be material in the future and to add “colour” to what decisions are made.

The proponent is currently conducting minimal activities primarily to complete consultations. These consultations have primarily been by phone calls, emails, and in some instances face to face. As the project is primarily conceptual at this stage substantial accommodations can be made.

### Affected Communities

The project lies within the Yellowknife Dene First Nations traditional lands, on traditional lands identified as Monfwi Gogha De Niitlee lands, and on Metis lands (Figure 1).

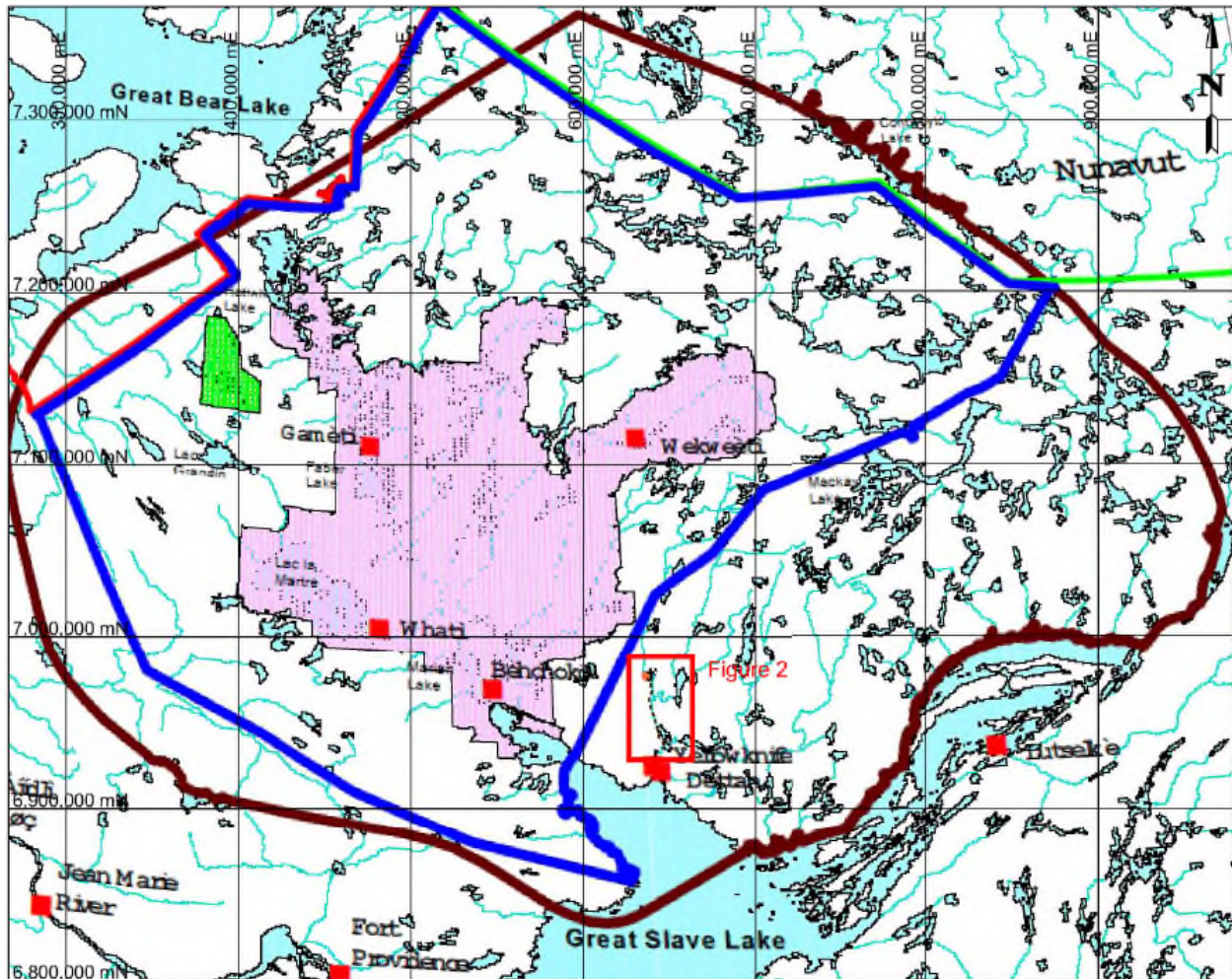


Figure 1. Location of Project Area and inset of Figure 2.

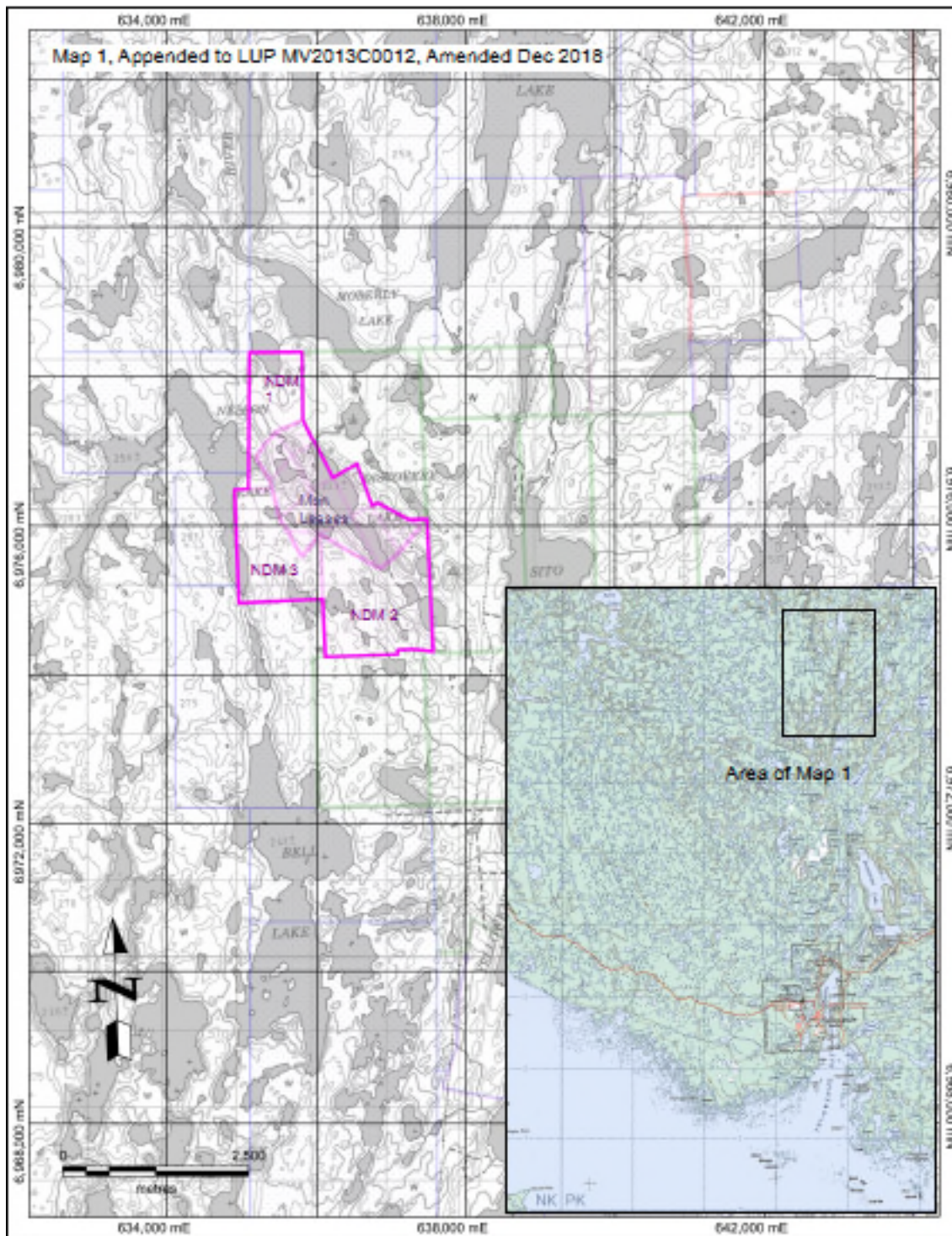


Figure 2. Location of Project Area

## What are the Benefits of Engagement?

Engagement provides an opportunity to make sure all affected parties are aware of a proponent’s wishes, and the proponent can be made aware of the affected parties concerns. Ideally, all concerns can be accommodated in mutually satisfactory manners. Projects that are unacceptable to the affected parties, either by location, or process with no reasonable hope of accommodation can be avoided. This benefits all parties.

A structure can be created to deal with anticipated and unanticipated concerns so rectification and/or accommodation can be rapid and completed in a predetermined manner.

## What Guides Engagement?

Engagement will focus on the proponents and affected parties concerns. The first steps in the process would be for the proponent to identify the potentially affected communities and to introduce themselves and plans to these communities. The communities will then guide the rest of the process with the proponent responding and providing appropriate guidance where possible.

1. Proponent Identify and Define the Project
2. Proponent Identify and Introduce themselves and the Project to the Communities
3. Communities respond with:
  - a. Requests for further information
  - b. Requests for meetings
  - c. Identify Issues of concern
4. Together, the Proponent and Concerned Communities work to accommodate issues
  - a. Proponent and Concerned Communities develop a communication and action structure to deal with issues that are of concern.

## Engagement Plan Framework

### Goals of Engagement

Initially, it is proposed that are three goals to engagement:

Goal		Commitment
1.	Inform	<ol style="list-style-type: none"> <li>a. Communicate the plans, contingencies, and estimated effects on the communities honestly and accurately.</li> <li>b. Provide any and all information as requested.</li> </ol>

2.	Listen	a. Provide clear lines of communications including who is responsible for each concern.
3.	Be Proactive	a. Meet with any representative of each community as requested to hear each concern and recommendations from these meetings.

More can be added after initial meetings.

## **Party Identification**

Initial reviews have considered the following groups to be potentially affected by the Proponent's plans.

Yellowknives Dene First Nation

Akaitcho IMA Office

Tlicho Government

Kwe Beh Working Group

North Slave Metis Alliance

Northwest Territories Metis Nation

Northwest Territories Power Corporation

Mackenzie Valley Land and Water Board

Aboriginal Affairs and Northern Development Canada

Can-Nor

Department of Fisheries and Oceans

Environment Canada

GNWT – ENR

Prince of Wales Northern Heritage Centre

City of Yellowknife

Government of the NWT.

## **Company Contacts**

All discussions concerning the Proponent can be directed to:

**Dave R. Webb**  
**President**  
**New Discovery Mines Ltd.**  
**1909 108 West Cordova St.,**  
**Vancouver, B.C.**  
**V6B 0G5**

**Phone: 604 818-1400**

**Email: [dave@drwgcl.com](mailto:dave@drwgcl.com)**

## **Engagement Techniques**

All engagement will be person to person, either face to face, by telephone, or in written communication by post, fax, or email.

In person meetings will be at venues acceptable to all participants and appropriate for the discussions at hand. These may be on the proponent's project site or other location as mutually decided.

## **Engagement Work Plan**

The Engagement Work Plan is currently involves phone calls, emails, and one on one meetings in any affected community. Contact has been made with the relevant development corporations as well as the political organizations of the affected communities. Presentations in paper form, electronic form, and three dimensional videos describing the proponents goals, issues, and some options have been identified and presented.

## **Communicating the Engagement Plan**

Methods and timing on communicating the Engagement Plan has been on an ad hoc basis, largely initiated by the proponent but taking full advantage of industry events where representatives from the communities may be present. This will continue in the future, but specific times will be defined as requested by the communities.

## **Implementing the Engagement Plan**



Implementing the Engagement Plan has been implemented and has been ongoing since May 2012. The small footprint, environmentally, economically and socially has made it difficult to get traction within the communities, as such consultation has largely been at the proponents request. It is unlikely to change unless the communities can obtain more depth as the current contacts are stretched very thin. Assuming this is the status going forward, it is intended to increase consultations within each community as our development increases in size. This plan will cover consultations after the current licenses were issued.

### **Follow-up Reporting**

The proponent will follow up on a quarterly basis if requested, and on an annual basis within each affected community or as requested by these communities. Accommodations can change with time, and the proponent intends to remain as flexible as possible in these discussions.

### **Engagement Plan Review**

The Engagement Plan will be reviewed annually and on an ad hoc basis as regulatory and status in the project area evolves. Any deficiencies or modification required to improve its effectiveness and inclusiveness will be considered and implemented as possible.