Environmental and Social Impact Assessment

Public Meetings - August 2011

Merian Gold Project
Welcome & Introductions

Purpose of Public Meeting:

• Inform interested groups about the Project
• Describe Merian Project
• Listen to your potential concerns
Ground Rules

• Mutual respect, courtesy, and patience.
• Please help maintain an atmosphere where everyone feels comfortable and welcome.
• Please don’t interrupt anyone while they are speaking.
• Please remain quiet so everyone can hear; please leave the room for side discussions.
• Please turn off cell phones or set them to vibrate.
• Raise hands to ask a question.
Agenda

1. Project Description
2. The Environmental and Social Impact Assessment (ESIA)
3. Questions and Answers
4. Closing Remarks
Who Are Surgold?

• A company held by Newmont & Alcoa with Newmont as the manager

• Exploring in Merian area since 2004

• No gold production yet – awaiting agreement with state
What is the Merian Project?

Project Location

- Approximately 66km South of Moengo
- Between Commewijne and Marowijne Rivers
- Langa Tabiki is the nearest village (approximately 10km from site)
- Approximately 40km north of Nassau Mountains
The Project will need the following components:

- 3 – 4 open pits
- Processing Plant
- Waste rock storage
- Tailing storage
- Power generation
- Water Treatment facilities
- Offices and accommodation
Example Open Pit
Examples of Processing
Above: example of gold processing plant
Left: example of leach tanks
Waste from the Project

Above: example of waste rock storage
Below: example of tailings facility
Project employees:

- Approximately 1,500-2,000 during construction (including temporary contractor for construction)
- Approximately 900 during operations

Current Merian Exploration Camp
Simple Mining Flow Diagram

Input: Mined Rock → Crush Rock → Float in Tanks → Grind Rock

Output: Recover 95% Gold

Total production approximately 350,000 oz per annum.
Approximately 11 year ‘mine-life’
Mine Closure

- Protect environment & public health & safety – ensure physical and geological stability of land
- Sustainable use of site after closure – continuous reclamation & rehabilitations of land back into forest
- Minimize negative effects after closure to environment and community - monitoring
- Overall positive impact to wildlife, animals and people - sustainable social and economic benefits
Example Mine Closure - Indonesia

May 2008 – Five years later
Example Mine Closure - Indonesia
Example Reclamation of Mine - Indonesia
Example Reclamation of Waste Rock - Indonesia
Environmental and Social Impact Assessment

**What is an ESIA?**
A process to determine the effects of a Project on people and the environment.

Promote positive impacts & reduce or avoid negative impacts
Four Components of an ESIA

- **Environment**: Air and water quality, Waste and noise, Plants and animals
- **Social**: Cultural/heritage, Employment/livelihoods, Education
- **Health**: Community health, Health services, Behaviors

Stakeholder Consultation
Who will do the ESIA?

Environmental Resources Management (ERM) will conduct the ESIA.

- Independent, international consultant specialising in ESIAs
- ERM is an international environmental consulting firm with over 30 years of experience in impact assessment
- 40 countries, 3,000 employees - global expertise & local context
- A team of environmental, social, and health specialists with experience in mine Projects
- Approach to ESIA involves partnership with local specialists, including the specialists here today from ESS and others
ERM’s Role

• Surgold has contracted ERM to prepare the ESIA for the Proposed Merian Project
• ERM is separate from Surgold, they have commissioned ERM to:
  – Act as independent consultant to conduct the ESIA
  – Recommend measures to promote the positive and minimize the negative effects of the Project
  – Facilitate public involvement - encourage and enable interested people or organizations to participate in this process
What are the requirements for an ESIA?

ERM will follow best practice guidelines for the ESIA:

- Surinamese National Institute of Environment and Development in Suriname (NIMOS) guidelines
- International Standards (International Finance Corporation Performance Standards)

This means the ESIA will:

- Involves public input throughout
- Documents current environmental and social conditions
- Predicts future conditions
- Recommends measures for maximizing positive and minimizing negative effects
What does an ESIA involve?

- **Scoping** – Identify likely impacts and studies required
- **Impact Assessment**
  - undertake studies to understand existing conditions & predict potential changes.
  - Design ways to promote positive & reduce negative impacts
- **Monitoring and Evaluation**
Environmental Studies

- Groundwater Study
- Air Quality Studies
- Noise Study
- Plant Study
- Animal Study
- Soil Study
- Traffic Study
- Surface Water Quality Study
Environmental Study Area

The area that may be affected by changes to the environment caused by the Project

Studies – August 2011 to February 2012
Social and Health Studies

In the villages that could be affected

- Survey of households that may be impacted
- Interviews and groups discussions in impacted villages
- Health studies

September 2011 onwards
The area that may be affected by changes to the conditions in local villages:

- area surrounding mine site
- area along road
- Pamaka villages
Public Consultation

• Public input is a critical component of the ESIA process
  – Solicit input from you throughout the ESIA process
  – Ongoing communication via mail, radio, email, and newspapers

Consultation Principles:
Inclusive, culturally sensitive, transparent
Review & Publication of ESIA Findings

- Distribute ESIA report to NIMOS, government & other interested groups
- Hold meetings to present impacts, the assessment & mitigation measures
- Receive public comments on the impacts & mitigation
ESIA Terms of Reference

To Describe the purpose and structure of the ESIA

Available from:
• Surgold Office - Paramaribo (Suriname Straat)
• NIMOS office – Paramaribo
• Surgold Camp - Merian
# Overall ESIA Schedule

<table>
<thead>
<tr>
<th>Date</th>
<th>ESIA Process/Activity</th>
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<tbody>
<tr>
<td>August, 2011</td>
<td>Public meeting</td>
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<tr>
<td>August 2011-February 2012</td>
<td>Baseline Studies</td>
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<tr>
<td>February –March, 2012</td>
<td>Impact Assessment Studies</td>
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<tr>
<td>March – April 2012</td>
<td>Prepare Draft ESIA report &amp; hold public meeting to disclose findings</td>
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<tr>
<td>May 2010</td>
<td>Finalize ESIA report</td>
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<tr>
<td>June 2012</td>
<td>Deliver Final ESIA</td>
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Next Steps

- Social & Cultural Heritage studies
- Environmental studies
- Will keep interested groups informed
- Disclosure meeting around April 2012
Project Contacts and Information

**ERM**
For ESIA questions or comments: Salomon Emanuels
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/ merian.esia@erm.com

**Surgold**
For Project related questions or comments:
Project point of contact: Wendell Asadang
Phone: (0) 8638655 / 7172880
Email: wendel.asadang@newmont.com
Closing Remarks

- ESIA must be complete before exploitation right awarded by government
- ESIA is crucial to Project development
- You will have the opportunity to participate
- The ESIA results will be presented to you so you can comment.
Thank you for your time!

Questions?