

GLOSSARY OF TERMS

Affected Community: The community or communities subject to the risks or impacts, both positive and negative, arising from an exploration project. Such communities may be defined physical entities or comprise dispersed populations in the area of influence of an exploration project.

Affected Parties: Groups and individuals subject to the risks or impacts, both positive and negative, arising from an exploration project.

Area of Influence: The area of influence of a project includes the primary project site(s) and related lands and facilities that the explorer and contractors control directly or indirectly, associated facilities whose viability and existence depend exclusively on the project and whose goods and services are essential for the operation of the project; areas impacted by the presence of the project and the activity of the explorer and its employees, contractors and service providers, and are as potentially impacted or affected by further planned or probable developments caused by the project in the future.

Baseline Surveys: The gathering of data to describe the existing physical, biological, socio-economic, health, labour, cultural heritage or any other variable considered relevant before mine development as a basis for estimating the impact of development, planning measures to avoid, manage or mitigate impacts and establish baseline conditions and indicators against which change resulting from the presence of a mining project can be measured.

Biodiversity: An integrating concept that includes the ecosystems within which people of the world live, as well as the multitude of species that are used by humankind for food, fibre, medicines, clothing and shelter. Biodiversity is the variety of life in all its forms, including genetic, species and ecosystem diversity.

Chance Finds: Archaeological or cultural sites and artifacts, including such items as ceramics, tools, buildings, burials, etc., previously unrecognized in baseline studies that are discovered during the course of exploration activities.

Child Labour: Work that deprives children of their childhood, their potential and their dignity, and that is harmful to physical and mental development, and that is mentally, physically, socially or morally dangerous and harmful; and interferes with their schooling by depriving them of the opportunity to attend school, obliging them to leave school prematurely, or requiring them to combine school attendance with excessively long and heavy work. Whether or not particular forms of "work" can be called "child labour" depends on the child's age, the type and hours of work performed, the conditions under which it is performed and the objectives pursued by individual countries. The answer varies from country to country, as well as among sectors within countries.

Collective Bargaining: Discussions and negotiations between employers and representatives of workers or workers organizations for the purpose of determining working conditions and terms of employment by joint agreement. Collective bargaining also includes the implementation and administration of any agreement that may result and the resolution of other issues that arise in employment relationships with respect to workers represented by their leadership or workers organization.

Community Engagement: An ongoing process of relationship building that includes the disclosure of information, consultation with affected communities and creation of a grievance mechanism, which provides a framework within which mutual trust may evolve over time (see also Engagement).

Conflict of Interest: A conflict of interest exists when an individual is, or is perceived to be, in a position to exploit a professional or official capacity in some way for their personal benefit. Such situations make it difficult for an individual to act or, more importantly, be perceived to act impartially. A conflict of interest exists even if no unethical or illegal act results from the situation; hence it is necessary to be proactive in the avoidance of any circumstance in which a conflict of interest may exist or be perceived to exist.

Consultation: A process of two-way communication between the explorer and the affected communities and other stakeholders. Consultation should be undertaken in a manner that is inclusive, respectful, and culturally appropriate and that provides affected communities and other stakeholders with opportunities to express their views on project risks, impacts and mitigation measures, and allows the explorer to consider and respond to them.

Cultural Heritage: Unique and non-renewable resource that possesses cultural, historic, scientific, spiritual or religious value and includes immovable objects, sites, structures, natural features or landscapes that have archaeological, paleontological, historical, cultural, artistic and religious values as well as unique environmental features that embody cultural values.

Cumulative Impacts: The combination of multiple impacts arising from existing projects or activities, the exploration project in execution, and any anticipated future project or activity that may result in significant adverse and/or beneficial impacts that would not be the case of the existing project as a stand-alone situation.

Customary and Usufruct Use of Land and Resources: Patterns of longstanding land use and resource use in accordance with customary laws, values, customs and traditions, including rotational, cyclical and shared use, rather than formal title to land and resources issued by the state.

Development Benefits and Opportunities: Benefits and opportunities provided with the aim of improving the standard of living and livelihoods of host and affected communities in a manner that is culturally appropriate and fosters longterm sustainability of the resources on which they depend. Such benefits and opportunities should be commensurate with the degree of project impacts.

Disclosure: The process of providing information to project-affected communities and other stakeholders that is timely, understandable and in the appropriate language(s). This should include information on the purpose, nature and scale of the project, the duration of the proposed project activities, and the potential risks to and potential impacts on such communities of not only the exploration project but also those that may arise should exploration lead to development of a mine.

Discrimination in Employment: Any distinction, exclusion or preference with respect to recruitment, hiring, working conditions or terms of employment made on the basis of personal characteristics unrelated

to inherent job requirements that nullifies or impairs equality of opportunity or treatment in employment or occupation.

Due Diligence: Process of evaluation of the risks, opportunities and costs of an exploration project on which an informed decision can be made as to whether or not further investment in exploration is justified.

Economic Displacement: Loss of assets or access to assets that leads to loss of income or means of livelihood.

Engagement: A process of relationship building comprising contact, dialogue and interaction that assures that project affected communities and other stakeholders are adequately informed and can participate in decisions that affect their lives in a manner that is acceptable to them.

Exploration: The systematic endeavour of searching for and evaluating potentially commercially viable concentrations of minerals (commonly called ore). Exploration is considered to encompass those activities involved in area selection, discovery, definition, economic and technical evaluation of mineral deposits beginning with conceptual planning and extending through reconnaissance, prospecting, ore deposit identification and measurement, environmental and social baseline surveys for impact assessment, and ending with the initiation of financial feasibility studies.

Explorers: Companies, corporations, firms, syndicates, partnerships, groups and individuals involved in the management and execution of exploration.

Financial (Final) Feasibility Study: An estimate based on commercial considerations that includes project investment, operating and maintenance costs together with relevant costs for managing and mitigating environmental and social impacts that establish whether a project is economically viable or non-viable to the proponent.

Forced Labour: Forced labour is any work or service exacted or coerced from a person under threat of force or penalty, or otherwise not performed voluntarily. Forced labor includes any kind of involuntary or compulsory labour, such as indentured labour, bonded labour or similar labour arrangements. Prison labour should also be considered forced labour unless the prison inmate volunteers for the work assigned.

Free Prior and Informed Consent: In certain circumstances, for indigenous peoples the right of Free, Prior and Informed Consent (FPIC) may be understood as a requirement, pre-requisite and manifestation of their fundamental right to self determination established under international law. Such self determination includes the right to determine 'development' in accordance with their own cultures, needs and circumstances and by definition the right to say 'no' to mineral exploration and mining. From a practical perspective, this leads to a requirement for explorers to obtain formal permission from indigenous peoples before initiating any activities on the traditional lands of these people. On occasion, the concept of FPIC conflicts with national laws and statutes where mineral rights are held by the state, leading to a high risk of confrontation around mineral exploration and mining projects.

Free Prior and Informed Consultation: Consultation that is free of intimidation or coercion and that provides timely disclosure of information that is relevant, understandable and accessible. Consultation

should take place before the activity under consideration is initiated and continue through the entire life of the project, and not only during the early stages of exploration.

Grievance and Dispute Resolution Mechanism: Mechanisms to receive and facilitate resolution of concerns and grievances related to:- 1. compensation for damage or harm raised by persons or members of host communities; 2. social and environmental performance by the explorer; 3. employment and reasonable workplace concerns.

Hazardous Waste: Substances identified as hazardous on specific lists or characterized as having at least one of the following characteristics: ignitability, reactivity, radioactivity, corrosivity or toxicity, or appearing on designated lists.

Host Community: Community or communities within whose legal, customary or traditional lands the exploration project and associated infrastructure are located.

Human Rights: The basic rights and freedoms to which all humans are entitled, which include civil and political rights, such as the right to life and liberty, freedom of expression, and equality under the law; and social, cultural and economic rights, including the right to participate in culture, the right to food, the right to work, and the right to education.

Indigenous and Tribal Peoples: Distinct social and cultural groups which may be defined by legal statute or recognized by displaying some or all of the following characteristics in varying degrees: self identification as members of a distinct indigenous cultural group and recognition of this identity by others; collective attachment to geographically distinct habitats or ancestral territories and to natural resources in these habitats and territories; customary cultural, economic, social or political institutions that are separate from those of the dominant society or culture; an indigenous language, often different from the official language of the country or region.

Informed Participation: Informed participation involves organized and iterative consultation leading to the explorer incorporating into decision making processes the views of the affected communities on matters that affect the communities directly, such as proposed mitigation measures, participation in benefits and opportunities, and project implementation issues.

In-kind Compensation: Compensation for harm, loss or access to land made in goods or resources that are of equivalent or greater value to the loss or harm or as agreed to for access and that are culturally appropriate.

Institutional Development: The strengthening, improvement and advancement of the organizational, operational and intellectual abilities of institutions to function for the benefit of their members or constituents, notably the institutions of government at all levels and civil society.

International Convention – see International Treaty

International Good Practice: The exercise of skill, diligence, prudence and foresight that would reasonably be expected from similar corporations or individuals engaged in the same type of undertaking

under the same or similar circumstances at any location globally. Examples of such good practice are the Performance Standards on Environmental and Social Sustainability published by the International Finance Corporation.

International Treaty: An agreement entered into between states or international organizations as actors in international law. A treaty may also be known as a convention, protocol, covenant, accord, agreement, memorandum of understanding, etc. When ratified by a sovereign state, treaties become part of national laws and protocols.

Local Community: The community or communities living within the area of influence of the project.

Marginalized, Disadvantaged or Vulnerable Groups: Individuals or groups within the project area of influence who could experience impacts more severely than others based on their vulnerable or disadvantaged status. This status may stem from an individual's or group's race, colour, sex, age, language, religion, political or other opinion, national or social origin, birth or other status. In addition, other factors should be considered such as gender, ethnicity, culture, sickness, physical or mental disability, poverty or economic disadvantage, and dependence on unique natural resources.

No-Go Circumstances: Social, political, economic or technical situations that lead to a decision not to initiate or continue physical work and withdraw from an exploration project.

Occupational Health and Safety: The range of endeavours aimed at protecting workers from injury or illness associated with exposure to hazards in the workplace or while working.

Participatory Monitoring: The involvement of affected communities or other project stakeholders in the monitoring of environmental and social management and mitigation procedures and verification of information to ensure that such procedures are appropriate and effective.

Physical Displacement: Relocation or loss of home or shelter.

Pre-feasibility Study: An estimate of commercial considerations made on the basis of proven ore reserves, conceptual designs for mining and processing and probable operating and capital costs that establish whether a project is economically viable or non-viable to the proponent.

Project Life Cycle: The progress of a project from conceptual planning through physical execution, to termination or closure and decommissioning.

Security: Measures taken to guard against espionage, sabotage, crime (theft, assault) or attack on the activities of an explorer.

Security Forces: Organizations hired to undertake the task of security that have the ability to apply the legitimate use of force, usually armed force.

Security Personnel: Individuals hired to undertake the task of security who have the ability to apply the legitimate use of force, usually armed force.

Stakeholders: Individuals or groups that are influenced by or have the ability to influence an exploration project.

Sustainable Development: Sustainable development is generally understood as 'development that meets the needs of today without compromising the ability of future generations to meet their needs.' In the context of exploration, sustainable development is considered to be actions and activities to protect and preserve the environment and actions, activities and investments in and for the community that improve the wellbeing of the community or ability of the community to manage its own affairs now and into the future, such that these improvements are self sustaining within the administrative capacity of the community and do not depend on external sources for their ongoing maintenance.

Traditional Knowledge: Traditional knowledge encompasses the beliefs, knowledge, wisdom, values, teachings, practices, innovations, arts, spirituality, and other forms of cultural experience and expression created by indigenous and tribal communities. In many cases, traditional knowledge is preserved and transmitted orally between individuals and generations and expressed in the form of stories, legends, rituals, songs or laws.