



# Working Together for a Sustainable Future

**2018 Highlights - Sustainable Development**





**Patrick Godin**  
Président et  
chef de la  
direction

## A Year of Transition

2018 was a year of transition for the Renard Mine, moving from an open-pit to a predominantly underground mine. The transition resulted in a significant change in human resources, bringing 235 new employees to the Stornoway family. We identified the challenges of building and operating an underground mine and these were met with passion and dedication by the Stornoway team. The ore-waste sorting circuit was built and became part of the diamond process at the beginning of the year and 1.32 million carats of diamonds were produced in 2018.

A proud moment occurred in 2018 when Stornoway not only hosted the Quebec Mine Rescue Competition, but also won first prize. By winning first prize in this extremely challenging competition, Stornoway demonstrated the importance it places on health, safety and training to keep our employees safe. Although health and safety are top priorities in all our activities, we must improve in 2019, as 2018 proved to be a challenging year with a higher-than-expected rate of reportable incidents. We are committed to returning to our exemplary 2017 rate.

Sustainable development is an ongoing process and we look forward to continuing to strengthen our relationships and build on our commitments with local suppliers and host communities in Mistissini, Chibougamau and Chapais. As the new President and Chief Executive Officer, I am determined to continue our journey and am proud of where we have come from and where we plan to go.



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**Martin Boucher**  
Vice President  
Environment, Health,  
Safety and Sustainable  
Development

## Working Together for a Sustainable Future

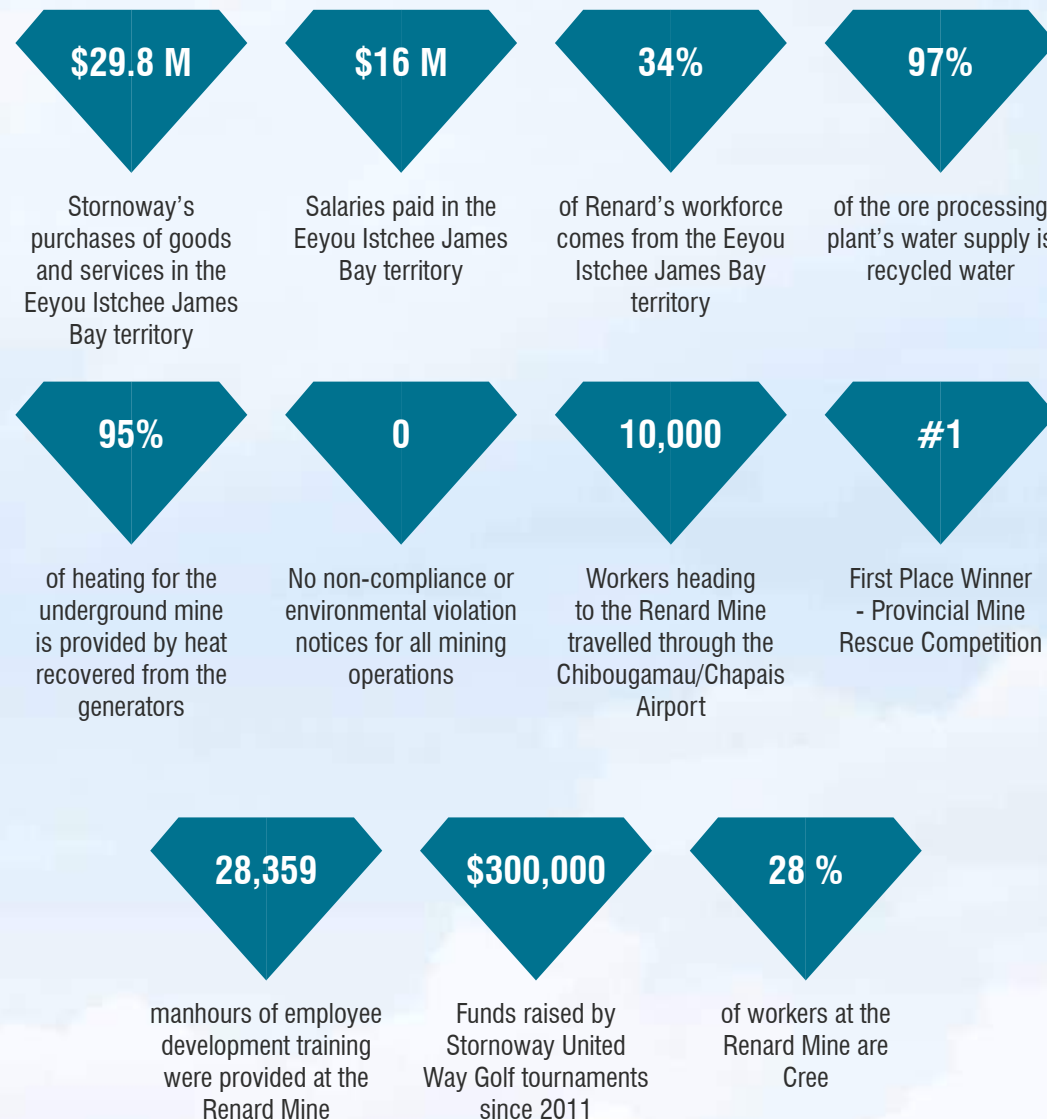
2018 was a busy, constructive year in many respects, particularly for implementation of the Towards Sustainable Mining (TSM) initiative. The TSM efforts at the Renard Mine actually exceeded the objectives. The levels achieved for all performance indicators, AA and AAA, reflect the importance of our commitments to Communities and People and our high level of Environmental Stewardship.

The annual “Environmental and Social Monitoring Program” report, available on our website, bears witness to our motivation, transparency and rigorosity regarding sustainability in our mining operations and in our relationships with host communities.

Our commitment to our employees’ health and safety and operational risk management remains a constant priority. In this regard, I would like to thank and congratulate the Renard Mine personnel who oversaw the safe evacuation of the mine site and fought a major forest fire that threatened the safety of our people and facilities last summer. The excellent coordination and efficiency of the various emergency response brigades and crisis management demonstrated the maturity of our organization.

**Thank you to all! We have the Courage to Care!**

### Sommaire 2018 - Les faits marquants



## Our Commitment to Towards Sustainable Mining (TSM)

Stornoway began participating in the Mining Association of Canada's (MAC) Towards Sustainable Mining (TSM) initiative in 2018 to demonstrate its commitment to responsible mining by introducing the TSM Guiding Principles. These guidelines—the essence of the initiative—support the mining companies' commitment

to communities, environmental stewardship and energy efficiency and are intended to provide sustainable benefits for communities and future generations.

To ensure that these commitments are translated into action at mining facilities, the MAC uses performance

assessment tools in three broad categories, consisting of six protocols and 23 indicators.

For each indicator, facilities are rated on a 5-level scale. Level C is the lowest rating and AAA the highest.

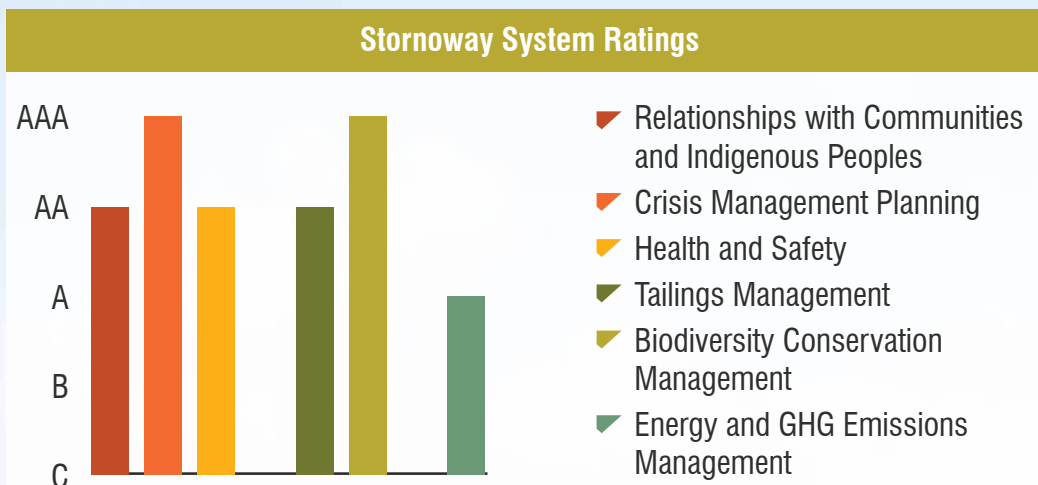
Stornoway analyzed and reviewed the existing systems and conducted a TSM compliance assessment.

By adopting the TSM principles, Stornoway is already establishing itself as an industry leader.

- Adherence to guiding principles that reflect the industry's social and environmental objectives;
- Introduction of performance indicators;
- Production of monitoring reports;
- Publication of reports to stakeholders;
- Establishment of community-of-interest advisory groups;
- External independent audits implemented;
- Transparency in our activities.



Communities and People			Environmental Stewardship		Energy Efficiency
Relationships with Communities and Indigenous Peoples	Crisis Management Planning	Health & Safety	Tailings Management	Biodiversity Conservation Management	Energy and GHG Emissions Management



## Safety Achievements

The health and safety management system has been radically improved in terms of computer accessibility for all workers. All procedures and forms in the system are bilingual.

Our respiratory protection maintenance program is now fully functional and users feel very privileged to have such a good system.

As a result of the industrial hygiene efforts by the mining and process departments, dust exposure in 2018 is down compared to 2017. Note also that action taken by the power plant team this year has significantly reduced the level of noise exposure for workers.

Among the safety activities implemented in 2018 were the ongoing research and assessment of our departments' fatal hazards, existing measures and measures to be implemented in order to manage major risks.



Respiratory protection  
- Distribution

Stornoway continued training foremen and focused on integrating leadership training for new foremen. Mentoring for foremen has also begun.

In addition, health and safety leadership training was offered to senior management to better position our safety measures.

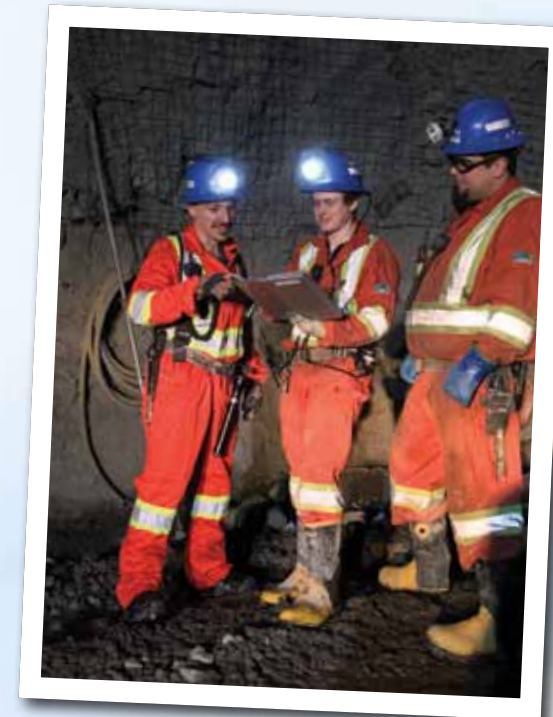


“ Since I arrived at the mine, we have had some great improvements in health and safety. There is good, open communication

between people in the field and leaders. A big issue in which I was involved, fatal hazards, was very beneficial for Stornoway.

As a member of the Health and Safety Committee (HSC), we promote health and safety and have the Courage to Care. Despite the health and safety challenges that we face, Stornoway employees work as a team to improve every day. ”

M. Dany Nolet,  
Worker Representative,  
HSC



Mentoring front-line supervisors



## Recognition

Once again this year, the Québec Mining Association (QMA) acknowledged the health and safety efforts of six of our foremen who achieved 50,000 and 100,000 hours worked without a lost time incident. The recipients were:

**50,000 hours** without a lost-time incident:

- ✔ Marc-André Boivin - Mechanical Foreman
- ✔ Claude Boucher - Mobile Maintenance Foreman

**100,000 hours** without a lost-time incident:

- ✔ Nicolas Corriveau - Underground Foreman
- ✔ Sébastien Marcotte - Underground Foreman
- ✔ Rodney Petawabano – Open-pit Foreman
- ✔ François Caron – Open-pit Foreman



Marc-André Boivin and Sébastien Marcotte receiving their awards



Rodney Petawabano receiving his award

## Commitment to Wellness

The Wellness Committee organized new sports activities this year as a sports challenge.

We set the objective of getting workers to walk on the site at the end of their shift.

The basic idea was that, together, we would walk the equivalent of the round trip distance between the Longueuil head office and the mine site: 2,100 kilometres. With everyone's outstanding participation, **7,838** km were covered by all employees, almost 4 times the target!



## Health Services

Health Services continued to introduce various activities intended to improve employees' health. Under Health Services leadership, new facilities were built in the exercise room and new training equipment was added.



At the same time, Health Services, in collaboration with Kiskinchiish's kitchen manager, reviewed menus in order to improve the number of healthy meal options for our employees.



Also, with the objective of raising employees' safety awareness, four information booths were set up this year focusing on the following themes: Foot Care, Hand Washing, Stroke Risks and Blood Pressure.



Foot Care Booth



The Nursing Team

Health Services organized several activities, including flu vaccinations for 100 employees and the "Heroes in 30 minutes" training course for 200 workers. Nurses have also been certified as instructors to provide workplace first aid training.

## Safety in Numbers

- 1,641 safety activities planned and completed
- 3% decrease in equipment damage and breakdowns
- 6 supervisors honoured by the QMA for 50,000 and 100,000 hours worked without incidents
- 1,270 “Zero Energy” lockout records verified and approved
- 15 emergency simulation exercises by the First Responder Brigades
- AA TSM rating for Occupational Health and Safety Management
- 7,838 km walked by mine employees during the sports challenge

INDICATOR	Frequency in 2018	Frequency in 2017	Frequency in 2016	Frequency in 2015	Frequency in 2014	Project to date
<b>SWY EMPLOYEES</b>						
First aid	25,8	28,1	26,7	17,8	15,2	20,2
Medical assistance	1,18	1,20	1,24	0,9	1,7	1,2
Temporary reassignment	0,98	1,00	1,94	0,0	0,0	1,0
Lost time	1,18	0,0	1,46	0,0	0,0	0,7
<b>TOTAL HOURS</b>	<b>1 015 387</b>	<b>1 000 151</b>	<b>824 069</b>	<b>459 547</b>	<b>117 974</b>	<b>3 417 128</b>
<b>CONTRACTORS</b>						
First aid	28,3	31,3	28,9	28,3	23,9	28,4
Medical assistance	3,30	1,3	1,9	1,9	3,9	2,3
Temporary reassignment	2,83	1,3	1,1	1,1	1,7	1,14
Lost time	2,83	0,43	1,65	0,85	3,9	1,7
<b>TOTAL HOURS</b>	<b>424 394</b>	<b>466 512</b>	<b>727 188</b>	<b>939 798</b>	<b>359 636</b>	<b>2 917 528</b>
<b>GRAND TOTAL HOURS</b>	<b>1 439 781</b>	<b>1 466 663</b>	<b>1 551 257</b>	<b>1 399 345</b>	<b>477 610</b>	<b>6 334 656</b>
<b>Lost time</b>	<b>1,67</b>	<b>0,14</b>	<b>1,55</b>	<b>0,57</b>	<b>2,93</b>	<b>1,14</b>
<b>Reported frequency*</b>	<b>5,00</b>	<b>2,45</b>	<b>4,64</b>	<b>2,9</b>	<b>7,5</b>	<b>4,00</b>

\* Incidents requiring Medical Aid + Temporary lost time + Lost time



## Emergency Measures Department

2018 obliged us to implement the Emergency Measures Plan (EMP) and our Crisis Management Plan. Two major forest fires near the Renard Mine forced the evacuation of the mine site in early July. Despite the emergency, the evacuation was carried out in a calm, efficient, organized and very well-coordinated manner.

Following more than 3 days of intense fighting, Stornoway firefighters, supported by SOPFEU and 2 water

bomber helicopters, managed to get the fire under control and avoid any material damage.

This situation allowed us to test our EMP, check our firefighting techniques, and measure the quality and efficiency of our First Responder Brigades (FRB). Proud of the work they have done, the FRBs have proven their effectiveness and their excellent preparation for such situations.



Stornoway Firefighters with SOPFEU members

## Mine Rescue

Stornoway, as host of the 56th Québec Mine Rescue Competition, rolled out the red carpet in Longueuil for the pre-selected mine rescue teams. This first provincial competition held in Greater Montreal was a resounding success.

In addition to winning the trophy for the best mine rescue team, our team also won the mission trophy.

This performance allowed our team to win the Québec mine rescue championship trophy in its first year of participation.



## Tallymen: Our Business Partners

Tallymen manage vulnerable local ecosystems. These wise elders are important in the Cree Nation's culture and have an excellent reputation for sustainable land management.

Our tallymen visit the Renard Mine on a regular basis. These visits enable both parties to keep track of changes in mine operations and confirm compliance with our mutual commitments.



An underground tour with our tallymen, Sydney and Emerson Swallow

**Swallow-Fournier** is a local company with expertise in mine construction. In its peak periods, the company employs up to 80 workers and makes a significant contribution to economic development in Cree territory. Swallow-Fournier is always at the Renard Mine and supports mine operations.

In 2018, **Kiskinchiish Camp Services**, supported by Gestion ADC, employed 80 people, 85% of whom are Cree, and took a significant step towards employee health and safety. The company invested in a new safety program and action plan.

The Year in figures:

- ✔ 136,000 rooms cleaned
- ✔ 408,516 meals served
- ✔ 1,500 kilograms of sandwich ham
- ✔ 151,380 breakfast eggs



# Open House Days

In March 2018, two Open House days were held in Mistissini and Chibougamau. The purpose of these events is to inform host communities about progress at the Renard Mine. These events focus on recruiting qualified local workers for underground mine operations. Approximately 300 people visited the various booths.



## Our Community Engagement

Stornoway considers it important to support initiatives related to its mission, especially events that promote sustainable mobility in neighbouring communities. Stornoway works with organizations, projects or events that bring people together:

- Movember - Prostate Canada
- Centre d'études collégiales à Chibougamau scholarship program
- Guignolée de Chapais (fund drive)
- Wreath of Hope - Mistissini
- Ressources pour personnes handicapées de l'Abitibi-Témiscamingue
- James Bay Walleye Festival – Chapais
- Fondation Excel
- Students on Ice Foundation – Mistissini Youth Cree School Board
- August Festival– Chibougamau
- Kate Sharl Foundation

- Rallye Minounes 2018
- Centraide Golf 2018



➤ Grand défi Pierre-Lavoie



Movember: The prostate cancer awareness campaign resulted in many mustaches and raised \$5,133.

In 2018, the 8th annual Centraide-Stornoway golf tournament was held. Once again, the Stornoway team, supported by local volunteers, raised \$31,100. The funds are donated to organizations that help youth and people in need throughout the region.



Rallye Minounes 2018



Kate Sharl Foundation



James Bay Walleye Festival



**CECC Scholarship Program**

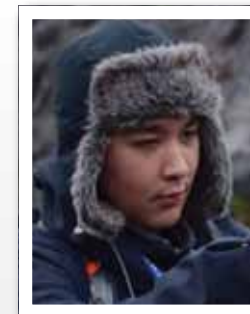
As part of its community involvement, Stornoway has chosen to encourage young people by supporting the Centre d'études collégiales à Chibougamau (CECC) Scholarship Program.

Stornoway awarded 16 sports scholarships to athletes on CECC official competitive teams and one citizen participation scholarship.



**Students on Ice**

From July 23 to August 7, 2018, Ethan MacLeod of the Eeyou Istchee, James Bay Region, was selected to participate in the Students on Ice (SOI) Arctic Expedition. The SOI foundation, which is supported by an extensive network of Canadian and international partners, including Stornoway, organizes and participates in annual activities that bring together students from around the world. Through such expeditions, students connect to the natural world, gain new understanding and respect for the planet, explore solutions to the most immediate challenges, and inspire each other to take positive action.



“ Last summer, I experienced an extraordinary adventure with the Students on Ice Arctic Expedition. My family helped me a lot with

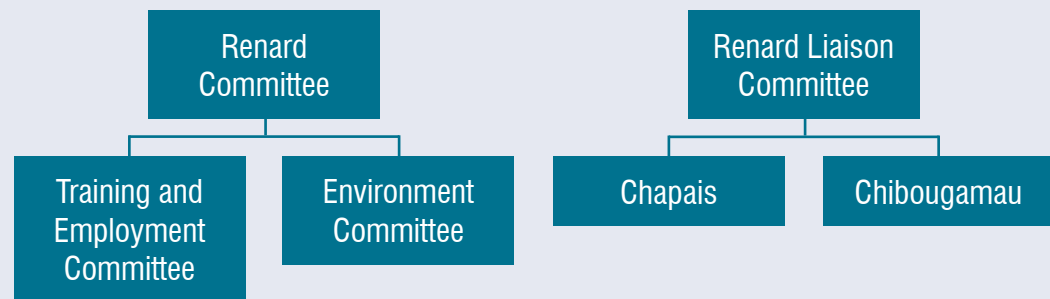
my fundraising and I am very grateful to them. Sponsors also played an important role, such as Stornoway, the Cree Nation Youth Council, and the Cree School Board, to name a few.

When I left for the expedition, I was afraid because I would be alone without my family, but when I arrived, it was very welcoming. It was very nice to be there and to meet people from all over the world. I think that other Eeyou Istchee students should participate in this expedition; it's an unforgettable experience. ”

Ethan MacLeod

## Partnership Agreements

As soon as the Agreements were signed, two committees were created to monitor implementation of the agreements and the associated impacts and benefits:



The Renard Committee has two subcommittees: the Training and Employment Committee and the Environment Committee. The Renard Liaison Committee represents the communities of Chapais and Chibougamau.



These committees oversee implementation of agreements for all matters involving:

- ✔ social and environmental impacts;
- ✔ economic benefits related to jobs and business development;
- ✔ environmental and biodiversity protection.

It is in part through these committees that the host communities (Mistissini, Chapais and Chibougamau) and Stornoway employees learn about the agreements, that bases for collaboration are established, that attraction, integration and development programs are developed, and that the communities and Stornoway's employees benefit from each other's successes.



In January 2018, a major event took place - a gathering of two Mecheshoo Agreement committees. Crees and non-Crees discussed the spirit of the Agreement, as well as their willingness to maintain dialogue by encouraging exchanges, support and sharing, and creating trust in order to foster sustainable development in the host communities.

## Committee Achievements

### Renard Committee

- The Renard Committee and its subcommittees, the Training and Employment Committee and the Environment Committee, met to strengthen the commitment that implementation of the agreement is a joint responsibility.
- The Training and Employment Committee's request to increase the percentage of Cree employees at Stornoway from 13.4% in January 2018 to 20% in 3 years was approved.
- Fund management rules (Business Development Fund, Training and Employment Fund and Social and Cultural Fund) were approved.
- Three new projects in Mistissini were approved for the Business Development Fund.

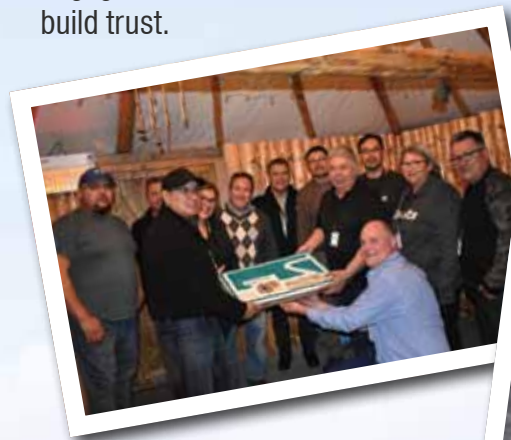
### Training and Employment Committee

- It was recommended that modular mine worker training be offered to potential candidates from Mistissini.
- The "Partnership for the Development of Cree Skills and Employability" program was approved and introduced.
- A \$1.5 million grant was recommended to train Cree apprentices.
- The Cree School Board and the Minopro group were asked to create relevant courses for the mining industry in order to promote mining jobs in Cree communities.



### Environment Committee

- In 2018, the Environment Committee organized a training session on sustainable development obligations. Mining companies like Stornoway must start planning a mine's closure even before it begins operation. Governments, communities and other stakeholders require that mining sites leave a positive environmental and social footprint. The course covered the legal process for mine site closures and concluded with a field trip to various closed sites in Abitibi-Témiscamingue. This course was very well received by the Environment Committee and helped to promote collaboration and social engagement and build trust.



### Renard Liaison Committee

- The committee informs the people of Chibougamau and Chapais about the partnership agreement.
- A solution was found to attract families to Chibougamau and Chapais and retain them
- Annual meetings were introduced to discuss future contract needs so that regional companies can compete.



2018 was an important year in the development of the Renard Mine. Recruitment focused on underground operations. 235 people joined Stornoway in various operating, professional, management and executive positions.

Our talent recruiters comply with the underlying principles of the Agreements with host communities: creation of job opportunities, development and economic diversification opportunities, to enable Chibougamau, Chapais and Mistissini to consolidate and improve their residents' living environment.

To facilitate the integration of these skilled workers, hiring criteria have been reviewed and development systems improved. These adjustments have significantly streamlined our recruitment process, which is a major advantage in a highly competitive market. We also encourage internal promotions that enable our employees to grow within the company.

We are proud of our efforts to consolidate our agreements and ensure that our employees prosper within the company. The challenges in 2018 were substantial, and the quality of our teams means that we can begin 2019 with passion, respect and integrity!

## OUR VALUES

- PROSPERITY
- TEAMWORK
- INTEGRITY
- PASSION
- RESPECT



## Région d'origine des 525 employés de la mine Renard\*



<b>34% Northern Québec</b>	
Mistissini and Eeyou Istchee	52
Chibougamau	87
Chapais	24
Other communities (NQ)	14
<b>61% Other Québec</b>	
Abitibi-Témiscamingue	79
Saguenay-Lac-St-Jean	72
Montréal	66
Québec	42
Other communities (QC)	63
<b>5% Other Canada</b>	26

\*As of December 31, 2018

# 235

People welcomed to the Stornoway team in 2017



## 21%

operations employees from the Chapais and Chibougamau communities



## 13,4%

operations employees from Cree communities



## 15%

women at Stornoway



## 10

Number of Labor Relations Committee meetings

“Goodwill”



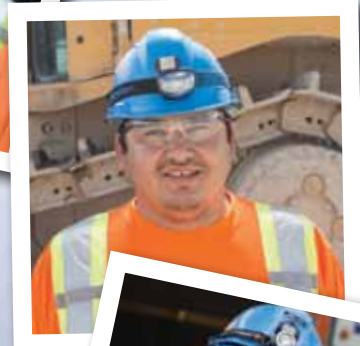


“ Working at Stornoway allows me to improve my skills and capabilities. The flexible structure gives us the opportunity to touch on many sectors and develop versatility. In addition, working on a remote site means that teams support each other, creating a big family.

I see many advantages to staying in Northern Quebec. If you enjoy adventure, freedom and involvement, this is a place for you. We have an outstanding quality of life that is

beyond what big cities have to offer. ”

Francis Lapointe,  
Mechanical  
Engineer



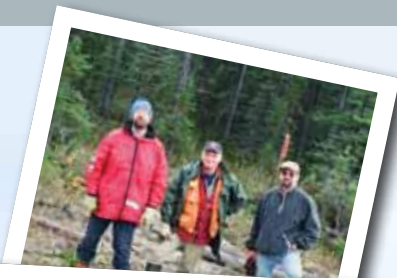
**GREAT REASONS TO MOVE TO CHAPAIS OR CHIBOUGAMAU**

- Relocation premium: 15% of base salary
- Moving costs reimbursed up to \$10,000
- An exceptional quality of life!
- Sports and outdoor activities at your doorstep!
- English and French schools!
- Accessible and close proximity to services for a balanced work/life

Chapais and Chibougamau welcome you with open arms!!

## Tribute to Ghislain Poirier

Stornoway's first employee, Ghislain Poirier, retired in June 2018. Ghislain is a geologist who began his career with Ashton-SOQUEM in 1996. He was part of the original Ashton-SOQUEM team that won the 2002 Prospector of the Year Award for the Renard discovery and had the honour of officially opening the Renard Mine on October 19, 2016. He helped build Stornoway's Impact and Benefits Agreements (IBAs) with our host communities and developed lasting relationships with the people involved. Ghislain's contagious energy has had an impact on everyone who comes into contact with him. His enthusiasm for his work and for the Renard Mine was contagious. Known as "Skippy", Ghislain now enjoys spending time with his granddaughter and his family and exploring his new profession of lumberjack on his property. From all of us, thank you Ghislain!



## Tribute to Matt Manson

Matt Manson had a long and successful career as President and CEO of Stornoway from 2007 to January 2019. Matt oversaw the initial financing of the \$946 million project that led to the construction of the Renard Mine. He was responsible for employing more than 600 people during his time at Stornoway, helping to improve the economic situation for countless families and future generations. Matt has always believed in the Renard Mine's value and the enrichment it has brought and will continue to bring to the region in terms of contracts and jobs. He always made sure that everyone concerned was treated equally and with respect. Thank you, Matt, for fulfilling the dream of Québec's first diamond mine.



## Integration, Training and Development

### Did you know?

One of the major stages in an employee's development is when they enter the workplace. This is when they will perform their new tasks and seek out the knowledge and skills required to meet the position's requirements. They will also adapt to their new environment by becoming more aware of Stornoway's values. Gradually, they get to know other employees and

become familiar with the standards already in place.

New employees begin their new tasks with the help of the training and development team and will be included in the ongoing **improvement** and **development** of skills.

For Stornoway, skills development increases the ability to perform

tasks, enhances efficiency, expands employees' ability to realize their potential, increases their opportunities for personal achievement and builds a sense of accomplishment. The quality of teamwork is improved, work methods are consistent, employees feel trusted and are more likely to remain loyal. Development opportunities help to make work more attractive and are a valued means of

retaining our most important assets: **OUR EMPLOYEES.**

In 2018, our continuous skills development programs really soared: 4,958 certificates were issued (a certificate confirms that the employee has completed a job training segment) and 73 promotions were granted, 40 of which were directly related to ongoing skills development programs.



## Cree Culture Awareness Program

The Cree Culture Awareness Program called “The Road Ahead... Cree Culture Awareness”, created by Minnie Coonishish, Mecheshoo Implementation Officer, introduces Stornoway employees to Cree realities, enabling them to learn about Cree history, characteristics and cultural differences.



This program also fosters a positive, realistic vision of the Cree world, past and present, counters prejudices and promotes critical thinking about preconceived ideas to provide a link between cultures.

## Growing within Stornoway!

The Human Resources and Organizational Development department has improved its internal promotion system, which has inspired many of our employees to excel at Stornoway.



“ What I like about Stornoway is the work atmosphere with all the employees. During my days off, I enjoy living in Chibougamau because the forest is close by, my family benefits from good services, and I am only 15 minutes from the airport. ”

Richard Boivin, from Mechanic to Foreman at the Process Plant



TYPE OF TRAINING	EMPLOYEES CRIS		EMPLOYEES FROM CHIBOUGAMAU AND CHAPAIS		OTHER EMPLOYEES		TOTAL	
	# Employees	# Hours	# Employees	# Hours	# Employees	# Hours	# Employees	# Hours
Professional Development	40	3 321	44	1 912	79	4 461	<b>163</b>	<b>9 681</b>
General	77	1 340	110	3 116	433	13 736	<b>620</b>	<b>18 146</b>
Procedures	24	41	36	76	164	417	<b>224</b>	<b>533</b>
<b>TOTAL</b>	<b>141</b>	<b>4 702</b>	<b>190</b>	<b>5 104</b>	<b>676</b>	<b>18 614</b>	<b>1 007</b>	<b>28 359</b>

## La performance environnementale

Environmental performance objectives are an integral part of the overall objectives in Stornoway’s sustainable management framework. They are made public and are reviewed annually by the directors and the various stakeholders.



Sampling - Control sites

- In 2018, the environmental objectives were:
- ✔ Obtain a TSM A rating (or above) for all 6 protocols;
  - ✔ Comply with all environmental requirements and achieve zero non-compliances;
  - ✔ Comply 100% with the follow-up and monitoring program;
  - ✔ Exceed quality-related environmental discharge objectives (EDO).

All Stornoway employees were informed about these objectives and progress was reported to Stornoway’s senior management during quarterly meetings.

Environmental governance underlies our commitments and the achievement of positive impacts on the host environment. All these objectives were met in 2018!

## Biodiversity Conservation

Specific targets for important aspects of biodiversity have been established in a biodiversity conservation management plan. The objectives involve evaluating the environmental impacts of our operations and checking the effectiveness of mitigation, compensation and conservation measures.

In order to achieve our objectives, our management system includes various tools, such as:

- ✔ compensation programs;
  - ✔ an environmental monitoring plan;
  - ✔ an internal permit program called “Eco-Permits”;
  - ✔ monitoring and surveillance procedures;
  - ✔ public reporting.
- ✔ an environmental monitoring program;

In its first year of the Towards Sustainable Mining (TSM) initiative, Stornoway received an AAA performance rating for its biodiversity management.



Biodiversity protection



Wetland protection - Amphibian eggs



## Water Management

The water monitoring and management program tracks various parameters and compares them with the baseline environmental study values recorded for all environmental components well before the mine site was established.

For this purpose, samples and data are collected regularly:

- 4 times/year at 22 surface water and sediment monitoring stations;
- 2 times/year at 39 groundwater monitoring stations (3 times/year at the 8 stations on the trench landfill site);
- Once a month at 2 stations, effluent and domestic discharges are monitored;

- 3 times/week at 3 mining effluent monitoring stations;
- 2 times/month at 4 drinking water quality monitoring stations.

There are also several other studies, specifically an environmental impact monitoring study and a follow-up study on the aquatic wildlife in surrounding lakes and rivers.

This exacting program is updated for monitoring requirements that are added as the facilities are developed and will continue throughout the life of the mine, including the closure phase.



“ As a water engineer at Renard Mine, I have the opportunity to work in all areas of water management, from producing

drinking water for camp workers to treating industrial water and protecting the various water sources near the mine site. Working in this multidisciplinary, state-of-the-art environment is very rewarding and the company’s philosophy of optimizing water resources is in line with the principles that led me to choose this field. I really feel like I’m making a difference.

For me, participating in water management on a site such as the Renard Mine and always looking for the best methods is a good way to improve environmental practices. ”

Stephanie Fitzgerald,  
Water Engineer



Surface water quality monitoring



## Processed Kimberlite Management

As part of our involvement in Towards Sustainable Mining (TSM), Stornoway has identified and updated various aspects of processed kimberlite management:

- Review of its Management Policy;
- Management system improved;
- Review of roles and responsibilities;
- Introduction of external audits;
- An Operation, Maintenance and Surveillance Manual was finalized and implemented.

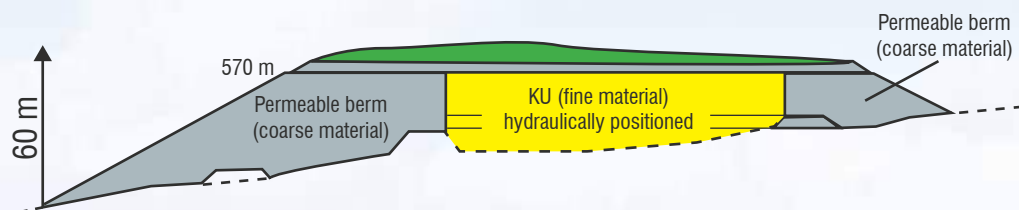
In 2018, Stornoway's overall processed kimberlite management system achieved AA level. For the company and its stakeholders, this represents a high level of security for sound operations.



The seepage from the permeable berms is of excellent quality



Construction of the permeable berm



## Energy and GHG Emissions Management

When the ESIA was tabled in 2011, Stornoway made a commitment to monitor air quality and air pollution under the Clean Air Regulation.

Since 2016, Stornoway has demonstrated its environmental commitment to energy consumption at the Renard Mine. Energy-use data is tracked monthly so Stornoway can review performance improvement commitments on a regular basis.

In 2018, mine operations generated 5% less energy than initially expected (4.87 kWh/kg LNG).

The underground mine is 95% heated by heat recovery from the generators.

Our use of LNG significantly reduces GHG emissions by 41% compared to diesel fuel, in addition to producing 4 times less NO2 and 6 times less SO2.

An annual GHG report was submitted to both provincial and federal authorities. Since 2018, this report is also audited by an ISO 14065-certified external organization.

In 2018, Stornoway joined the carbon market.

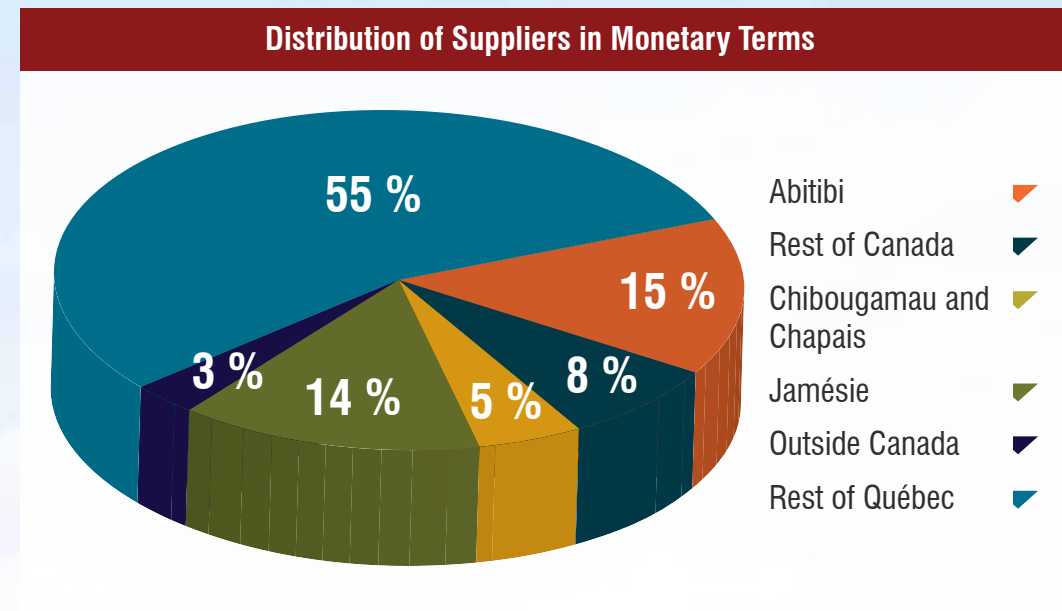
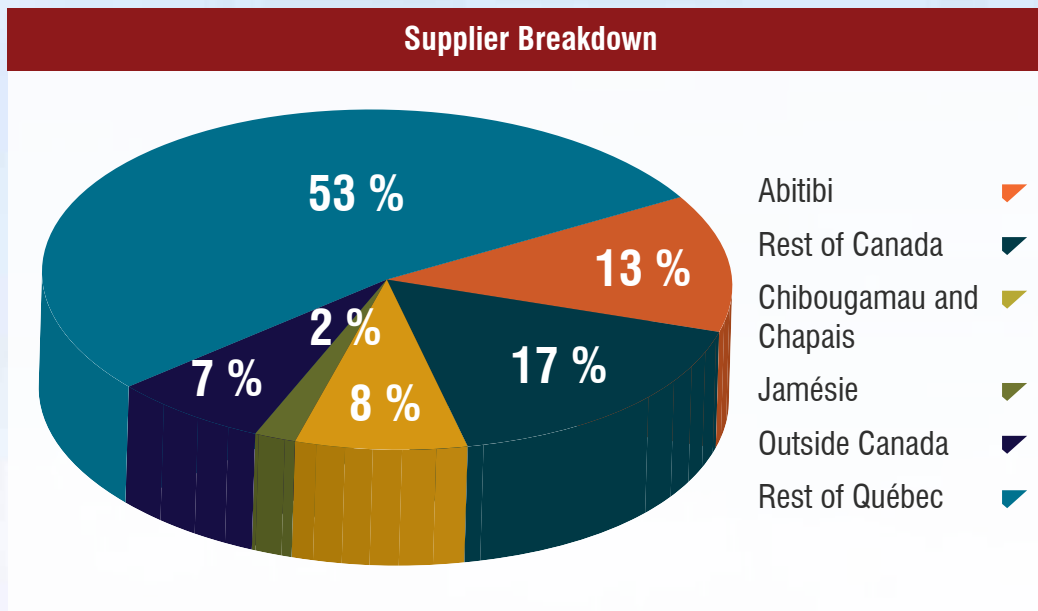


## Economic Impacts, a Positive Outcome!

Stornoway completed construction at the Renard Mine site in April 2018. Although we had anticipated a reduction in purchasing volume, our renewed commitment to companies and suppliers in Mistissini and Eeyou Istchee (James Bay) and Chibougamau-Chapais remained significant. 19% of 2018 purchases, a total of \$29.8 million, were made in the region from 66 companies and businesses. Once again this year, this was the area with the best purchasing ratio per Stornoway company/supplier.

This success is being repeated again this year thanks to the efforts of the business managers who continue to provide top quality products or services and remain competitive. They are in constant competition with some 400 other companies throughout Québec and the rest of the world. This result is to their credit and we congratulate them!

ZONE	Number of suppliers	Monetary value	% in monetary value
Abitibi	75	23,747,814\$	15%
Rest of Canada	100	12,724,998\$	8%
Chibougamau and Chapais	51	7,497,504\$	5%
Jamésie	15	22,316,217\$	14%
Outside Canada	41	4,128,017\$	3%
Rest of Québec	315	86,556,936\$	55%
<b>Total</b>	<b>597</b>	<b>156,971,484\$</b>	<b>100%</b>





## An Integrated Induction Program

The onboarding program is very important for both Stornoway and its employees. The benefits of an onboarding and integration program are numerous:

- 1) increased retention
- 2) less isolation
- 3) meetings are encouraged
- 4) greater sense of belonging and productivity, and better communication and receptivity between supervisors and employees.

Our brand new induction program will be implemented in 2019 with 4 essential components: 1) Preparation for the arrival of the new employee; 2) Induction; 3) Integration, training and development; 4) Follow-up.

## Continuous Development for Underground and Maintenance

The Continuous Skills Development Program will be brought on stream in 2019 in both the underground mine and mill maintenance sectors.

## Introduction of E-Learning as a Means of Development

We now have an e-learning platform with various learning tools that can be adapted for each learner. This method facilitates collaboration, co-creation, interaction and the employee can review the material with the trainer and go over what was not understood. This new platform is flexible and enables people to learn according to their availability and at their own pace.

## Continuous Development for Professionals and Managers

In 2019, following a strategic reflection on changes in skill requirements, Stornoway will introduce an overall development plan for managers and will use various methods, ranging from internal training, mentoring and e-learning to custom-made programs, to enable them to grow within Stornoway!



## Health and Safety

One of our priorities for the coming year will be to finalize rollout of the Risk Management System. Risk Management will cover all aspects of the company, including operations, health and safety, environmental issues and community relations.

At Stornoway, risk assessment is an integral part of the corporate and operations decision-making process and its widespread adoption will guide our actions for the coming year.



Lockout Training - Risk Management

## Environment

An Energy Management Program will be implemented at the Renard Mine in 2019 to optimize all our business operations.

➤ Achieve AA level for all energy management.

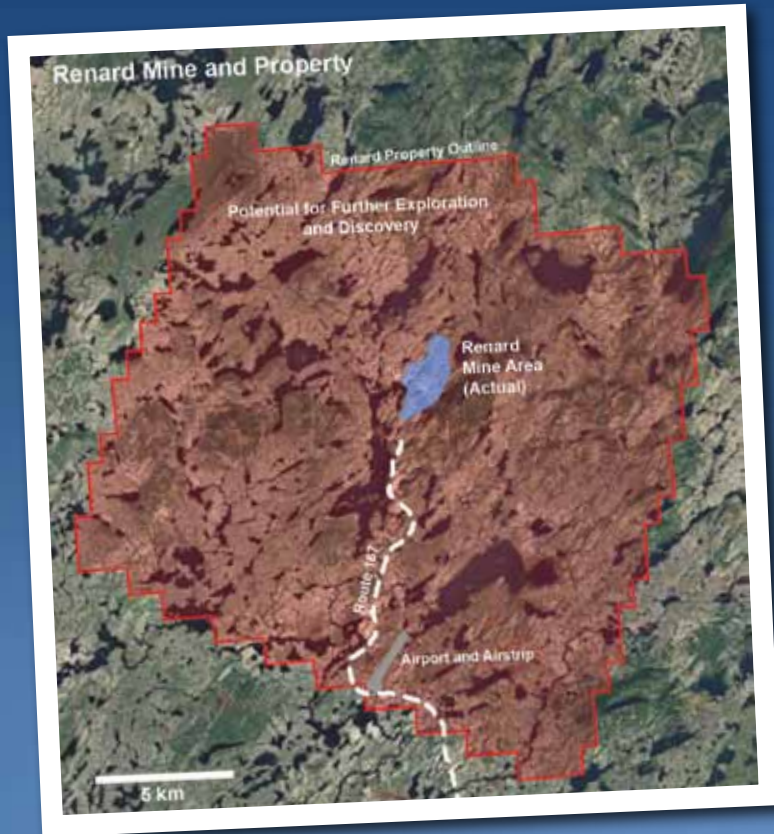
The main objectives:

- Reduce energy consumption;
- Reduce greenhouse gas (GHG) emissions per tonne of ore milled;
- Define long-term performance objectives;

Our environmental involvement also involves reviewing the Residual Materials (RM) Management plan in the coming year. The distance from the mine site makes southward transportation of RMs hazardous. Reduction of packaging and reusable containers at the source and elimination of plastics in the cafeteria will be among our objectives.



# Looking to the Future: Exploration



Mine footprint and relative size of under-explored surrounding properties

Stornoway conducts diamond exploration across Canada and on the large property surrounding the Renard Mine. We discovered a new kimberlite in Ontario and continued to search for other kimberlites at the Renard Mine. During this work, we strive to minimize our impact on the environment while protecting the safety of our workers.

After obtaining the appropriate permits in 2018, a large rock sample was excavated from one of the Renard kimberlites (R4) after the surface had been carefully cleaned and mapped. In 2019, exploration will be undertaken to evaluate additional Renard kimberlites and extend the life of the mine.



Cleaning and mapping of Renard 4



Exploration team



Exploration helicopters at the airport - early morning departure



Excellence in Sustainable Development Award



2017 Silver prize, "Every Day Safe", awarded by the Quebec Mineral Exploration Association (QMEA)

RENARD MINE

km 648

ROUTE  
RENARD  
EXTENSION



km 552



ROUTE  
167



NO PUBLIC ACCESS



NO FUEL



NO ACCOMODATION



NO FOOD



NO MOBILE CONNECTION,  
RADIO ONLY

- ✔ Use the emergency 4-way flashing lights for any roadside stops;
- ✔ Give priority to emergency, maintenance and heavy equipment vehicles;
- ✔ Carry a first aid kit;
- ✔ Carry a spare tire.

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