

PILOT UPDATE – INCORPORATING INTERNATIONAL BEST PRACTICE IN MONGOLIAN MINE CLOSURE PLANNING



The Salkhit Mine Closure Plan Pilot (Stage II) entered the third quarter in December 2022. The third quarter is a critical time for the pilot, because the remainder of the technical work is to be completed. The multidisciplinary closure planning team of national consultants, MERIT, and the international advisors of CPP Environmental Corp. continue to work together to ensure regulatory requirements are addressed, and to incorporate international bes t practice into the mine closure plan, while meeting Erdenes Silver Resource LLC's operational requirements.

One of the goals of the Pilot is to improve mine closure policy and practice in Mongolia by incorporating relevant international best practice. The results of this work will provide MMHI and MET with concrete recommendations on how to improve mine closure policies. Key stakeholder organizations will be provided with an understanding of educational and practical requirements needed for Mongolian consultants to independently write future closure plans. The pilot will also provide an example of the financial commitments necessary for responsible mine closure.

International best practice is being incorporated in many ways. For example, the landform design engineer has produced feasibilitylevel engineered designs for the Salkhit closure landforms, using leading-edge principles promoted by the Landform Design Institute, a Canadian organization dedicated to helping closure teams design and build sustainable mining landscapes (LDI, undated). In the area of reclamation and closure monitoring, the first two of four workshops have been held to discuss the closure monitoring framework, and to brainstorm closure monitoring indicators.

Another example of international best practice being incorporated into the plan is the hierarchy of mine closure goals and objectives (which together form the closure vision), and criteria and indicators (which form the closure and reclamation framework). This practice is used in the Canadian Oil Sands and promoted around the world by the International Council on Mining and Metals. Additionally, capacity building sessions have provided the national consultants with knowledge and skills on mine closure best practice which are transferable to future mine closure plans. Finally, community engagement sessions have illustrated to the team and the key stakeholders that early and meaningful citizen engagement is critical to maintaining a mining company's social license to operate. This is an important lesson for government stakeholders to understand the scope and complexity of socio-economic and community interests in mine closure.

CAPACITY-BUILDING FOR THE LOCAL COMMUNITIES OF GURVANSAIKHAN SOUM ON MINE CLOSURE AND SOCIO-ECONOMIC TRANSITION



Within the scope of Stage 2 of the Salkhit Mine Closure Plan Pilot, the Socio-Economic and Gender consultant team delivered capacity-building to the Gurvansaikhan district communities of Dundgovi Province on January 16. The purpose of the training was to raise awareness amongst the communities about the concepts of mine closure, the Salkhit mine closure plan, and socio-economic transition issues associated with mine closure.

Forty citizens and herders from Chuluut and other sub-districts in Gurvansaikhan soum

participated. They worked in groups to brainstorm and integrate their comments and feedback into the planning of socio-economic transition, reclamation, and post-closure land use of the Salkhit mine. They also discussed how they would be engaged in the mine closure planning process.

SALKHIT MINE CLOSURE PLAN DEVELOPMENT PILOT PROJECT (PHASE II)-COMMUNITY VISIT TO THE SALKHIT MINE SITE

The second round of the community engagement session of the Salkhit MCP was organized on January 23, 2023 at the Salkhit mine site, operated by Erdenes Silver Resource (ESR) LLC. An open, inclusive and transparent process of engagement and communication was undertaken to ensure that local community members and herders are well-informed about the proposed mine closure plan.

A total of 75 people, including local herders, community members, Citizen Representative Khural members, and government officials of the Gurvansaikhan soum participated in the site visit. Participants are provided with updates on Salkhit mine closure landform designs; and reclamation-related information on soil management and revegetation. Community stakeholders also learned about the results of the compiled community feedback from the previous Open-House event (#1) and how it was incorporated into the designs, or considered for future plans.





This information sharing and discussion helped community members to understand the importance of designing mining landforms as an essential component of successful reclamation. The landform design products presented during the meeting, have cultivated a shared vision for the mining company and community members, including that the reclaimed landforms and landscapes remain sustainable long after mining has closed.

The herders and community members greatly appreciated the mine visit. Informed communities have better participation in closure planning. Builing good relationships with Erdenes Silver Resource LLC supports the company to effectively meet its reclamation commitments.

Moreover, as part of the community engagement, Erdenes Silver Resources LLC and the MERIT project announced an essay and drawing competition for Gurvansaikhan District secondary school students under the theme of "Salkhit mine closure in my imagination." The students were asked to put their imagination into painting and essay papers describing their vision for the reclaimed mine, including what socio-economic benefits they would like after closure. The winners received their awards on January 24, 2023.



MID-WAY PROJECT REVIEW BY THE MULTIDISCIPLINARY PLANNING TEAM

Midway review meeting of the Salkhit Mine Closure Plan development pilot project was held on January 11, 2023. The multidisciplinary planning team reflected on achievements and lessons learned over the past half year and shared their ideas on ways to improve their work approaches and team collaboration to achieve successful second half of the project.

PLANNED ACTIVITIES FOR FEBRUARY:

- February 7, 2023: Key stakeholder meeting
- · February 8, 2023: Working session on closure cost estimate
- · February 1 and 14, 2023: Working sessions on post closure monitoring

References:

Landform Design Institute. Undated. Our Mission. https://www.landformdesign.com/ (Retrieved January 22, 2023)

CONTACT INFORMATION

Merit aims to provide engaging and relevant content on the Salkhit mine closure plan project. We value our stakeholders feedback and would like to hear from you on how we can improve our newsletter.

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