AGNICO EAGLE

FOSTERVILLE GOLD MINE ENVIRONMENT REVIEW COMMITTEE TERMS OF REFERENCE

1. BACKGROUND

The Fosterville Gold Mine (FGM) is 100% owned and operated by Fosterville Gold Mine Pty Ltd and is located within the City of Greater Bendigo municipality, approximately 20 km east of Bendigo in Central Victoria. The mine is situated on the historic Ellesmere (now known as Fosterville) goldfield. Fosterville Gold Mine is based on resources contained within Mining Lease 5404 (MIN5404), which covers approximately 2847.72 ha of rural land and native forest.

Fosterville Gold Mine's operations within MIN5404 and Mining Licence 4456 (MIN4456) are located on the traditional lands/country (Djandak) of the Dja Dja Wurrung people. The mine is situated approximately 10 km equidistant from the rural towns of Goornong to the north and Axedale to the south. The area contains a range of farming land and rural residential allotments, and covers foothills and old river terraces between the Sugarloaf Range and the Campaspe River, which runs roughly parallel to the eastern boundary of MIN5404, at a distance of approximately 1 km.

Fosterville Gold Mine consists of an underground mining operation and a series of historic open pits from which both oxide and sulphide ore was extracted, and a mineral processing plant. Mining, processing and associated works operate 24 hours a day, 7 days a week.

FGM's current operations on MIN5404 are undertaken in accordance with the site's work plan and subsequent work plan variations, approved under the *Mineral Resources (Sustainable Development) Act 1990* and administered by Resources Victoria.

FGM is committed to building trusted and respectful relationships with the community, and seeks to achieve this through effective, open, and timely engagement at all stages of the operation. This enables the operation to maximise benefits, both for the Company and the stakeholders, and manage community interests and concerns.

FGM adopts a combination of engagement techniques, consisting of both formal and informal engagement activities. The level and methods of engagement undertaken for each community or stakeholder group varies depending on the level of interest, level of influence and role in the operation. An important element of FGM's engagement strategy is the Environment Review Committee (ERC).

The ERC for FGM's current sulphide operation has been operating since 2004 and is a requirement of FGM's approved Work Plan. The ERC operates in accordance with Resources Victoria's guidelines[1] and functions in a manner that reflects best practice stakeholder engagement processes (e.g. Engagement Institute).

2. PURPOSE AND SCOPE

An ERC is a group of stakeholders who review the environmental performance of a mine or quarry

The purpose of FGM's ERC is to facilitate effective two-way communication and build knowledge to promote better understanding of the mining operation between key stakeholders, including the community, FGM and regulators.

[1] Community Engagement Guidelines for Mining and Mineral Exploration in Victoria.

Although the ERC does not have a legislative basis, it provides an opportunity for stakeholders and the community to state concerns and seek clarification from FGM on its operations. FGM's ERC provides opportunities to explore alternative strategies, establish relationships, and build on industry and community commonalities.

The scope of FGM's ERC includes, but is not limited to, the following aspects:

- Operational updates on aspects including, health and safety, mining and production, projects and approvals, and exploration.
- Review of environmental performance against regulatory requirements and licence conditions, and due consideration of community expectations, where appropriate.

3. MEMBERSHIP

FGM's ERC consists of representatives from the community, Dja Dja Wurrung Clans Aboriginal Corporation (DDWCAC), FGM and state regulatory authorities, including Resources Victoria (RV), Environment Protection Authority (EPA), Department of Energy, Environment and Climate Action, (DEECA), Goulburn Murray Water (GMW), and the City of Greater Bendigo Council.

3.1 APPOINTMENTS

ERC community representatives will be appointed through an expression of interest process. Vacancies will be advertised locally, and nominees will be required to complete an ERC Application Form to register their interest.

ERC applications will be reviewed and appointed via an independent selection panel. Applications will be assessed against key selection criteria and the applicants' ability to fulfil the ERC Member Role and Responsibilities, as defined in Section 4.

ERC membership will include up to five community representatives, reflecting a breadth of interests and stakeholder groups. It is intended that collectively FGM's ERC community representatives will represent the range of views and opinions held within the local community.

3.2 TERMS OF MEMBERSHIP

FGM ERC community representatives will be appointed for either two or three-year terms. Staggered terms may be adopted to ensure that there is not a complete turnover of community representatives at the one time and help provide continuity of knowledge and understanding within the committee.

Prior to the expiration of the membership term, expressions of interest will be advertised for the next term. Existing community representatives will be able to reapply for ERC membership.

ERC members will be expected to meet the requirements outlined in Section 4 Role and Responsibilities, including community representatives meeting a minimum meeting attendance rate of 50% (over a rolling 12-month period). If a community representative is absent for more than two consecutive meetings, without an apology or appropriate justification, the representative will be contacted and their ERC membership may be revoked. Should a change in circumstances prevent a community representative from being able to meet this attendance requirement, the individual should advise FGM and the ERC Chairperson.

Regulatory authorities (i.e., RV, EPA, DEECA, GMW and council) are permitted to send a 'proxy', if the nominated person can ably represent their respective organisation. Individual community members are not permitted to send a proxy in their absence. Regulatory authorities, including proxies, are expected to attend all ERC meetings, where the meeting agenda relates to their regulatory roles and responsibilities.

4. ROLE AND RESPONSIBILITIES

It is important that all ERC members are well positioned to make a positive contribution to the committee and fulfil the responsibilities of the role.

4.1 ERC MEMBERS

It is expected that all FGM ERC members will:

- Read agenda and meeting notes so they can actively participate and make a positive contribution to ERC discussions.
- Work collaboratively and respectfully with stakeholders of different or opposing views.
- Represent fairly and accurately the interests of a broad cross-section of their community or the regulatory authority they represent.
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- Participate in educational/knowledge building activities (i.e. attend site tours, technical presentations, etc.) to improve ERC members understanding and knowledge of FGM's operations and enhance the effectiveness of the ERC.

4.2 ERC COMMUNITY REPRESENTATIVES

The ERC plays an important role in ensuring the community is better informed about FGM's operations and that FGM are able to identify and respond to the interests and concerns of community members. It is expected that ERC community representatives will:

- Monitor and bring forward any community views and/or questions relating to FGM's operations or environmental performance.
- As far as practicable, represent the range of opinions relating to their community group or interest area, without bias, and avoid promoting individual agendas or opinions.
- Demonstrate a willingness to share and provide accurate information relating to FGM's operations to members of the community, including through established community organisations and networks.

FGM will provide ERC members with ongoing operational and project updates relating to the mine's activities. Members are expected to treat this information sensitively and convey it accurately to their respective organisations, community groups or networks.

FGM aims to ensure that all ERC members are well equipped and prepared to fulfil the responsibilities of the role. Consequently, from time to time, ERC members may be required to participate in educational/knowledge building activities. These will endeavour to build the capacity of ERC members and enable representatives to provide informed comment on matters relating to FGM's operations or environmental performance. Continued development of ERC member's knowledge and understanding will assist members with the effective communication of factual information to community and accurate relay of questions/concerns on community representative's behalf.

4.3 ERC FGM REPRESENTATIVES

It is expected that FGM will:

- Provide timely and accurate environmental monitoring data and reports.
- Present updates on environmental performance, incidents, and mitigations.
- Respond to concerns and queries raised by the committee.
- Coordinate logistics (e.g., meeting scheduling, documentation).
- Ensure implementation of agreed action items.
- Maintain transparency and commit to continual improvement.

5. Operating Procedures and Principles

5.1 Meeting Format

ERC meetings will be held quarterly on the second Wednesday of the month, unless previously agreed or communicated otherwise. ERC meetings will be held between 11am-1pm, with a mine site tour typically commencing at 9:30am for members that can attend. ERC meetings will be held at an appropriate location within FGM's grounds (i.e., boardroom or safety training room).

ERC meeting dates will be set at the start of the calendar year, with the agenda and quarterly operations report circulated at least seven days prior to the meeting.

Requests to extend the duration of an ERC meeting beyond the agreed timeframes or call for an extra ordinary meeting (additional to the quarterly schedule), may be approved subject to the majority agreement of the committee members.

5.2 Chairperson

Meetings will be facilitated by an independent Chair who demonstrates:

- Impartiality regarding varying opinions about FGM's operations, including future and past proposals.
- An ability to ensure that all meeting participants act in accordance with the agreed code of conduct, particularly so that all members have the opportunity to contribute and be heard by others.
- The capacity to facilitate a functional and efficient meeting, by steering appropriate conversation in alignment with the agreed agenda and intervening, when required.
- A willingness to make a positive contribution to the ERC and suggest/implement opportunities for continuous improvement of the ERC forum and engagement outcomes.

The ERC chairperson will be appointed for a three-year membership term. The Chairperson's performance will be reviewed routinely by FGM and committee members to ensure the functions and objectives of the role are being achieved.

5.3 Code of Conduct

In performing the role of an ERC member, it is expected that all FGM ERC members will:

- Act honestly and respectfully during their interactions with fellow ERC members and other visitors/observers. This includes, but is not limited to, the use of offensive comments or abusive behaviours.
- Contribute positively and work collaboratively with stakeholders of varying views and opinions during ERC meetings.
- Not make improper use of their position or the information acquired because of their position.

The Chairperson may, at their discretion, suspend or dismiss any ERC member that the Chair considers to have acted in breach of this Code of Conduct or these Terms of Reference. ERC members dismissed from the committee will not be accepted into future ERC meetings as visitors and will become ineligible for ERC membership/reapplication.

5.4 Visitors and Observers

Visitors, excluding media representatives, will be permitted to attend and observe FGM's ERC meetings, where there is consensual agreement by ERC members.

Visitors will be expected to adhere to the ERC observer conditions and ground rules as outlined below:

- Observers must register their attendance on arrival and identify themselves at the commencement of the meeting.
- Prior to the meeting observers may request an ERC community representative to ask a question on their behalf relating to FGM's operations or environmental performance.
- Where time permits, observers may be afforded the opportunity to ask questions during 'Other Business', after the presentations and all registered meeting agenda items have been discussed.
- Observers will be provided a copy of the ERC observer conditions and ground rules upon acceptance into the ERC meeting.
- Observers will not be provided copies of ERC meeting notes, minutes, or related content/materials.

Visitors who interject or willingly interrupt the meeting, or do not adhere to the ERC observer conditions and ground rules, will be asked by the independent Chairperson to comply with rules and conditions or leave the meeting. Visitors asked to leave the meeting due to disruptive behaviour will not be accepted into future ERC meetings and will become ineligible for ERC membership.

6. MEETING AGENDA, REPORT AND MINUTES

The ERC agenda, quarterly environment & community report and quarterly operations report will be distributed by FGM to all ERC members at least seven days prior to the next scheduled meeting.

New items proposed for the meeting agenda will need to be supplied to FGM at least seven days before the next meeting. Forward agenda items may also be proposed and agreed in 'Other Business' during the ERC meeting.

The ERC agenda will detail site tour locations, outline key discussion topics, and serve as a record of meeting actions.

The ERC quarterly operations report will address the following aspects of FGM's operations:

- Safety performance, including a summary of reportable injuries and significant events.
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- Mining and production results.
- Human resources, including recent appointments and employment statistics.
- Exploration, including drilling updates and other noteworthy programs.

The ERC environment & community report will address the following aspects of FGM's operations:

- Environmental performance, including a summary of incidents, key environmental activities, monitoring aspects (including surface water, groundwater, air quality, noise, blasting and tailings storage facility results).
- Regulatory engagement & approvals.
- Community performance, including a summary of complaints and key community engagement activities.
- Exploration activities, including a summary of key activities and community engagement.
- Rehabilitation including planning and activities completed.

The ERC Environment & Community Report will include all appendices, including raw environmental monitoring data, for members with a regulatory function and for DJAARA.

Other ERC members will receive the appendices, excluding raw monitoring data. However, the complete set of appendices will be made available upon request.

The ERC meeting minutes will be distributed by FGM within four weeks of the previous meeting. Minutes will cover key aspects of presentations, discussions and any track the progress of actions. Meeting minutes will be circulated by FGM in draft format, for review and comment by all ERC members. A motion to accept the meeting minutes as a true and accurate reflection of the meeting will be moved at the subsequent ERC meeting. The final Minutes will reflect any amendments requested or raised by members of the ERC at this time.

Meetings may be recorded by FGM for the purposes of minute preparation only. Audio files will be held confidentially and destroyed upon confirmation of the minutes by all members.

ERC materials will be provided electronically (via email) or hard-copy upon individuals request.

An annual summary of environmental performance will be provided to all ERC members at the end of each calendar year. The annual review won't be presented to the ERC committee but may be discussed at the following ERC meeting.

7. AUTHORITY

The ERC is a consultative committee and has no legislative or delegated decision-making authority with respect to FGM's operations. The committee can provide advice and recommendations to FGM, which in turn reserves its right to make decisions about its operations.

Although the ERC has no decision-making authority, ERC members from regulatory organisations (e.g. RV, EPA, DEECA and GMW) have the power to follow up on any non-compliances or environmental issues presented to the ERC. ERC members should be committed to working in a constructive manner that influences and informs FGM's operations and facilitates a valuable flow of information between FGM, regulators and the community.

Recommendations, proposals, media releases and other advice relating to FGM's ERC must be directed through FGM for approval. ERC members are not permitted to speak individually as spokespersons for FGM's ERC. This means that members cannot represent FGM ERC in the media, however they may say that they are a member of FGM's ERC or have been informed about an issue at an ERC meeting.

8. REVIEW AND AMENDMENTS

These Terms of Reference may be amended, varied or modified in writing by FGM, after consultation with FGM's ERC members.

The ERC Terms of Reference will be reviewed biennially, or as required following a significant change in FGM's operations or the operating conditions of the committee.