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tethyan.com goes live!

TCC established its official online presence through its website www.tethyan.com recently, offering detailed information about the Company, a brief history of the Reko Diq Project and basic facts about mining.

The website offers insights into the Company's vision, values and commitment to the community, safety and health and environment. The Reko Diq Project section gives a lot of information about the Reko Diq Project, its history and copper mining itself. The availability of this information online is a first for both the Project as well as the copper mining industry in Pakistan.

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Editor's Note

Greetings!

As countrywide efforts continue for relief of the victims of the floods and rehabilitation of the affected areas, TCC employees decided to step up their contributions by making voluntary donations to the TCC Employee Fund Matching initiative, whereby employee contributions were matched 100% by the Company and a total of Rs. 1 million was donated to UN's 'Emergency Response Fund for Pakistan'. This was in addition to TCC's donation of Rs. 8.5 million to the Government of Balochistan last month. TCC is proud to be a part of the flood relief efforts and will continue to play a positive role in Balochistan and Pakistan as a whole.

As a Company that engages and works closely with local communities to help develop sustainable development projects to make lasting impacts on their lives, TCC tries to make positive impacts especially in the socio-economic areas of communities where it operates. This month's Yaqeen focuses on some of the initiatives taken by the Company for the sustainable development of the local communities where TCC operates. Yaqeen also speaks to some of the beneficiaries of TCC's Community Relations initiatives for an insight into how TCC has made a positive impact on their communities.

TCC believes in effective environmental stewardship and is committed to minimizing the environmental impact of mining and seeks to act responsibly throughout the whole lifecycle. The September issue of Yaqeen looks at TCC's commitments to the protection of the environment in Reko Diq and measures being taken to make all TCC employees responsible participants of TCC's Reko Diq Environmental System.

We are also proud to announce this month the launch of the TCC official website www.tethyan.com. The website launch is a major milestone in the establishing of TCC as Pakistan's pioneer copper mining entity, and we congratulate and commend those who have worked long, hard hours to establish our presence on the World Wide Web. Your feedback and comments on the website will be most welcome.

We hope for the newsletter to continue to be a true reflection of TCC's vision for shared success. As always we encourage constructive feedback from everyone that reads TCC. Your valuable contributions and comments are always welcome.

Happy reading

Editorial Team
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Hand in hand with local communities

By Zahoor Baloch

Community Grievance Officer Muhammad Essa Tahir joined TCC on Dec 19, 2008. He was born in Dalbandin, District Chagai. Essa Tahir has a vast experience in the field of Community Development; he started his professional career as Principal of a school where he served for more than three years. Later on he joined the National Commission for Human Development (NCHD) and worked at various key positions at the regional level and provincial levels in the field of Adult Literacy. He also performed as Provincial Coordinator Literacy, Balochistan. This project was launched in 25 districts and Essa supervised more than 6000 employees of the Literacy Program. Before joining TCC he was performing as General Manager NCHD at the Lasbela District of Balochistan. He supervised different teams working on Universal Primary Education, Adult Literacy, School Health Program, Volunteerism and other Community Development programs.



Where did you receive your education?

I completed my primary education from Zarala Ameen Abad, secondary educa-

tion from Dalbandin and the remaining from Quetta. I earned my Masters Degree in Chemistry with 1st Division and earned 2nd position in Physical Chemistry from





Balochistan University. I also later became interested in the field of Education so I also studied for a Bachelors and subsequently Masters Degree in Education.

Why did you not opt for a Chemistry-related profession?

I did work in a Chemistry-related field when I joined the Copper-Gold Project already operating in District Chagai but only for very short period. The work-related health and safety issues were very difficult to cope with so it was hard to continue. And since Chemistry had very little scope in Balochistan especially at the project that I had joined earlier. I switched careers after getting my Masters Degree in Education. Otherwise Chemistry has always been my passion.

What are your responsibilities here at TCC? How does it feel now working with TCC since you had to virtually start your career from scratch?

As my designation says, I deal with company-related grievances from the community.

I enjoy working with the Community Relations (CR) team and other employees here at TCC. The Company has implemented good policies pertaining to environment, health and safety to give its people a comfortable working environment. The best thing I like is team-build-

ing efforts made by our Management. TCC employees get good trainings and existing employees are promoted to senior positions. Such measures build confidence and loyalty and are very important for the success of any project.

What is the Grievance Resolution Procedure and why it is important for a mining Company?

This Standard Operating Procedure (SOP) applies to the communities considered as being impacted by the Project in relation to all kinds of complaints and grievances. The SOP refers to the First, Second and Third Order Mechanisms available to manage grievances/complaints, however its primary scope deals with First Order Mechanisms (FOM) and, in particular, with grievances and complaints from individuals. Grievances of a more general nature and shared by the community at large (such as dust related grievances) are better addressed at a different venue such as periodic TCC-organized public meetings with notables and a TCC officer. Most grievances are addressed through this procedure and the outcome of the investigation is always shared with the complainants. The Company is committed to acting upon the outcome of the investigation and it is measures such as these that have helped bridge distances between the community and itself.

What is the ratio of true and false grievances? Do community people always accept the outcomes of grievance investigations? Has there been any improvement in TCC's relationship with the community after the implementation of the Grievance Resolution procedure?

During the last two years only 24 grievances have been registered and all of them have been redressed. Of these 24, only 2 grievances were declared false and only 4 persons did not accept the grievance investigation outcome.

As for the Grievance Resolution procedure, I feel it has definitely helped improve TCC relations with the community, and the community has also learnt that proper procedure must be followed for any complaints and grievances to be redressed.

What are your other responsibilities?

Other than dealing with Community Grievances, I also manage the Nokkundi CR office on behalf of the CR Manager. Keeping in view my past experience, the CR Manager has assigned me a "Community Employability Support Project" through which we are planning to train 2500 unskilled laborers to give them greater changes of employment at TCC for the Construction phase of the Reko Diq project.

Humai community school update

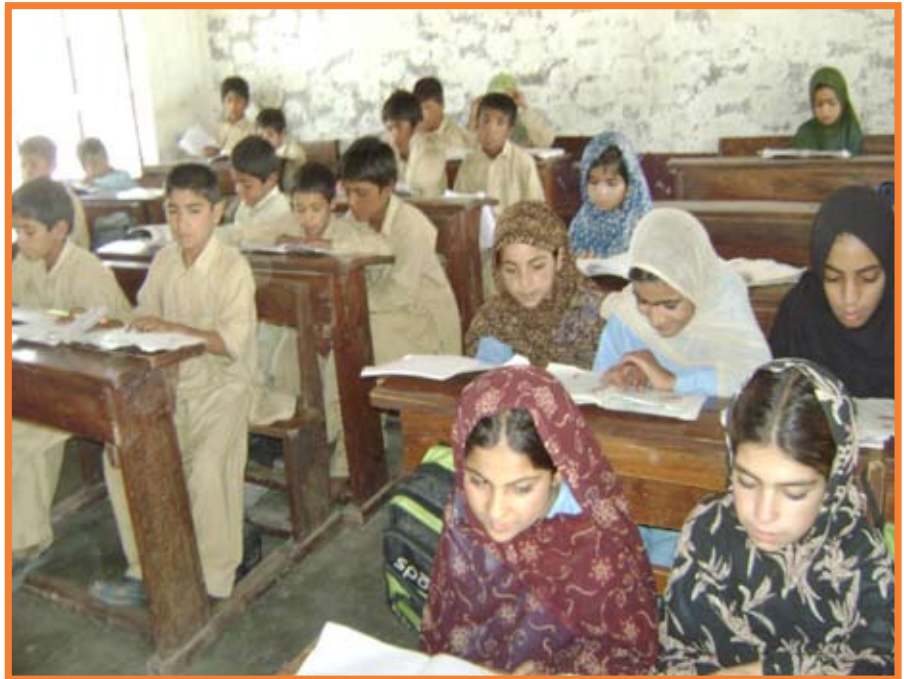
Last month, Yaqeen spoke to Hayat Khan about TCC-supported programmes for education. Yaqeen brings you an update on the ongoing support being provided to the community school.

The Humai Community School has an enrollment of 83 students: 47 from Humai village and 36 from Siah Reg. A TCC-sponsored bus provides students from Siah Reg transport to the school.

All students are also provided with stationery items such as notepads, pencils, bags, uniforms and books and other necessary items. Earlier this year the students were given new uniforms handed over by the Site Manager and Community Relations Manager on behalf of TCC. To give the students a wholesome education, they are also

provided with sports materials to promote sports activities besides their curriculum. The school regularly organizes sporting events for the students which they take part in with great enthusiasm. It has been observed that sport has improved the behavior of the students and created a healthy atmosphere of team work and competition.

Students are taught other subjects besides English. The local teacher is being trained in teaching methodology. The students are also given regular awareness sessions on personal hygiene and safety. The school is monitored regu-



larly in collaboration with local government officials to help identify problems and find their solutions. Parent-teacher meetings are also called to share their students' progress reports with parents. Such meetings allow the teachers and parents to coordinate better with each other for the development of the children both at home and at school.

The company recently provided two computers to initiate computer skills

training at the Humai School. This computer literacy programme was started last month with the aim of giving the younger generation awareness of new technology for their future studies.

Two additional classrooms have been built to accommodate the increasing number of students at the Humai School. A new female English teacher has also recently been hired to teach at the school and on site.

Training for local employment

By Mohammad Essa Tahir

TCC is fully committed to bringing a positive change in the communities neighboring its operations and is playing a vital role as a catalyst for their economic and social development. As a responsible corporate citizen, other than assisting in basic areas of development such as education, health, promotion of local culture, sports, local supplier development and humanitarian aid; TCC is also playing a key role in the provision of basic trainings for skill development of the local workforce.

As a Corporate Social Responsibility (CSR) plan initiative, TCC has already launched a pilot phase of training for local people at Nokkundi. Working with a local NGO, TCC has established four centers to provide literacy and life-skills training to 128 people. The first phase of the project is expected to be launched soon where 2500 unskilled labourers will be trained under the “Community Employability Support Project” for the construction phase. For the first phase TCC has signed an agreement with local NGO “Azat Foundation Balochistan”, which has already started developing training material for this project. The project is expected to commence in the 2nd half of October. Local people will be trained in basic literacy, workplace competency, life skills, health, safety, environment and basic vocational training. This project shows TCC’s commit-



ment towards providing opportunities for employment to local people at every level and work towards fulfilling its vision of change and improvement of economic development of local communities.

TCC – A better tomorrow for local communities

Yaqeen speaks to Killi Humai Clinic watchman Jiand Khan for an insight into the community’s sentiments about TCC operations.

What services do you provide to TCC? How satisfied are you with your job?

I am a watchman at the Killi Humai clinic and am very happy working for TCC. My financial status was very poor before I joined TCC because it was hard to find opportunities to make a reasonable living but now I am enjoying better financial conditions.

How do you feel about the Company’s presence in the locality?

I think that this Company must continue to operate here because only this company can run a project of such magnitude. I pray to Almighty Allah that this project proceeds with mining operations soon. The people of Chaghai, particularly the youth, labourers, businessmen and contractors have benefitted from the Company and stand to benefit more in the future.

What kind of benefits have they received?

The benefits are many. Employment has been the most important benefit; giving procurement contracts to local suppliers; education and the provision of clean drinking water and health facilities to Siah Reg and Humai villages. Earlier, the educated youth of Chaghi district were jobless, but now they have variety of job opportunities the can avail.



Before this Company began operating here, the people of Humai and Siah Reg used to work on meager daily wages for local mining companies. Now, thanks to this Company, we earn a lot and are able to manage to make ends meet. Our living standards have definitely changed for the better. We have health and school facilities and TCC is providing our children with education and free medicine. The TCC Reko Diq project is a blessing for us.

From Environmental and Social Impact Assessment to Environmental Management System Development

Alexey Fortygin
TCC Environmental Manager

With Reko Diq's Environmental and Social Impact Assessment (ESIA) almost finalized, TCC organized a series of Environmental workshops and trainings for TCC managers and supervisors to discuss ESIA findings and provide a general overview and scope for the development of the Reko Diq Environmental and Social Management Plan. Jeff Parshley of SRK Consulting and Reko Diq ESIA Manager Lucas Hekma conducted the TCC Environmental and Social Commitments workshop in Karachi.

The ESIA findings identified project impacts and proposed management measures to mitigate and reduce those negative impacts. Each proposed management measure within the ESIA report will be considered a legal commitment by TCC after approval of the ESIA by the Government of Balochistan. To ensure that these commitments are implemented, TCC will develop and maintain more than 20 different management plans including a community development plan, water management plan, waste management plan and hazardous material management plan among others.



Antofagasta and Barrick representatives, TCC Department heads and supervisors lead by TCC CEO Gerhard Von Borries worked together to prioritize the present-ed ESIA commitments and management plans under identification and to collect required information for the successful development of the Environmental and Social Management Plans.

The second training session aimed to explain basic elements of the Environmental Management System (EMS), implementation steps, and environmental standards.

Barrick training facilitators Ron Espell (EMS Environmental Director) and Ramana Kolluri (EMS Coordinator) conducted

this session. Participants were told that EMS is a set of processes and practices that enable an organization to reduce its environmental impacts and increase its operating efficiency. They added that the implementation and maintenance of the Reko Diq Environmental and Social Management Plan would be central to the EMS. The EMS can only operate successfully if all TCC employees and contractors share equally the responsibility to practice and implement it, and this can only be achieved through provision of comprehensive awareness for all regarding EMS practices, procedures, plans and systems. For this purpose such training sessions will continue to be organized by TCC for all its employees.



TCC Employees contribute Rs.1 million to the UN Emergency Response Fund for Pakistan



The employees of Tethyan Copper Company Pakistan (Pvt.) Limited (TCC) have contributed Rs.1 million for flood relief to the UN 'Emergency Response Fund for Pakistan'. The donation was handed over to Mr. Martin Mogwanja, Humanitarian Coordinator and Manager UN Emergency Response Plan at UN Office for the Coordination of Humanitarian Affairs (OCHA) in Islamabad by TCC Manager Corporate Communication, Samia Ali Shah. TCC has also recently donated Rs.8.5 million to the Government of Balochistan Flood Relief Fund.

TCC employee donation was raised through 'Employee Matching Fund Initiative' in which TCC employees made voluntary donations from their salaries for the relief of the flood affected people. Under this arrangement the company matched 100% the amount contributed by the employees. This initiative thus doubled the effort to help the flood victims.

TCC has always been in the forefront for providing humanitarian aid in case of natural disasters. In June 2010, when the Cyclone Phet lashed the Gwadar coast, TCC provided a sizeable and effective response to the cyclone hit populace of the port district of Gwadar. The Company announced Rs. 8.5 Million to assist the people of Gwadar and the Government of Balochistan in their relief efforts. In this connection immediate provision of relief items was ensured in collaboration the local administration; National Rural Support Program (NRSP) and other local NGOs including the Rural Community Development Council (RCDC). Earlier in 2008 TCC had donated Rs.10 million for the victims of the earthquake in Ziarat and in 2007 had provided the victims of the floods in Chaghi with aid worth Rs.7.5 million.

TCC's vision is to operate a world class copper-gold mine at Reko Diq, Balochistan in a safe and socially responsible way.

tethyan.com goes live!

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Visitors to tethyan.com will be able to keep abreast of the latest TCC news through the website's News Center. We were also really excited to learn

that the developers had also included a Newsletter section that allows visitors to view and download all issues of Yaqeen published till date.

As always, constructive feedback on the TCC website will be welcomed. Kindly email any comments to yaqeen@tethyan.com

TCC – Catering to environmental stewardship

Alexey Fortygin
TCC Environmental Manager

As a responsible environmental manager, TCC aims to minimize its environmental footprint and safeguard the environment for present and future generations. The company believes in maximizing value for all stakeholders only through sustainable development of mineral resources. TCC's Environmental Management System has been designed to ensure that all environmental measures identified in the Environmental and Social Impact Assessment (ESIA) will be fully implemented.

In July 2009, TCC's Environmental Department was established to work on the Reko Diq project. The department focuses exclusively on educating TCC employees, contractors and neighboring communities about the environment; ensuring exploration-permit compliance and follow-up with new applicable environmental legal requirements and commitments. Additionally, the Department is responsible for the implementation of the Environmental Management System; maintaining and implementing different environmental monitoring programs; conducting regular environmental inspections and following-up with the findings. The objective of TCC's Environment Department is to continually improve Company performance based on best environmental practices of the JV partners Antofagasta and Barrick. TCC has recently finalized the Reko Diq ESIA report which will cover all areas with designed project facilities (mine site and water supply facilities, slurry pipeline and marine terminal in Gwadar) and act as a guide for operations throughout the mining life cycle (including closure and post-closure phases). The key document of this report is Environmental and Social Management Plan (ESMP), which combines all company environmental and social commitments and proposed mitigation or management measures for identified project impacts on environment and social sphere. This ESMP will be a guideline for TCC operations as soon as it is approved by the management of the Project.

While we are looking forward to the construction and operating activities at Reko Diq, it is the pre-construction phase that is the best time to start building a strong green culture in the Company. For everyone to share and support the suggestions and recommendations of the Environmental department, it is important for all employees to have basic awareness of the term 'environment' and how it applies to them and their work. Over the last year, the Environment department prepared environmental training programs with different objectives such as Spill prevention/Spill response, Environmental awareness (endangered species), Introduction to Environmental Management System and Waste management. Together with the Community Relations department, we have launched a sequence of



small community projects to increase environmental awareness among the local people. The Department is trying to develop simple awareness programmes and also support environmental initiatives taken up by communities to help make achieved progress more sustainable. Environmental compliance with all permits, laws and environmental regulations is non-negotiable for TCC. That is why we work under very strict and comprehensive TCC permits and the obligation register is one of the first priority tasks during EMS introduction at TCC.



Quick facts

Environmental Objective - Overall environmental goal, consistent with the environmental policy that an organization sets for itself to achieve.

Environmental Performance - Measurable results of an organization's management of its environmental aspects.

Environmental Policy - Overall intentions and direction of an organization related to its environmental performance as formally expressed by top management.

Environmental Aspect - Element of company activities or products or services that can interact with the environment.

Environmental Impact - Any change to the environment, whether adverse or beneficial, wholly or partially resulting from environmental aspects.

Environmental Management System (EMS) - Part of an organization's management system used to develop and implement its environmental policy and manage its environmental aspects.

Reko Diq Safety Champions of the month

August, 2010

Recognition for good safety performance and beyond for the month of August 2010, were presented to the following department personnel in September.



Administration Department
Khuda Nazar (Store Assistant)



Maintenance Department
Sadullah (Mechanic)



Geology Department
Mohammad Ismail (Sampler)

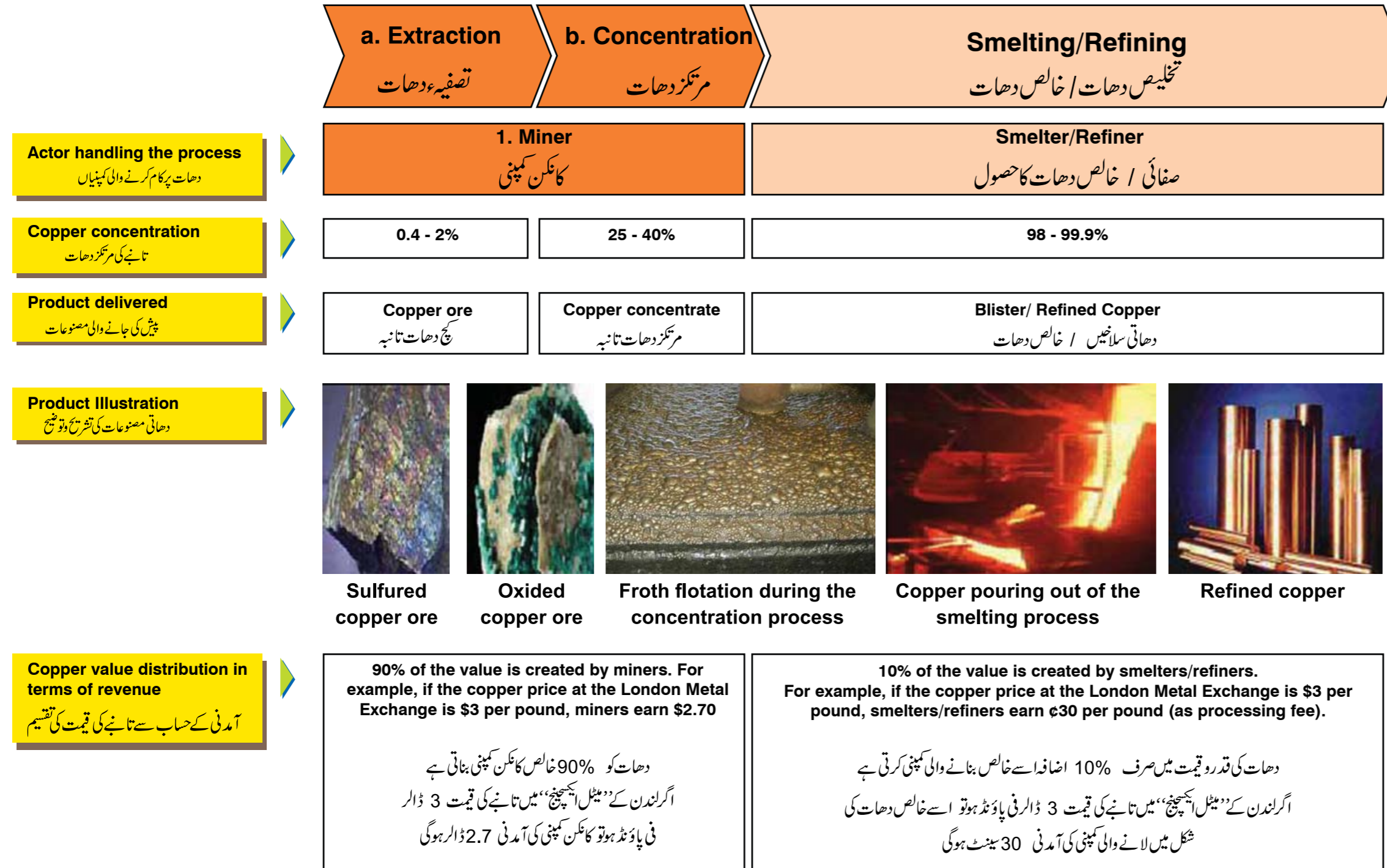
Understanding the Copper Value Chain

Along the copper production chain, miners add most of its value

The copper transformation is generally handled by two main actors: the miner, and the smelter. Miners sell the copper contained in the concentrate. They benefit from price upturns. The smelters, however, sell a concentrate processing service; they do not benefit from price upturns.

تانبے کی تخلیص کے پورے عمل پر ایک نظر

تانبے کی پیداوار کے پورے عمل میں، اس کی قدر و قیمت میں سب سے زیادہ اضافہ کانکن کمپنی کرتی ہے۔ تانبے کی کچھ دھات سے خالص دھات حاصل کرنے کے پورے عمل میں دو مرکزی عامل ہوتے ہیں: ایک تو کانکن کمپنی اور دوسرے اس کو مکمل خالص دھات کی شکل دینے والی سملٹر کمپنی، کانکن کمپنی تانبے کو کنسنٹریٹ کی شکل میں فروخت کر دیتی ہے۔ اس طرح اسے دھات کی اونچیتیمت مل جاتی ہے۔ سملٹر، بہر حال دھات کو مکمل طور پر خالص دھات کی شکل دیتے ہیں لیکن انہیں دھات کی اونچی قیمت نہیں مل پاتی۔



In the last decade, only 5 Greenfield sulphide mine projects (>100,000 tpy refined copper or equivalent) came on stream:

- Lumwana (Zambia)
- Kansanshi (Zambia)
- Sossego (Brazil)
- Cerro Verde (Peru)
- Antamina (Peru)

None of these mines have constructed an integrated smelter-refinery complex as part of the project.

پچھلے عشرے میں، صرف پانچ گرین سلفائیڈ کانکنی کے پراجیکٹ منظر عام پر آئے، جن کی پیداوار 100,000 ٹن سالانہ خالص تانبہ یا اس سے زائد رہی:

- لموانا (زمبیا)
- کنسانشی (زمبیا)
- سوسگو (برازیل)
- سیرورڈی (پیرو)
- انتامینا (پیرو)

سملٹر ریفاٹری کمپلیکس ان میں سے کسی کان کے پراجیکٹ کا حصہ نہیں ہے۔