

May 10, 2019



Dear 

Re: Your request for access to information under Part II of the *Access to Information and Protection of Privacy Act* (File # NR-73-2019)

On April 23, 2019, the Department of Natural Resources received your request for access to the following records/information:

In NR-42-2019 there is a reference to a meeting note for Anaconda, please provide a copy of this note and any other briefing, information, meeting, direction/decision notes relating to this company for the past three months.

I am pleased to inform you that a decision has been made by the Department of Natural Resources, confirmed by the Deputy Minister, to provide access to the requested records. The records are attached.

We are providing access to the most information possible but have made redactions in accordance with Sections 29(1)(a), 35(1)(d), 35(1)(f) and 35(1)(g) of *ATIPPA, 2015* as follows:

29. (1)(a) The head of a public body may refuse to disclose to an applicant information that would reveal advice, proposals, recommendations, analyses or policy options developed by or for a public body or minister;

35. (1)(d) The head of a public body may refuse to disclose to an applicant information which could reasonably be expected to disclose information, the disclosure of which could reasonably be expected to result in the premature disclosure of a proposal or project or in significant loss or gain to a third party;

35. (1)(f) The head of a public body may refuse to disclose to an applicant information which could reasonably be expected to disclose positions, plans, procedures, criteria or instructions developed for the purpose of contractual or other negotiations by or on

behalf of the government of the province or a public body, or considerations which relate to those negotiations;

35. (1)(g) The head of a public body may refuse to disclose to an applicant information which could reasonably be expected to disclose information, the disclosure of which could reasonably be expected to prejudice the financial or economic interest of the government of the province or a public body.

Please be advised that you may ask the Information and Privacy Commissioner to review the processing of your access request, as set out in section 42 of the *Access to Information and Protection of Privacy Act* (the *Act*). A request to the Commissioner must be made in writing within 15 business days of the date of this letter or within a longer period that may be allowed by the Commissioner.

The address and contact information of the Information and Privacy Commissioner is as follows:

Office of the Information and Privacy Commissioner
2 Canada Drive
P. O. Box 13004, Stn. A
St. John's, NL A1B 3V8

Telephone: (709) 729-6309
Toll-Free: 1-877-729-6309
Facsimile: (709) 729-6500

You may also appeal directly to the Supreme Court Trial Division within 15 business days after you receive the decision of the public body, pursuant to section 52 of the *Act*.

Please be advised that this letter will be published following a 72 hour period after it is sent electronically to you or five business days in the case where records are mailed to you. It is the goal to have the letter posted to the Completed Access to Information Requests website within one business day following the applicable period of time.

If you have any questions, please feel free to contact me at 709-729-0463 or rhynes@gov.nl.ca.

Sincerely,

A handwritten signature in cursive script that reads "Rod Hynes".

Rod Hynes
ATIPP Coordinator

Meeting Note
Department of Natural Resources
Minister Coady with Anaconda Executive Team
Monday, March 4, 2019, at 1:30pm
Fairmont Royal York Hotel, PEI Room, Main Mezzanine Level

Attendees:

Honourable Siobhan Coady – Minister of Natural Resources
Perry Canning – Assistant Deputy Minister, Mines, Department of Natural Resources

Dustin Angelo – President, CEO and Director, Anaconda Mining Inc.
Lynn Hammond – Vice President, Public Relations, Anaconda Mining Inc.
Rob Dufour – Chief Financial Officer, Anaconda Mining Inc.
Gordana Slepcev – Chief Operating Officer, Anaconda Mining Inc.

Purpose of Meeting:

- Anaconda Mining Inc. (Anaconda) has requested a meeting with the Minister to provide a general update on operations.

Background:

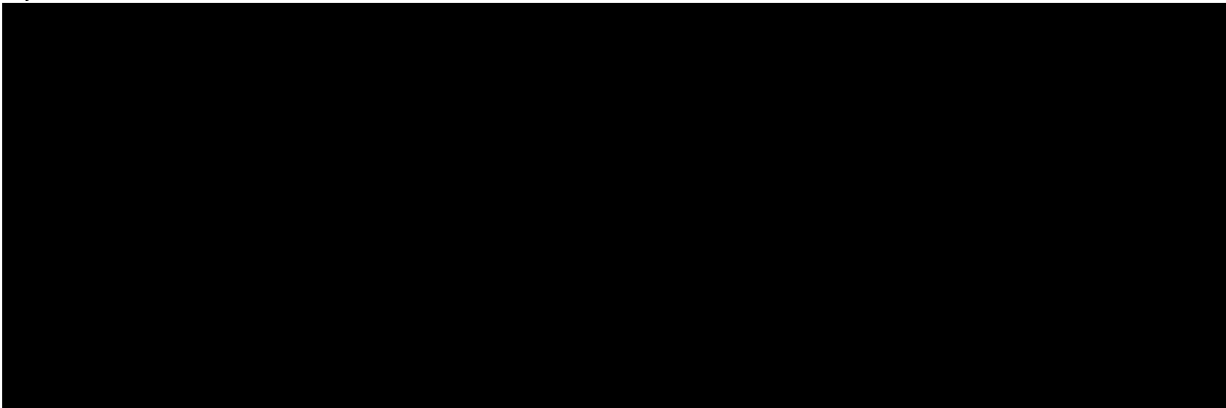
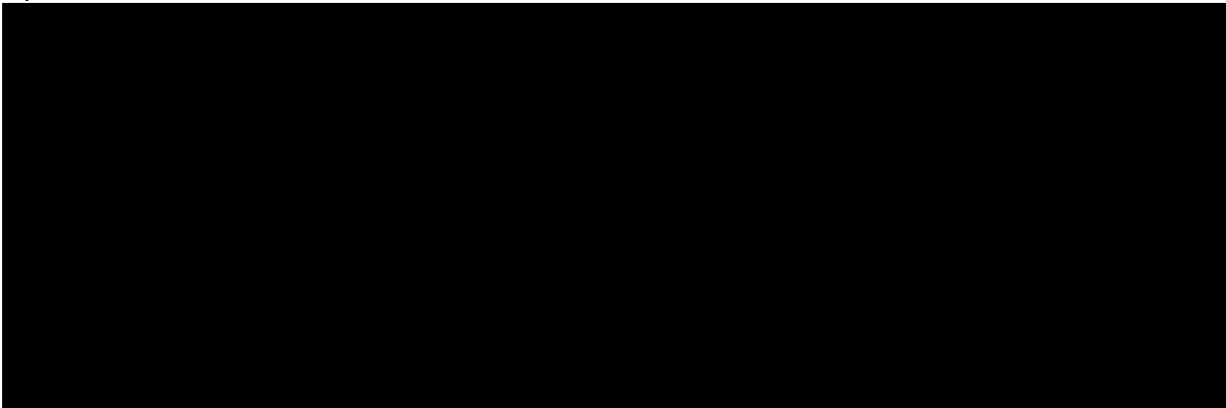
- Anaconda operates the Point Rousse Project, located in the Baie Verte Mining District, consisting of the exhausted Pine Cove open pit mine, Pine Cove mill and tailings facility, Stog'er Tight mine, Argyle deposit, and approximately 9,150 hectares of prospective gold-bearing property. Anaconda is also advancing the Goldboro Project in Nova Scotia.

Agenda item #1: General Update on Anaconda Operations

- Anaconda is currently mining Stog'er Tight and plans to do so until approximately Q2 2019, at which point mining at the Argyle deposit is expected to begin. The Company is projecting to produce and sell between 19,000 and 20,000 ounces of gold in 2019, while generating 84 person years of employment.
- The Argyle deposit is to be developed as an open pit and operate into 2021. It has a resource estimate of an indicated 543,000 tonnes grading 2.19 grams per tonne (38,300 ounces) and inferred 517,000 tonnes grading 1.82 grams per tonne (30,300 ounces).
- The planned capital expenditure for the development of Argyle is expected to be \$1.195 million over three years (started in 2018). On November 5, 2018, the Argyle deposit was released from EA and is undergoing the Mining Act approval process.
- On February 26, 2019, Anaconda released a progress update on the Goldboro Project, highlighting the start of a feasibility study which will incorporate data from the recently mined 10,000 tonne underground bulk sample and diamond drilling. The feasibility study is expected to be completed by Q42019.
- The feasibility study will be based on a full-scale milling facility at Goldboro that will produce a doré bar; a semi-pure alloy of gold and silver requiring further refining. This is different than the processing scenario in the preliminary economic assessment, which was based on shipping Goldboro concentrate to the Pine Cove mill for processing.

- On January 24, 2019, Anaconda announced it has completed an updated Mineral Resource Estimate for the Rattling Brook Deposit of the Great Northern Project in NL and an initial Mineral Resource Estimate for the Cape Spencer Gold Project in New Brunswick. The Cape Spencer Deposit highlights an inferred estimate of 1,720,000 tonnes grading of 2.72 g/t (151,000 ounces). The Rattling Brook Deposit, located near Jackson's Arm and White Bay, has an estimated inferred resource of 5,460,000 tonnes grading 1.45 g/t (255,000 ounces).
- By converting the Pine Cove Pit into a fully-permitted in-pit tailings storage facility, Anaconda has approximately 15 years of tailings storage capacity based on a throughput rate of 1,350 tonnes per day.
- The Company announced the results of a drill program on February 19, 2019, as part of an on-going evaluation of potential pit expansions at both Pine Cove and Stog'er Tight. A total of 33 holes successfully infilled and extended mineralization near the margins of the existing pit outlines at both mines.
- Anaconda has been selected as one of three finalists of the Goldcorp #DisruptMining 2019 live finale, during PDAC 2019, with a potential to negotiate up to a one million dollar investment. The Company will pitch a new drilling approach that has the potential to unlock value in narrow vein gold deposits. The technology, known as Sustainable Mining by Drilling, was developed in collaboration with the Memorial University of Newfoundland.

Analysis

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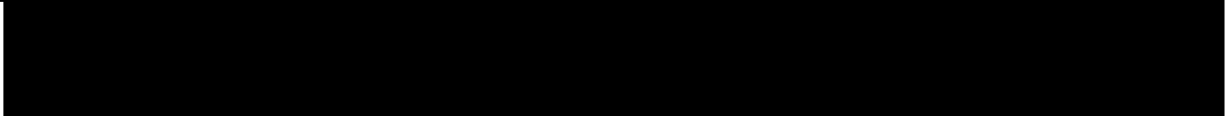
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- The Company will incorporate the step-out drill results announced in February into its resource models to determine whether it can extend mining operations at Pine Cove and Stog'er Tight beyond the existing mineral resource plan.

S.29.1.a
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Potential Speaking Points

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S.29.1.a
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S.35.1.g

- The Minister may wish to congratulate Anaconda on being selected as a finalist in the Goldcorp #DisruptMining 2019 live finale, during PDAC 2019.

Proposed Actions:

- None at this time.

Prepared/Approved by: G. Taylor / K. Bradbury / A. Smith / P. Canning
Ministerial Approval:

February 26, 2019

Attachment

Biographies

Dustin Angelo – President, CEO and Director, Anaconda Mining Inc.

Dustin has been president and CEO of Anaconda Mining since September 2010, and has been a director since November 2009. Under his guidance, Anaconda has expanded its land package ten-fold, acquired a second project in Newfoundland, eliminated all interest-bearing debt of the company and built a sustainable, profitable operation.

Prior to joining the Anaconda team, Dustin served as CFO of Elgin Mining Inc. from August 2006 to November 2010; as VP of MHI Energy Partners from 2005 to 2006, and; as a Principal at New York City's Waller Capital Corporation from 1997 to 2005. Dustin was also a founding member and director of North American Limestone Corporation.

Dustin earned a BSBA in Accounting and International Business from Georgetown University and a MBA from the Columbia Business School. He is a Certified Public Accountant, licensed in the state of Kentucky.

Lynn Hammond – Vice President, Public Relations, Anaconda Mining Inc.

Lynn has been the Vice President Public Relations for Anaconda Mining since December 2015, responsible for media, public and government relations. Her career experience consists of senior roles in public service including Director of Communications for Newfoundland and Labrador Government Departments of Municipal Affairs, Fire and Emergency Services, Education and Post-Secondary Education. She also held senior positions in the Communications Branch of Executive Council and the Office of the Premier.

Rob Dufour – Chief Financial Officer, Anaconda Mining Inc.

Rob brings to the Anaconda team his experience in capital markets and finance, including debt structuring, royalty arrangements and corporate transactions, as well as strong experience with financial management and reporting, corporate governance and risk management.

Most recently Rob was the CFO of Newmarket Gold, a TSX-listed mid-tier Australian gold producer which produced over 220,000 ounces of gold annually. Prior to his appointment as CFO at Newmarket Gold in 2015, he was the CFO of Crocodile Gold. Dufour previously worked with Northgate Minerals Corporation as Corporate Controller, and subsequently was promoted to Group Financial Controller for Northgate's Australian subsidiaries, until its acquisition by AuRico Gold.

Gordana Slepcev – Chief Operating Officer, Anaconda Mining Inc.

Gordana is the Chief Operating Officer of Anaconda Mining and is responsible for managing all operational aspects of the company and plays an integral role in tactical matters such as permitting and mine development of the Point Rouse and the Goldboro Project. Prior to being promoted to COO, she was the Vice President of Technical Services and was directly responsible for overseeing the mining and geology departments at the Point Rouse Project.

Gordana earned a Master's Degree in Science and a Bachelor's Degree in Mining Engineering from the Yugoslavia (Belgrade) Faculty of Mining and Geological Engineering, and has more than twenty years of experience in mining base metals, coal and gold.