

### Housing

HD Mining is providing worker housing in Tumbler Ridge for the Murray River Project at no cost to its workers. It costs approximately \$750 per month to house each worker.

HD Mining's goal is to integrate workers with the local community, while they are working at the Murray River Project.

HD Mining has invested \$15 million to develop worker housing in Tumbler Ridge, building 43 duplex houses. This is the single largest residential development in the history of Tumbler Ridge. Each duplex includes five or six bedrooms, a kitchen and laundry facilities.

#### About the Murray River Project

HD Mining is proposing to develop the Murray River Project, located 12.5 kilometres south of Tumbler Ridge, British Columbia, Canada. If approved to proceed, the Murray River Project would be an underground coal mine with an annual production of six million tonnes of metallurgical (steelmaking) coal over 30 years. HD Mining has an approved 100,000 tonne bulk sample permit, which consists of the removal of coal samples to be representative of targeted coal seams. The purpose of this is to confirm the mining conditions, coal quality and the viability of a full mine.

To mine for the 100,000 tonne bulk sample, HD Mining made a significant effort to recruit qualified Canadians. HD Mining advertised for various underground mining positions paying between **\$25 and \$40 an hour**, including mining engineers, industrial electricians and underground coal miners. When combined with benefits, housing and food costs, this would amount to annual compensation in the range of **\$84,852 to \$113,652 per TFW worker**. However, there is a lack of skilled underground coal mining workers in Canada. In addition to shortages of skilled worker, HD Mining will be utilizing a mechanized long-wall mining construction method that is not currently used in Canada and is different from conventional tunneling. There is only one other underground coal mine in B.C., and it utilizes a different method, called room-and-pillar.

Following HD Mining's recruitment effort, HD Mining applied to Human Resources and Skills Development Canada (HRSDC) and received approval in April 2012 to hire 201 workers under the Temporary Foreign Worker Program for the Murray River Project. HD Mining has met or exceeded all HRSDC requirements.

The temporary foreign workers are employees of Huiyong Holdings Group China, the parent company of HD Mining. All of these workers have experience in underground long-wall coal mining through employment at Huiyong's underground coal mines in China. These workers will be on a two year rotation to work in Canada and will return to China once their rotation is complete.

*"This investment from HD Mining is the largest single residential development in the history of Tumbler Ridge. Housing projects like this are a great way to get our local economy moving – it puts local construction workers and trades people to work quickly, while having many other positive spin-off effects in the region."*

– Mayor Darwin Wren,  
District of Tumbler Ridge