



HD Mining International Ltd.

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Statement – November 22, 2012

HD Mining International Ltd. was in Federal Court today continuing our participation in a judicial review application by the Construction and Specialized Workers Union, Local 1611 and the International Union of Operating Engineers, Local 115 regarding our permits to utilize temporary foreign workers at the Murray River Coal Project, near Tumbler Ridge, British Columbia.

Justice Campbell has ordered that the unions have standing to proceed with this judicial review application and we intend to continue to participate, along with the federal government, to oppose that application.

Background Facts

HD Mining applied for and received approval from Human Resources and Skills Development Canada (HRSDC) to hire 201 workers under the temporary foreign worker program. In doing so, we believe we met or exceeded all HRSDC requirements, and have been told that by officials from HRSDC. On that basis, we have been and are in the process of hiring temporary foreign workers as well other local workers and contractors.

Before obtaining the temporary foreign worker authorizations, HD Mining undertook an extensive Canadian search. Advertisements were placed with the federal government's national jobs bank and numerous newspapers and other publications. Contrary to some allegations that the advertisements required Mandarin speakers, none of the advertisements said Mandarin was required. Most made no mention of Mandarin at all.

The Canadian advertisements related to various positions, including mining engineers, industrial electricians and underground coal mine workers. Advertised rates for these key positions ranged from \$25 to \$40 an hour and were consistent with the *Infomine Benchmark*. For a mine foreman/forewoman, salaries range from \$90,000 to \$130,000 annually.

As part of the application process, HD Mining developed and submitted a temporary foreign worker training and transition plan to ensure safe employment of temporary foreign workers, and to eventually transition fully to Canadian workers. The training and transition plan was developed following consultations with provincial regulators, responsible for mining health and safety matters. HD Mining has and will continue to comply with all provincial health and safety requirements.



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Minister Finley's Statement of November 8, 2012

HD Mining is deeply concerned about a statement issued by Human Resources and Skills Development Minister Diane Finley on November 8, 2012. We consider the statement to be unfair, unclear and potentially inconsistent with statements made to HD Mining by HRSDC staff. Since that statement has been cited in Court by counsel for the unions, and commented on by the presiding Justice, HD Mining has requested that the Minister clarify her statement but to date the minister has not done so.

About HD Mining

HD Mining International Ltd. is a Canadian incorporated company committed to the Murray River Coal Project, which will create 600 direct jobs and 700 indirect jobs through the construction and operating phases. To date, HD Mining has invested \$30 million in Canadian goods and services. It will also contribute millions of dollars to local, provincial and federal governments.

HD Mining has established a strong relationship with the local community of Tumbler Ridge. It has committed to investing approximately \$15 million in local housing and recently signed an MOU with Northern Lights College to develop a curriculum to train Canadian workers in its long-wall method of underground mining.