

Red Dog Suvisii

“What are we doing at Red Dog?”

FROM THE

General Manager

Mike Bonneau



At Red Dog Mine, we recognize the importance of staying in touch with our stakeholders. As one of the largest zinc mines in the world, the mutual benefits

that our mine provides are many.

We are committed to proactive and positive engagement with our employees, our northwest Alaska communities, and our stakeholders statewide, as well as nationally and globally.

First and foremost, our most valuable resource is our people. We stand firm in our commitment to employee safety and our vision of ‘everyone going home safe and healthy every day’.

We hold ourselves to a high standard of employee safety; environmental stewardship and responsibility; employee training, development and retention; and production and delivery of a quality product for our clients.

In our quarterly communications, we'll share with you what we're doing in these key areas at Red Dog beginning with this introductory edition.

Thank you for your interest and we hope that you enjoy our message from Red Dog!

Our future - Aqqaluk Deposit

Jim Kulas

Without a doubt – Red Dog’s most important issue is resolving a challenge that has been placed on mining the Aqqaluk Deposit. Important because we have been mining the Main Deposit for 20 years and we will finish mining it next year. Aqqaluk must be available for the operation to continue.



After three years of thorough and exhaustive studies, Red Dog was poised to receive all the necessary permits for the development of the Aqqaluk. *Continued on Page 4*

“First and foremost, our most valuable resource is our people.”

Our relationships

Verna Westlake

Rosie Ward, Inupiaq Elder and Lorraine Ambrosio, our Database Administrator enjoy each others company at Red Dog’s annual village meeting.



Red Dog not only produces zinc and lead but equally important, our existence and operations impact people. Our stakeholder relationships have grown over the twenty-year life of the Red Dog Mine. We are committed to being a responsible corporate citizen, to build strong and healthy communities and operate as a good neighbor.

The Red Dog Community Relations group was recently developed to enhance our relationships with our internal and external stakeholders.

A key aspect of a fruitful relationship is ‘communication’ of which dialogue is the most important tool. We have a good story to tell. Community Relations will be responsible for developing and delivering Red Dog’s message. Once presented, it is very effective and we look forward to sharing it with our audience.

Though our main area of focus has been and will continue to be the northwest Arctic region of Alaska, we will continue to rely on our stakeholders to tell our story, for there are no better ambassadors of Red Dog mine than ‘You’!

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Our safety, our responsibility

Allison Conwell

Red Dog is committed to the safety of its entire workforce. In 2006, the Occupational Health and Safety Committee (OHSC) was introduced at Red Dog. OHSC's structure provides an opportunity for involvement of its employees to take ownership in contributing to the success of safety and health at all levels of our operations.

We had an average of 15 employee volunteers from each department at the start. Today, our membership is 36. Our success relies on employee commitment and ownership of safety practices.

We provide support to maintain a high level of safety performance as well as an avenue for workers to voice their concerns, complaints, and suggestions on safety and health.



Left to right, Red Dog miners from various departments, Ron Sweet, Richard Sage, Sid Cleveland, Ron Anderson, Joshua Rutman, Peter Lambert, and Nolan Schaeffer

We support all Red Dog safety programs and processes on the property; **Courageous Leadership** values people above all other priorities believing that zero injuries and a positive attitude at work and home can be achieved.

SafeStart is one program we use. It identifies states of mind that contribute to critical errors. We recently implemented a process called **SafeTrack**, a behavior-based safety observation and feedback process including positive reinforcement.

OHSC is a voice for the Red Dog workforce. Since it began, safety awareness is heightened and injury prevention has improved. Our workers are more involved in their own safety as well as the safety of their coworkers.

We accept the responsibility of leadership, and support safety as a core value, with a vision of **"everyone going home safe and healthy every day"**.

Our people

Josie Coppock



Mike Berwick, Geologist and Robert Sheldon, Personnel Coordinator

Working at remote site away from family can be a challenge without the right support and people in place. With an average of 500 regular employees at Red Dog, our Human Resources (HR) group continually looks at ways to improve employee commitment and retention.

'Employee engagement,' as defined by HR, is the extent to which employees commit to something or someone in the organization and how long they remain. We strive to achieve employee engagement for our overall business success.

We acknowledge that high levels of engagement promote retention of talent, foster employee loyalty, and improve organizational performance and stakeholder value. HR works with supervisors to achieve this goal.

Engagement is influenced by many factors from workforce culture, communication and management styles, trust, and respect and leadership. The most significant factors are a positive supervisor/employee relationship; a clear, consistent and honest communication from the top down; a culture of learning and development; regular and specific feedback on performance; high involvement work practices; and a working environment that demonstrates respect and recognition.

The best time to start the employee engagement process is on the first day. Our leadership recognizes that everyone must extend themselves to make each employee, new hire and veteran alike, feel welcomed and valued in order to succeed in our business.

We strive to be approachable, to respond, and to provide advice and assistance to our workforce.

Our behavior impacts results

Joe Neumann

Unlike any improvement process in the past, Red Dog Operations now works to produce more, higher quality material without machinery changes or equipment expansion through a process called Building Excellence At Red Dog (BEAR).



Jason Lee, Heavy Equipment Shop Supervisor

Through this process, our site has undergone one of its most significant and valuable transitions to date with the help of production optimization consultants.

BEAR started up in September 2008 with a team of Red Dog employees and consultants representing four areas of the operation: Maintenance, Materials Management, Mill Operations, and Mine Operations. BEAR's goal to increase value through implementing ideas generated by Red Dog employees make our jobs less frustrating and more productive.

A basic principle of the process recognizes ideas and actions that add value. Prioritizing ideas by their value ensures the most important with the highest ease occur first.

We had our best production year ever in 2009 as a result of hard work and dedication by our employees and the support of the BEAR team! Improvements in production and costs totaled over \$40 Million. Our focus for 2010 is to improve mine fleet availability and utilization, and increase recovery of ore feed to the mill.

The process proved that people are a vital asset of our operation and that changes in behavior impact results. The consultants are gone and BEAR is now an integral part of Red Dog.

BEAR's fundamental goal is for the entire property to focus on ways to make everyone's job easier and more valuable to increase overall output at Red Dog.

Brooks Range in the Kobuk River Valley



A unique agreement

Red Dog mine is one of the largest zinc-lead mines in the world. Red Dog operates under a unique agreement between the operator, Teck Alaska Incorporated, and the land owner, NANA Regional Corporation (NANA).

Teck Alaska is a subsidiary of Teck Resources, Ltd (Teck), formerly Teck Cominco. Teck is headquartered in Vancouver, Canada and is Canada's largest diversified mining company. NANA is a thriving Alaska Native-owned company formed under the Alaska Native Claims Settlement Act in 1972. NANA represents over 12,000 Inupiat shareholders of northwest Alaska.

Our commitment to high standards

Chris Eckert

Our Environmental department helps Red Dog operate in compliance with environmental regulations and permits to ensure subsistence resources, people and the environment are safe. We monitor compliance with federal, state and local environmental permits, and seek approvals needed to operate the site. In other words, we are responsible for the environmental business of Red Dog.

We also maintain three weather stations and a continuous in-stream conductivity monitoring system. The system provides real time measurements of the Total Dissolved Solids (TDS) in the stream to ensure we meet the State Water Quality Standard for TDS while discharging water to Red Dog Creek.

In all, Red Dog operates under 71 permits, 31 bodies of regulations, 15 agreements, 16 work plans, 10 approvals, and 5 separate industry environmental standards. To ensure we're protecting the environment, our technicians collect over 3,000 samples of water, soil or air, and we perform more than 30,000 tests each year.

All this demonstrates Red Dog mine's commitment to the highest environmental standards and protection of subsistence and environmental resources every day.



Caribou along the 52 mile road connecting the mine site and port site

Our future - Aqqaluk Deposit

Continued from Page 1

However, an appeal of the water discharge permit has occurred. Because of this appeal, conditions contained in an earlier permit (1998) will be reinstated until the appeal is resolved.

The 1998 permit included a standard for Total Dissolved Solids (TDS) that the mine has never been able to meet since it was first imposed on the Operation ten years after mining began. These limits were based on past water standards that have been shown to be far below those needed to protect the environment. Recently, the State and EPA have approved new statewide water standards that reflect advancing science. This, and other measures, allowed for the higher limit in the new permit. The limit was appealed because it was higher, not because it protects the environment.

We are concerned about the future exceedances of the TDS limits until the appeal is resolved. We are also concerned that employees could be prosecuted for criminal and civil penalties if we proceed into Aqqaluk under a permit with limits that we cannot realistically meet. Aqqaluk is Red Dog's future and we must have a solid foundation on which to build that future.

We are hopeful this will be resolved and continue to seek additional guidance from EPA on interim operations under the 1998 permit before starting the development of Aqqaluk.



Congratulations!

Linda Kramer, NANA/Lynden employee is the winner of the "Name the Red Dog Newsletter" contest.

Thank you, to all of our Red Dog employees who participated in the contest to name our newsletter. We had nearly 100 creative entries to select from!

Sü'-vi-see defined is 'what are the people doing' in the language of the Inupiat, the indigenous people of the northwest Arctic region.

DID YOU KNOW?

NANA joint venture and wholly owned companies provided \$76,143,675 worth of goods and services to Red Dog in 2009.

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