

**OceanaGold's Response to the Business and Human Rights Centre  
Friday 29 January 2021**

We appreciate the opportunity to respond to allegations made about our Didipio Mine in the Philippines.

We take allegations against the performance and conduct of our company seriously and stand by our commitment to responsible mining. This includes respecting the human rights of all stakeholders, including those voicing concerns, and open dialogue with all stakeholders about our operation at Didipio.

We have provided substantive responses to the United Nations Office of the High Commissioner for Human Rights (UN OHCHR) and the Business and Human Rights Resource Centre (BHRRC) about allegations around environment, human rights, the operation of the mine, the renewal of the Financial or Technical Assistance Agreement (FTAA) and the delivery of emergency back-up fuel. Links to those responses and more information about our Didipio Mine are included in the information below.

We operate the Didipio Mine under a Financial or Technical Assistance Agreement (FTAA), which was signed in 1994 and gives the company the right and responsibility to explore, develop and operate in the Didipio area. The FTAA does not award the company ownership of any mineral resources, rather, under this arrangement the company is a contractor to the Republic of the Philippines and the mine is a national asset. In June 2019, the FTAA became renewable for a second 25-year term and is currently going through the process of renewal with the Philippines Government. More information about the FTAA is available [on our website](#).

We operate under an adaptive social performance framework and management system, with a strong focus on constantly improving our performance. Examples of the work we are doing include a [social change assessment](#) of Didipio we commenced in 2018 and a [remote sensing project](#) we completed in 2020 to characterise changes in land use at Didipio over 24 years.

The majority of the Didipio and surrounding communities support the Didipio Mine. We encourage all organisations interested in our activities in the Philippines to engage directly and broadly with the Didipio community to hear their views firsthand. We believe such engagement would provide a more balanced perspective on the reality of community support for the Didipio Mine. More information about our engagement at Didipio is available [on our website](#).

We provide below a substantive response to the new issues raised.

## **The blockade of access to the Didipio Mine**

The Company categorically denies there being any violent attempt to run the road blockade. We are disappointed that such a serious allegation is made in a media statement without factual support. We are not aware of any evidence that supports this claim, nor are we aware of any proceedings that have been initiated against the company in relation to this allegation.

In July 2019, the Governor of Nueva Vizcaya directed Local Government Units (Barangays) to restrain any operations of OceanaGold at the Didipio Mine. This order prevented the delivery of mining supplies to the mine and transportation of the processed minerals for shipment. Upon receiving notice of the Governor's closure order, and the closure of road checkpoints to Company supply vehicles, the Company voluntarily ceased all trucking in and out of the mine to prevent any potential for escalation.

The cessation of trucking resulted in the exhaustion of mine supplies and temporary suspension of underground mining in July 2019 and mineral processing in October 2019. Since receipt of the Governor's Order, OceanaGold has repeatedly requested engagement with the Provincial Government to resolve their current position and we will always be open to engagement.

Despite significant financial losses, we extended employment for our workforce at Didipio for over a year before having to make the terribly hard decision to lay-off approximately 1,000 employees. These people and their families lost their livelihoods, and this is a sad and unnecessary outcome for everyone involved. In addition, the suspension of social investment projects has negatively affected the livelihoods of over 15,000 people in the local area.

On two occasions, and at the direction of the Department of the Interior and Local Government, the Philippine National Police provided support for the entry of fuel trucks through the barricade and into the Didipio Mine. This fuel was urgently required to continue the safe operation of an advanced underground de-watering system that safely removes groundwater from the Didipio Mine to protect a national asset.

Additional information around the underground de-watering system, the requirement for emergency back-up fuel and the police-escorted fuel delivery are detailed in our [response to the UN OCHCR](#) and our [response to the BHRRC](#) in May 2020.

## **Letter from the Governor of Nueva Vizcaya to the President of the Philippines**

The Governor of Nueva Vizcaya Province has a long-held position against mining on environmental grounds. We understand why the Governor holds this view and appreciate some mining operations are very poorly managed and have caused significant harm to the surrounding environment and communities.

The company has requested a meeting with the Governor to meet and discuss his concerns about the potential impacts of our mining operation and to show him first-hand how OceanaGold operates. The Governor has not granted our request to date.

In a December 2020 letter to the President of the Philippines, the Governor of Nueva Vizcaya mentioned mining operations in the province may have contributed to flooding within the Cagayan Valley following Typhoon Ulysses in November 2020.

In November 2020, the Luzon region and the communities around the Didipio Mine faced four extreme weather events. On 1 November 2020, Super Typhoon Goni (locally known as Rolly) caused extensive damage across Luzon. The typhoon was followed by Tropical Storms Atsani (Siony) and Etau (Tonyo) that struck Luzon and Visayas from 5 to 8 November. Finally, Category-4 Typhoon Vamco (Ulysses) swept through central Luzon on 11 and 12 November. More information, including the impact of these extreme events is available in the United Nations [Humanitarian Needs and Priorities document](#), released on 26 November 2020.

The Didipio Mine did not contribute to any flooding in the Cagayan Valley following these extreme weather events. The mine prepared for the weather events by increasing the throughput of the water treatment plant to ensure water could be safely released and to draw down the level of the tailings storage facility (TSF). This created additional capacity in the TSF to store water from rainfall.

The Didipio TSF is constructed to meet the Philippine DENR Guidelines (MO99-32), the Australian ANCOLD guidelines (Cat High C) and the International ICOLD Guidelines (2011) and is operated to accommodate extreme weather events. At all times, the TSF is required to have a minimum storage capacity equivalent to one in a one-hundred-year flood inflows (1.5 million cubic meters) without requiring water to be released. Representatives of the provincial government of Nueva Vizcaya assessed the impacts of the November rainfall events at the mine site and concluded there was no overflow from the TSF.

Following these extreme weather events, the Didipio Mine supported local relief and recovery, including clearing and re-building community roads.

The Governor's letter also referenced other environmental impacts from mining. We have provided significant details around our environmental and community performance, including our progressive rehabilitation, regional reforestation, biodiversity, social and community development, education, and livelihood programs in a [response to the UN OHCHR](#) in April 2019 and on [our website](#).

Again, we appreciate the opportunity to respond to allegations made about our Didipio Mine in the Philippines and look forward to ongoing open dialogue about our performance and conduct.

**OCEANAGOLD CORPORATION**