PRESS RELEASE: CAMPAIGNERS URGE INVESTORS TO CALL TIME ON MINE TAILINGS DAM FAILURES

Faith groups and NGOs are urging mining giants such as Rio Tinto to comply with international mine tailings dam management standards in order to better protect communities from dam failures. They will lobby investors at today's Mining 2030 Investor Agenda & Global Tailings Summit, which is being held on the fourth anniversary of the Brumandinho tailings dam disaster, which killed 270 people.

Hosted by the Church of England Pensions Board and the Swedish Public Pension Funds, this year's meeting will focus on launching a Global Tailings Management Institute and promoting the Global Industry Standard on Tailings Management (GISTM). The event is a reminder that large mining companies are yet to make meaningful changes to mine tailings and dam management to improve the lives of downstream communities and protect ecosystems.

"Rio Tinto is not taking its responsibilities for the tailings dam at its QMM ilmenite mine in Madagascar seriously enough" says Yvonne Orengo of British charity the Andrew Lees Trust. "While Rio Tinto boasts its involvement in establishing the GISTM, its QMM mine does not currently adhere to the standard, despite multiple dam failures". In response to inquiries, Rio Tinto says that QMM will be in compliance with GISTM by August 2023.

The Rio Tinto/QMM mine in Madagascar has experienced **four reported dam failures since 2010**. Two of these <u>tailings dam failures</u> occurred in 2022 and were followed by the appearance of hundreds of dead fish in downstream lakes. A fishing ban was placed on local communities, exacerbating <u>years of hardship</u> due to the negative impacts of the mine on local water quality and the natural resources upon which they depend for survival. Months of conflict ensued and required intervention from security forces and the <u>Malagasy government</u>.

Questioned about the safety of its tailings dam at the QMM mine, the Chair of Rio Tinto Plc told the representative of Jesuit Missions, Colm Fahy, at last year's company AGM that there were "no tailings" and "no dam" at QMM.

However, QMM is obliged under its agreements with the Malagasy government to build a "berm" 30m wide and 4m high, in order to prevent water flowing from the mine basin into the surrounding environment. The QMM "berm" is therefore a mine tailings dam, even if the company insists on calling it by other names such as a berm, levee, barrier, embankment or retaining wall. It has the performance objective of a dam: to retain mine process wastewater in the mine basin. If it does not do that, it has failed.

<u>The conflict</u> following the dam failings and fish deaths highlighted concerns of local villagers living adjacent to the mine. <u>A total of 8778 villagers</u> submitted <u>complaints</u> after the fishing ban destroyed their livelihoods, compounding ten years of losses and health issues they attribute to water quality degradation caused by QMM's operations.

<u>Independent studies</u> of water quality around the mine commissioned by the <u>Andrew Lees Trust</u> have determined elevated levels of uranium and lead, 50 and 40 times respectively the WHO safe drinking water guidelines. These contaminants are concentrated during QMM's extraction process for the mineral ilmenite, by churning of the mineral sands, and are released into the environment through surface discharge and groundwater seepage. There is ongoing contestation about water quality around QMM's mine and the safety of the QMM dam.

"Rio Tinto's maneuverings to avoid the words "tailings," "dam," and "tailings storage facility" positions the company at odds with the GISTM, avoiding the <u>safety standards</u> urgently needed in Madagascar to protect communities and their livelihoods", says Orengo, "and by withholding or delaying the release of QMM water data and other relevant technical information when requested, the company is failing to meet GISTM goals of transparency."

Brendan McLaughlin of Earthworks, one of the organisations that produced <u>Safety First, Guidelines for Responsible Mine Tailings Management</u>, observes "it will be imperative that the new tailings management institute have the authority and capacity to hold mining companies accountable—particularly those that claim their commitment to the GISTM."

For further details and questions: - See <u>attached Briefing</u>: http://www.andrewleestrust.org/blog/wp-content/uploads/2023/01/Global-Taillings-Summit-BRIEFING-PAPER-interactive.pdf

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INVESTOR BRIEFING: GLOBAL TAILINGS SUMMIT 2023



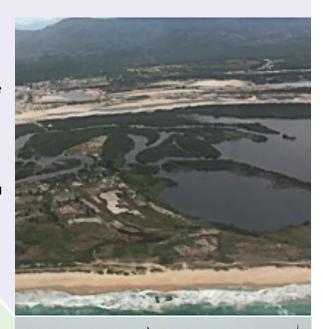


Case Study: Rio Tinto's QMM ilmenite mine in Madagascar

The Rio Tinto QMM mine in southern Madagascar is extracting ilmenite, which yields titanium dioxide used to produce ultra-white pigments for paints, papers, cosmetics, food and other products. Ilmenite sands in southern Madagascar contain other minerals including monazite and zircon, both of which contain the radionuclides uranium and thorium. Extraction began in Mandena in 2009 with a projected project lifespan of 40 years and the removal of 6000 hectares of indigenous littoral forest in one of the poorest and most environmentally sensitive areas of the island.

QMM is a company jointly owned by Rio Tinto (80%) and the Malagasy Government (20%). Rio Tinto is one of the largest mining companies in the world and boasts its involvement in setting the Global Industry Standard on Tailings Management (GISTM) and actively promoting it on a global scale – though QMM has yet to meet the standard.

Aerial view of the QMM mine circa 2018



Mine environs after uncontrolled water release, March 2022

Lake

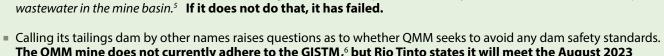
Mining Basin

When is a tailings dam not a tailings dam?

There have been four reported tailings dam failures at Rio Tinto's QMM mine: 2010, 2018, Feb 2022 and March 2022.

- The incidents in 2018 and 2022 received significant attention as a result of local people reporting the appearance of dead fish.¹ One additional incident was reported by the local community on 24th April 2022, but was denied by QMM.
- In response to questions at the company's 2022 AGM about the QMM dam failures in February and March of last year,² Rio Tinto's Chair asserted that there are "no tailings" and "no tailings dam" at the QMM mine.3
- In reality, what is left after QMM extracts ilmenite is reject sands. This is another way of saying "mine tailings".4 These are put back into the mine basin, thereby making the basin a Tailings Storage Facility (TSF) or Tailings Disposal Facility.
- Diagram of the QMM dam as approved by the national regu- Permissions granted by the Malagasy regulator require lator in QMM's environmental management plan 2014-18 QMM, under its Social and Environmental Management Plan (2014-2018), to build a "berm" 30m wide and 4m high, in order to prevent water flowing from the mine basin into the surrounding environment."
- The "berm" around the TSF is therefore a mine tailings dam, even if the company insist to call it by other names (i.e., berm, barrier, levee, embankment, retaining wall). It has the performance objective of a dam: to retain mine process
- The QMM mine does not currently adhere to the GISTM,6 but Rio Tinto states it will meet the August 2023

deadline.



Q: How will Rio Tinto effectively comply with GISTM if it does not call tailings/dams by their names?

¹ See http://www.andrewleestrust.org/blog/?p=2671

https://news.mongabay.com/2022/07/on-hazardous-mine-tailings-dams-safety-first-should-be-the-rule-commentary/

³ See Q& A reporting at: http://www.andrewleestrust.org/blog/?p=2309

⁴ Contrary to the Chair's assertion to Rio Tinto shareholders in April 2022, multiple Rio Tinto/QMM documents refer to "tailings" at QMM.

⁵ Rio Tinto confirms that the QMM "berm" has the performance objective of a dam, saying "Designating them as 'dams' as a semantic alternative to 'berms' does not fundamentally alter the expected function and associated risks with the structures." (Rio Tinto response 23 March 2019).

⁶ Rio Tinto claims it currently uses its own internal D3 and D5 standards.

Contamination of local waterways

- Through churning of mineral sands during extraction, QMM's mine generates radionuclide-enriched water containing the heavy metals uranium, lead, and thorium, which it releases through surface discharge and groundwater seepage.
- QMM water data, analysed in 2019 by radioactivity expert Dr Swanson,⁷ indicated high concentrations of uranium in the QMM mine basin, "creating an enhanced source of uranium" to local rivers and waterways when released.
- Uranium and lead have been detected in waters downstream of the QMM mine, 50 and 40 times respectively above WHO safe drinking water levels (Swanson 2019, Emerman 2019, 2020 and 2021).⁸ Uranium can affect kidneys and bones (Health Canada, 2019). Low levels of lead exposure can damage the nervous system, and are linked to learning disabilities, shorter statute impaired hearing and impaired formation/function of blood.



QMM's mine basin and tailings dam

- shorter stature, impaired hearing, and impaired formation/function of blood cells (<u>US EPA, 2019</u>).
- In 2019, hydrology and mining expert Dr Emerman calculated the annual probability of seepage from the QMM mine basin or overtopping of the dam in response to heavy rainfall and determined these to be "unacceptably high."
- Additionally, QMM breached an environmental buffer zone (2013-14) and by doing so constructed its mine basin (TSF) right onto the bed of Lake Besaroy, permanently exposing the local estuary to mine tailings and their contaminants.
 - **Q:** What mitigation and prevention steps were taken at QMM between 2010 and 2022 to address tailings and dam safety issues, such as could have prevented the 2022 February and March failures and conflicts?
 - Q: When will Rio Tinto release the external evaluation report about the QMM dam failures in Feb/March 2022?

Impacts on people

- Villagers collect drinking water and fish for food and livelihoods from the lakes around the QMM mine at Mandena.
- Following the February and March tailings dam failures at QMM in 2022, hundreds of dead fish appeared. A fishing ban and months of conflict and protests ensued.¹⁰
- A total of 8778 affected villagers submitted complaints after the fishing ban destroyed their livelihoods, compounding ten years of losses and health issues that they attribute to water quality degradation caused by QMM operations.¹¹
- Latest reports from the ground suggest that the proposed compensation for 5400 of these complainants does not adequately reflect the real value of the decade-long losses experienced by villagers.¹²
- Villagers have no independent arbitration, legal counsel nor professional accompaniment for these negotiations. The majority of rural villagers are non-literate, with little understanding of Rio Tinto/QMM's international standards and commitments or their national level obligations. Most are excluded from decision making.



Inspection of dead fish after the tailings dam failure in March 2022

- **Q:** What mechanisms and funding will be put in place to provide for failure in March 2022 legal and other independent representation and support to communities affected by tailings dam failures in order to ensure their rights and entitlements are met during negotiations with mining companies, including negotiations for compensation and remedy?
- **Q:** What GTMI commitments will establish seats at the table for communities, women, and civil society organisations to ensure a fair representation of interests?

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⁷ http://www.andrewleestrust.org/blog/wp-content/uploads/2019/11/Swanson-Uranium-in-Water-MEMO-Aug-2019-for-ALT-UK-.pdf.

⁸ All studies available at: http://www.andrewleestrust.org/studies_and_reports.html

⁹ During discussions in February 2022, QMM promised to share this report in line with transparency commitments.

¹⁰ http://www.andrewleestrust.org/blog/?p=2763

¹¹ Publish What You Pay 2022, Large-scale mining's impacts: A case study of Rio Tinto's QMM Mine https://pwyp.mg/en/publications/

¹² http://www.andrewleestrust.org/blog/?p=3074