

THE GOSSAN

A VOISEY'S BAY NICKEL COMPANY PUBLICATION

November 2004

ISSUE 06

WHAT'S A GOSSAN?

A gossan is a rust-coloured outcrop that can indicate sulphide deposits buried beneath the earth's surface. In 1993, prospectors exploring northern Labrador for diamonds spotted a gossan atop a hill near Voisey's Bay. Subsequent exploration revealed a number of nickel-bearing ore bodies in the area, ore bodies that are the foundation of the Voisey's Bay project. ▼

IN THIS ISSUE

Last Campaign Finished at Mini-Pilot Plant	1
Another Successful Opportunity Argentinia Conference	2
Operations Team Tours Labrador	2
Appointment Notice	3
Human Resources Planning for Operations	3
VBNC Focuses on Women's Employment	3
Hats Off!	3
VBNC Releases 2003 Social Responsibility and Environmental Progress Reports	4
Photo Gallery	4

CONTACT US AT:

Public Affairs
Tel: 709-758-8888
Fax: 709-758-8833
E-mail: voiseysbayinfo@inco.com

MANAGING DIRECTOR'S MESSAGE

I am pleased to have this opportunity to update our stakeholders on the development of the Voisey's Bay project.

After a very busy Fall I am happy to report that the development of the overall project is more than 67% complete. All engineering is complete, all required permits are in place and all purchase orders and contracts have been placed.

More importantly we have had good environmental compliance and a good safety record throughout the year. With a peak construction workforce throughout the Fall our lost time injury frequency rate of 0.4 continues to trend well below the construction industry average in Newfoundland and Labrador.

I would like to commend everyone working in support of the project for the good quality of work being maintained. We are making great progress thanks to the hard work of over 1,900 people who are employed on various components of the project.

Our focus right now is ensuring that necessary equipment and supplies arrive at the construction site in Labrador so we can remain productive throughout the winter. We are at a critical point right now as the civil construction program winds down and the installation of the mechanical, piping, instrumentation and electrical controls systems begins at the mine and concentrator and at the hydromet demonstration plant. The continued support of our contractors, employees and other stakeholders will be critical to ensure the project moves forward as planned and we begin the transition from the construction phase of the project to operations. ▼

Phil du Toit

LAST CAMPAIGN FINISHED AT MINI-PILOT PLANT

Inco Technical Services Limited (ITSL) completed its final mini-pilot plant campaign on October 1st, marking an important milestone in Inco's hydromet research and development program. The final campaign was the ninth in a series of campaigns that began in October 2003 to test the hydrometallurgical processing technology for Voisey's Bay concentrate.

The objectives of the mini-pilot plant campaigns were to develop and demonstrate the process flowsheet, demonstrate the production of stable residues, identify potential industrial hygiene problems and obtain design parameters for the construction of the demonstration plant at Argentinia. The team also focused on proving the quality of the products they produced.

Peter Kondos, Manager of Mini-plant Operations, says in addition to the objectives listed above, the mini-plant team looked closely at the environmental side of the hydromet process. "We've been working

hard to identify and characterize the effluents, residues, solids and solutions coming out of the process, so we have a complete environmental program in place."

Although the integrated campaigns are now complete there is more work ahead for the mini-plant team, many of whom are from Newfoundland and Labrador. They will complete additional work with Voisey's Bay concentrate until the end of this year and then they will begin working on a matte refining process as well as operating procedures for the demonstration plant at Argentinia.

The mini-pilot plant will continue to serve as a training ground for operators of the hydromet demonstration plant. In 2003 VBNC began providing work term placements to students of the College of the North Atlantic and Memorial University and

Continued on page 2

ANOTHER SUCCESSFUL OPPORTUNITY ARGENTIA CONFERENCE

Representatives from VBNC were in the Placentia area earlier this fall to take part in the Opportunity Argentia Conference. VBNC's booth at the tradeshow attracted interest from local residents and business owners, who asked questions about the construction of the hydromet demonstration plant and the opportunities available for local residents. VBNC's Managing Director Phil du Toit was the keynote speaker at the conference's Gala Banquet and presentations were made to conference participants by Joe Shirley, Wayne Scott, Brenda Brown and Leslie Joy. ▼



Joe Shirley, VBNC's Project Director, assists in the ribbon cutting at the Opportunity Argentia Conference (left to right: Tom Ormsby, representing Avalon MP John Efford, conference chairman Kevin Power, MHA Fabian Manning, provincial Industry, Trade and Rural Development Minister Kathy Dunderdale, deputy mayor Fred Whelan, Joe Shirley and Doug Trask from ACOA.)

OPERATIONS TEAM TOURS LABRADOR

The operations team for VBNC's mine and concentrator recently visited a number of communities in Labrador. The purpose of the trip was to familiarize the operations team with the area and introduce them to local stakeholders.

"This trip was very valuable to us since we had the opportunity to meet people in Labrador with whom we will be associated when our operations start," says

Bob Cooper, General Manager of the Mine and Concentrator. "We were treated very well on all parts of our visit and I would like to thank each of the communities for being so hospitable."

The tour included stops in the communities of Happy Valley-Goose Bay, Labrador City, Sheshatshui, North West River, Nain and Wabush. ▼



The operations team during their visit to Nain.

LAST CAMPAIGN FINISHED AT MINI-PILOT PLANT

Continued from page 1



Nadine Newman is a College of the North Atlantic co-op student on a work term at the mini-pilot plant. Nadine is originally from Conception Bay South, NL.

hiring graduates to support the mini-plant and to provide experience that is transferable to the demonstration plant at Argentia.

In terms of the demonstration plant, Operations Manager Don Stevens says "There is still a lot of work ahead. We've proven the chemistry, but we still have to prove the operation of commercial type reactors, commercial style equipment and the long-term effects of a process that operates on a continuous basis over months rather than days. We are off to a good start and we are going to leverage everything we've learned at the mini-pilot plant to help ensure the success of the demo plant."

Operation of the demonstration plant is expected to begin in November 2005 to coincide with the first shipment of concentrate from Voisey's Bay. ▼

APPOINTMENT NOTICE



Managing Director Phil du Toit recently announced the appointment of Heather White as Mine Manager. Heather's responsibilities will include overall accountability of Mine Engineering and Geology, Mobile Equipment Maintenance and Mine Operations. She will provide overall direction to the Mine Department and is an integral member of the Voisey's Bay management team.

Heather has worked with Inco Limited at several operating sites in roles including Surveyor, Beat Geologist, Rock Mechanics Technician, Mine Planner, Internal Auditor, Mines Technical Specialist, Quality Assurance Superintendent and most recently as the Chief Mine Engineer with VBNC.

Heather completed her formal education at Queen's University, graduate Mine Engineer, P.Eng. ▼

HATS OFF!



Valedictorian Ivy Pijogge and her mother, Marie Angela Pijogge.

HUMAN RESOURCES PLANNING FOR OPERATIONS

The Human Resources (HR) team is getting ready to hire VBNC's operational workforce. A detailed process has been put in place to identify potential candidates for both the mine and concentrator site and the hydromet demonstration plant at Argentia.

For the mine and concentrator the HR team will engage VBNC's Aboriginal employment coordinators and the Labrador and Aboriginal Affairs team to look for potential employees. HR will also be working closely with the Labrador Inuit Association and Innu Nation in the process. VBNC will also use the Labrador Skills Inventory, a database of resumes of residents of Labrador, as well as VBNC's master database that includes any resume VBNC has

ever received. The master database contains over 20,000 resumes.

"We will support the recruitment effort by advertising all positions on our website and in local newspapers to ensure that the public is aware of all opportunities that are available," says Wayne Scott, VBNC's Manager of Human Resources. "We will be focused on our recruitment efforts in November and December of this year and continue into the first quarter of next year with the goal of having almost all of our operational workforce recruited by the second quarter of 2005."

VBNC will also begin recruiting key members of the hydromet demonstration plant team by end of

Continued on page 4

... to the newest graduates of the Heavy Equipment Operator training program in Natuashish. There were five graduates of the program including three women.

In her valedictory speech Ivy Pijogge, one of the graduates, spoke of how proud she is to be a graduate of the program. "Ever since I dropped out of high school I never thought in my life I would ever graduate from anything. I know now - anything is possible. If you want to do something go for it! Don't ever let anyone say you can't," she said. Ivy's mother, Angela Pijogge, was also a graduate of the program. The other graduates were Gordie Collins, Charles Pasteen and Veronica Voisey.

"The community is very proud to have these students complete this training here, in our home and on behalf of Innu Nation I want to thank Voisey's Bay Nickel Company for their help in delivering this training," said Damien Benuen, Vice-President of Innu Nation. ▼

VBNC FOCUSES ON WOMEN'S EMPLOYMENT

VBNC is committed to working with governments, educational institutions, women's organizations and industry associations to advance gender diversity in the workplace and to encourage women to pursue careers in non-traditional occupations, particularly in the Canadian mining industry.

As part of our human resources planning efforts, VBNC will implement a variety of innovative

initiatives aimed at increasing the participation of women on the Voisey's Bay project.

"We will partner and link in with a number of women's organizations to help get the word out about the opportunities that are out there, deliver job information workshops, create a workplace that is respectful of both genders and all cultures, build a women's mentoring network, offer

a women's scholarship program and have women representation on all committees," says Wayne Scott, VBNC's Manager of Human Resources.

"We want to see women participating in all aspects of the company. We will be working hard on our women's employment initiatives as we get ready for operations with the goal of achieving our women's employment targets," says Scott. ▼

HUMAN RESOURCES PLANNING FOR OPERATIONS

Continued from page 3

this year. "We will use a phased approach in hiring for the demonstration plant with most of the recruitment taking place in the second and third quarter of 2005. Some new employees will be placed at other Inco operations, like the mini-pilot plant at Sheridan Park or Inco's Port Colborne facility to familiarize them with processing," says Scott.

The recruitment effort is only one of the initiatives VBNC is pursuing to prepare for operations. VBNC has been using Inco's mini-pilot plant at Sheridan Park as a training ground for potential employees of the demonstration plant, including co-op students from College of the North Atlantic and Memorial University as well as contractual employees, who now have experience working on the actual hydromet process. Scholarships have also been put in place in the engineering technology and medical laboratory sciences programs at College of the North Atlantic.

VBNC has also been holding job information workshops, attending career fairs, and developing supporting material to increase awareness of the type of positions that will be needed when the project moves into operations. One group that VBNC has been specifically targeting is women.

"The reality is women are under-represented in the mining industry. You'll see women working in the more traditional positions, such as office-type environments but they are considerably under-represented on the mine operations/processing side," says Scott. "We have created a series of women's employment initiatives in recognition of the fact that women make up over 50 percent of the population today and we want to see the number of women working with VBNC in non-traditional occupations increase." (See sidebar, bottom of page 3)

Scott says VBNC is not anticipating any major problems with recruiting the operations teams for Labrador and for the demonstration plant. The strong partnerships VBNC has forged with stakeholders such as Aboriginal partners and government have played a major part in the success of the training programs and other recruitment efforts thus far. ▼

VBNC RELEASES 2003 SOCIAL RESPONSIBILITY AND ENVIRONMENTAL PROGRESS REPORTS

This Fall, VBNC took another step forward in remaining open and accountable to stakeholders with the release of its 2003 Social Responsibility Report. The report will be produced annually to keep stakeholders informed on the progress we are making in developing the Voisey's Bay project.

"We have developed a system of reporting to all levels of government, Aboriginal leadership and residents of Newfoundland and Labrador to keep our partners informed. This process has been successful in ensuring two-way communication with our stakeholders which invariably results in strengthening our relationships," says Phil du Toit, VBNC's Managing Director. "The Social Responsibility Report is another initiative that will contribute to the openness and accountability of our organization."

The 2003 Social Responsibility Report outlines VBNC's investments in training programs and community-based initiatives, expenditures made in the province in 2003, as well as procurement and

employment information.

VBNC also recently released its 2003 Environmental Progress Report. The Environmental Progress Report outlines VBNC's approach to environmental management and monitoring for 2003.



The 2003 Social Responsibility Report and the 2003 Environmental Progress Report can both be accessed on our website at www.vbnc.com. ▼

PHOTO GALLERY



Above: View of the mine and concentrator site looking Northwest.



Top Right: A barge is being loaded with pre-fabricated panels produced at Metal World in Argentina. The panels will be used for the concentrate storage facility currently under construction at the port site at Edward's Cove in Labrador.



Right: Construction continues at the Inco Innovation Centre at Memorial University. (photo courtesy of MUN Photographic Services)

Visit www.vbnc.com to see more photos.