



Mines Accident Prevention Association of Manitoba (MAPAM)

FORTY-SEVENTH ANNUAL REPORT



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Purpose

In 1962 the **Mines Accident Prevention Association of Manitoba** (MAPAM) was founded to meet the rising need to provide safety and consulting services to a rapidly expanding mining industry. The Association was incorporated as a not for profit organization with a mandate to promote and carry on the work of accident prevention and workers compensation management for its members.

MAPAM is wholly funded by its members who are assessed semi-annually on the basis of the average number of workers for the six months immediately preceding the assessment period.

Over the past 47 years, MAPAM has been serving the interests of the members of the mining industry, MAPAM's focus has not changed significantly from its original mandate.

MISSION STATEMENT

"AS LEADERS IN THE FIELD OF MINING
HEALTH AND SAFETY, WE WILL WORK TO
CONTINUOUSLY IMPROVE AND IMPLEMENT
LEADING EDGE ACCIDENT PREVENTION
ACTIONS/PROGRAMS WHILE INTERFACING TO
POSITIVELY IMPACT LEGISLATION/
REGULATIONS".

ASSOCIATION EXECUTIVE AND STAFF

President

(January 1 – October 7th, 2008)

David Crockett

Edward J. Huebert

Secretary/Treasurer

Pamela A. Marsden

Director of Communications

President

(October 7th – December 31, 2008)

Denis G. Beaudoin

Barrie D. Simoneau

Director of Risk Management

BOARD OF DIRECTORS & MEMBERS Mining Sector

lan J. Cooper (Vice President effective October 7th, 2008) Hudson Bay Mining & Smelting Co. Limited - Flin Flon and Snow Lake

Gregory W. Kuzyk

Atomic Energy of Canada Ltd. (URL)

David Crockett & Kirk Regular

Vale Inco - Thompson Operation

Colleen Bugslag

Tantalum Mining Corporation of Canada Limited

John Lockhart

San Gold Corporation

Sirahuen Maldonado

Graymont Western Canada Inc.

Phillip Klyne

Crowflight Minerals Inc.

Mine Contractor Sector

Denis G. Beaudoin

Cementation Canada Incorporated

Silvio E. Bertrand

Alex MacIntyre & Associates Limited

Ron A. Dion

J.S. Redpath Limited

Rick Guillemette

Dumas Contracting Limited

Diamond Drilling Sector

Graham Ennis

Major Drilling Group International Incorporated

Rod Cyr Rodren Drilling Limited

Bill Krasnozon

Boart Longyear Incorporated



Mines Accident Prevention Association of Manitoba

2008 ANNUAL REPORT

On behalf of the Directors, and in cooperation with Barrie Simoneau, Director of Risk Management, Edward Huebert, Secretary Treasurer and Pam Marsden, Director of Communications, I am pleased to submit the 47th Annual Report of the Mines Accident Prevention Association of Manitoba (MAPAM).

I would like to thank David Crockett for serving as President of MAPAM until his departure to Vale Inco's Indonesian project on October 7th, 2008. We wish David well in his endeavors and hope to see him again in the near future

It is also my pleasure to welcome back Edward Huebert as Secretary Treasurer for MAPAM and Executive Vice President for the Mining Association of Manitoba Inc. (MAMI). Ed re-joined us in March 2008, after a five-year absence. During his absence, he worked with the Yukon Government as Deputy Minister of the Environment and with DeBeers in the Northwest Territories as Manager of Environment, NWT projects. Also joining our team in October, 2008 was Pam Marsden who will utilize her Master of Arts degree in Communications to enhance the profile of both MAPAM & MAMI. I am proud to be a part of MAPAM and would like to take this opportunity to thank Pam, Ed and Barrie for providing the leadership and professional guidance necessary to manage the many safety and health challenges of a constantly evolving work environment.

On a matter of governance, the MAPAM Board of Directors' approved a change to the membership structure. Effective January 1, 2009, any mine operator, mine contractor or diamond drill company who exceeds the minimum membership fee requirements as determined by MAPAM's Board of Directors and who is in good standing, will be granted full voting status, and a certificate of membership.

2008 was an interesting year, the first three quarters experienced substantial growth in mining activity and employment opportunities; however the last quarter was significantly affected by a downturn in the economy and the threat of an impending recession. In 2008, the number of people working in the Manitoba mining industry increased marginally from 4,128 in 2007 to 4,299.

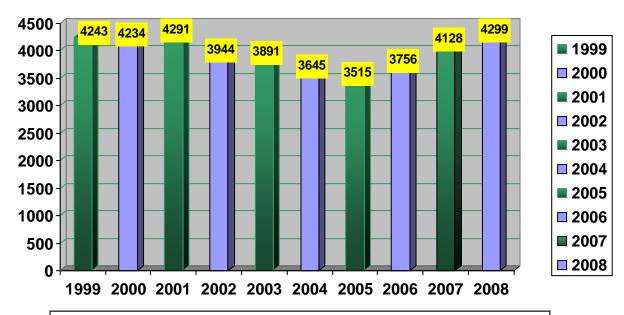
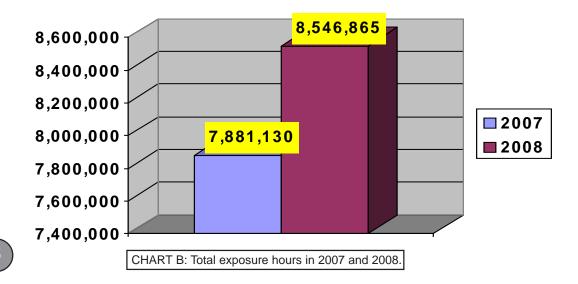
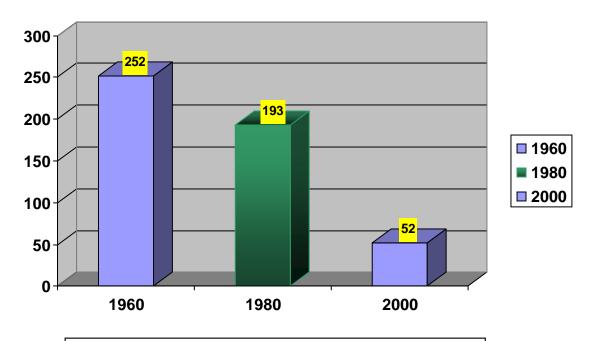


CHART A: 10 year comparison of number of people working in Manitoba mining industry.

The total exposure hours recorded in our industry in 2007 was 7,881,130; in 2008, it increased to 8,546,865, a 10% gain. On a point of interest, the average cost of Workers Compensation Board coverage in 2008 per exposure hour was seventy-six cents (.76).



The mining industry frequency rate improved significantly fom1.98 to 1.54, unfortunately the severity rate has moved upward again from, moving from 39.4 at the end of 2007 to 58.1 in 2008. Severity is the cost driver of worker's compensation rates and is influenced by the seriousness of a workplace injury. In recent years, it has become more apparent that in spite of careful claims management, the healthcare system is a major impediment to reduce the amount or time workers are away from their jobs due to injury. There is a positive aspect to the injury statistics, the Manitoba mining industry has completed eight (8) continuous years without a workplace fatality. This is a monumental achievement that truly reflects the industry's commitment to providing safe and healthy workplaces.

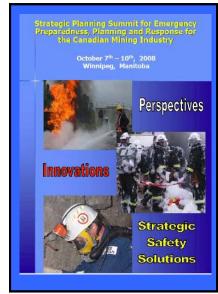


In 2008, MAPAM met all obligations to provide training, auditing and advisory services for the membership. In addition to these issues, MAPAM continues to be involved in national/international matters and provides assistance to resolve safety related challenges. MAPAM maintains close working relationships with the Canadian Society of Safety Engineering (CSSE), the Mines and Aggregate Safety and Health Association of Ontario (MASHA), Mining Association of Canada (MAC), Natural Resources Canada (NRCAN – CANMET), Canadian Institute of Mining, Metallurgy & Petroleum (CIM), the Association of Chief Inspectors of Mines, John T. Ryan Awards, Western Region Mine Rescue Organization and other associations and agencies.

CHART C: Depicts Severity rate in three decade comparisons

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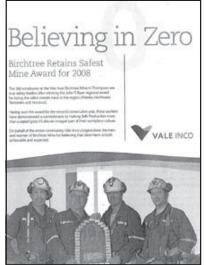
One of the highlights of 2008 was the *Emergency Preparedness, Planning and Response Summit* which was hosted by MAPAM, in Winnipeg, Manitoba. The summit featured 36 speakers and 115 registrants. The summit was viewed by all as a huge success and organizers were encouraged to ensure these events occur at least biannually. In 2010, the site for the Summit will be Saskatoon, Saskatchewan. Canada's Chief Inspectors of Mines, continue to support Barrie Simoneau as chair of the summit and special advisor to them on matters related to emergency planning, preparedness and response. In addition, the Chief Inspectors of Mines have endorsed Mr.



2008 Summit Handbook

Simoneau as the Canadian representative on national and international matters.

The Standing Sub-Committee (of the Advisory Council) met throughout 2008 to discuss proposed changes to the Operation of Mines Regulation – 228/94. Special thanks to the mine contractors who were instrumental in providing practical guidance on safe work procedures around shafts, shaft conveyances, raise climbers and related work activities. The committee has made great progress and MAPAM acknowledges and appreciates the dedicated work of its members, Ian Cooper, Stu Waring, David Crockett, Tom Lindsey, Wayne Levac, Tom Hilliard, Bill Spelliscy and Ted Hewitt.



Barrie Simoneau and Bill Comaskey continue to work with the John T. Ryan Awards Committee. Congratulations to Vale Inco's Copper Cliff Mine in Ontario for winning a National award and to the Birchtree Mine in Manitoba for capturing a Regional award.

Congratulations

VALE INCO

"Safest mine in Canada" Awarded to Birchtree Mine—Thompson, Manitoba.



Diamond Drill in northern Manitoba

Courtesy Rodren Drilling

MAPAM continues to be an active supporter of the Western Safety Group of the Canadian Diamond Drill Association and also maintains close working relationships with the Workplace Safety and Health Division and the Workers Compensation Board of Manitoba. Mr. Simoneau's work as a part-time Appeal Commissioner for the Workers Compensation Board of Manitoba is ongoing. MAPAM was also active with both the Employers Task Force on Safety and Compensation (ETF) and the Manitoba Employer's Council (MEC).

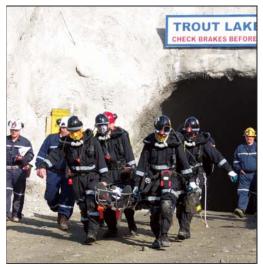
In 2008, many certificates, and awards were distributed among the mine safety sector, e.g., fifty (50) people received basic mine rescue training, six (6) graduated to standard, and eight (8) were approved for advanced certification. In addition, Mike Chandler, TANCO was certified as a Mine Rescue Instructor in the Province of Manitoba. Also, nineteen (19) mine rescue people attended the Haskel Oxygen Gas Booster Pump training course and received certificates of participation.

Mine rescue service awards, ranging from 5 to 30 years were presented to deserving recipients as well as Emergency Response Seals to those who were required to respond to a mine emergency. Manitoba's mine rescue personnel are to be congratulated for the time and effort given to the safeguarding of our miners.



Welcome to Trout Lake Mine, Flin Flon, Manitoba.

The 2008 Provincial Mine Rescue Competition was hosted by Hudson Bay Mining and Smelting Co. Ltd. at the Trout Lake Mine, Flin Flon, Manitoba. On the first day of the competition, mine rescue teams were challenged to a fire fighting exercise, technician competition and competency based examination. The following day they had to deal with a simulated first aid problem in the tire shop and had to contend with a fire deep in Trout



HBMS Flin Flon team completing first aid scenerio.

Lake Mine. Teams entered a smoke filled mine, without their traditional supplies and were required to carry with them, a communication/guideline to link them with their Director of Operations. Teams were asked to sample behind a bulkhead, look for a lost set of keys and deal with an injured team member. Problems encountered in this year's competition proved to be a strong reminder that mine rescue teams must always be keenly aware of the hazards associated with emergency response work. Overall, the teams enjoyed the emergency response exercise and performed exceptionally well.

Emerging victorious from the mine was Atomic Energy of Canada's, Underground Research Laboratory team from Pinawa, Manitoba. The winner of the Technician's Competition was Kim Hayes from Vale Inco -Thompson, Manitoba. Special thanks to the Manitoba Department of Labour and Immigration, the Manitoba Department of Science, Technology, Energy and Mines, the many volunteers and judges, safety supply companies, participants, and all of the family and friends of the mine rescue



Team "AECL URL- Pinawa" 2008 Mine Rescue winning recipients!

team members who attended and supported the competition.

The year 2008 proved to be a busy and challenging year. The Association's straightforward and practical approach to dealing with issues related to health, safety, risk management workers compensation, emergency preparedness and response are viewed positively, by our peers, government and the business community. We should be proud that our leadership role is making a significant contribution to improve safety and health in the mining, contracting and diamond drilling sectors.

I sincerely thank all of you for your support during my short term as interim President and I look forward to working with the Association staff and the MAPAM membership for the next two years to ensure continuous safety improvement remains our primary objective.