



Anvil Range

MINING CORPORATION

(Interim Receivership)

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Safety Needs Analysis Report

(Revised)

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EXECUTIVE SUMMARY

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This Report is written with the use of the previous Analysis Reports to confirm that specific deficiencies were for the most part, never achieved.

The purpose of the assessment was to:

1. Examine the Safety Management System.
2. Determine issues of importance.
3. Provide recommendations on current issues.
4. Enhancement of issues toward the Safety Program.

The assessment identified several deficiencies in the way the Safety Process was managed. To bring an end to those deficiencies, there were a total of forty-two recommendations in seven specific categories. The suggested areas were in **needs** to ensure compliance to Due Diligence. These are:

- Managing Hazardous Conditions.
- Training and ensuring the competence of employees and contractors.
- Inspection and Investigation of Incidents.

Secondary Priorities focussed on improving the Joint Occupational Health & Safety Committee, Supervisors and workers.

The strength of the Safety Program will be founded on the desire for continuous improvement on behalf of Senior Management, along with the objective of eliminating exposure to personal injury and equipment damage.

INTRODUCTION

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It was recognized that we would determine what is further required to establish Safety Programs and Work Place Operating Procedures. The Task will be to determine causes of frequent accidents and to further determine general safety needs. Safety Programs will be tailored to our current seasonal operating requirements to include but not limited to:

- Mobile equipment operator procedures.
- Stationary equipment operator procedures.
- Safety rules and Government regulations.
- O H & S, WHMIS and MSDS training.

SAFETY PROGRAM

The Safety Program will consist of policies, procedures, rules and activities that work together in unison. The program will establish **Guiding Principles** and **Ethics** within the company. The corporate structure, policies, rules, procedures and activities have to be mutually supportive toward each other.

SAFETY MANUAL

The Safety Manual is the formal documentation of policies, procedures, rules and activities that will go towards initiating the program. The manual will contain a sequence of events; outline the responsibilities, the standards and method of measurement. In addition the manual will provide forms, checklists and other instruments to facilitate application of the program within the body of the organization.

OBJECTIVES

- Establishment of practices for safety management.
- Resolve issues, perspectives and adequacy of the Safety Program.
- Provide observations and recommendations for the development of a practical Safety Program, to ultimately eliminate injury, exposure to injury and damage caused through occurrences and incidents.

ACTIVITIES

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- Meet with managers, supervisors and safety representatives as a team to review a plan of action, to ascertain individual perspectives, viewpoints, objectives and interests.
- Tour all treatment plant facilities, inspect the mechanical shop, welding shop, electrical shop, warehouse, yards and mill.
- Review Incident Reports.
- Establish an Employee Indoctrination Program.
- Establish a Joint Occupational Health and Safety Committee.
- Investigate a Safety Award Program.

OBSERVATIONS

Safety Management

1. The Corporate Safety Policy has to express the **will** of the company. The policy has to set the tone, provide energy and commitment on the part of management:
 - Write a new Corporate Safety Policy, post at all work sites, include it in Safety Manuals and apply it to the orientation for employees.
2. Clarify the confusion about safety responsibilities. Managers, supervisors are unsure of just how much they have to do, or to do safely. Outline sequences to be followed from managers, down to supervisors and the employee.
 - Review Due Diligence and share information with supervisors.
 - Spell out safety responsibilities with each person starting with managers, supervisors, through workers and the joint occupational health and safety committee.
 - Responsibilities will be key in the performance evaluation of all personal.
3. Communications on safety issues is too originated, creating the impression of *ownership*. All action items on safety should be published under the signature of the manager or the OH&S Committee.
 - All informational items should be published through the OH&S Committee.

4. Develop a Personal Evaluation System. To include everyone:
 - The Safety Performance of shift teams (crews) will impact the performance evaluation of supervisors and managers.
 - Training is required for supervisors to enable proper evaluation of performance with hourly paid workers.
 - Evaluate Contractors at regular intervals, whose performance exposes significant risks to Anvil Range Mining Corporation.

HAZARD MANAGEMENT ISSUES

1. The Inspection Program overall, impacts what will be improved on, by severely reducing unpredictable response to deficiencies and focusing on the lack of training:
 - Checklist Training of persons involved in formal inspections.
 - Examine and upgrade the quality of existing checklists.
 - Develop checklists for equipment and for physical locations where there are none.
 - Develop a system of acknowledgement with follow up needs to be implemented that will take care of deficiencies in order of priority.
2. Equipment operators are not following pre-start checklist procedure. This action is allows for the usual nonevent complaints, allowing more serious complaints to repeatedly reappear. Many operators feel reporting problems on equipment repair slips are a joke. Verbal reporting either gets lost or forgotten about, or misinterpreted.
 - Create a form for operators to fill out each day. The supervisor can then screen these forms each day and prioritize items to be repaired.
3. Very few hazards are reported. It can only be explained a **Hazard Blindness** or complacency.
 - Review the responsibility to report hazardous conditions with employees. This would make a good safety meeting topic.
 -
 - Use the safety meeting format, provide training to all employees on **How to Recognize a Hazard**.
 -
 - Provide **Eyesight Training** for supervisors and members of the OH&S committee.

4. Near miss reporting requires similar review as hazards reporting:

- Award Programs and Training pay special attention to Near Miss Reporting.

Safety Rules and Work Procedures

1. There are **Critical Jobs** in every area of the operations. This includes water treatment plants, equipment operation, maintenance and electrical shops, warehousing and transport. **Critical** in this sense means, jobs that could kill or maim people, or cause serious losses:

- Generate a Critical Job List for every area of the operations. For each Critical Job, have a procedure in place.
- Review existing procedures and have individuals working specific areas draft a plan of action.
- New procedures should be tested by means of job observation exercises.
- Training in Procedure Writing should be made available for supervisors and the OH&S committee.

2. Examine rules controlling Personal Protective Equipment (P.P.E.). Disregard for hearing and respiratory protection is universal throughout the water treatment plants and while operating equipment:

- Supervisors enforce all P.P.E. and hygiene rules, with zero tolerance.

3. Become self sufficient in dealing with emergencies. Create an emergency plan and response teams to react:

- Ensure response teams are competent to execute their tasks.
- Provide periodic **Drills** to simulate emergency conditions.

4. Create an Emergency Response Plan (ERP) to include setting up and operating an Emergency Command Centre. This is a must to accommodate outsiders who "descend" on you. In order for supervisors and managers to stay in control of the management of your emergencies, provisions need to be made now:

- The lunch room at Faro Security can be equipped to accommodate managers, supervisors, regulators and media representatives, should there be an emergency.

1. Training and Competence is a significant part of Due Diligence. The company is responsible for ensuring that everyone is aware of the specific hazards of their workplace and they are competent in performing their jobs:
 - For every item covered in New Worker Orientation, write a brief text to ensure continuity of quality for each session, or for the orientation program.
 - On-The-Job Trainers should document and retain the records of the On-The-Job Training and testing of every operator.
 - As qualified workers are hired for areas such as the mechanical shops, or water treatment, the competence of the new worker should be tested to verify their ability to cope with their new position.
2. Review the current training system, which comprises of:
 - Orientation.
 - Some On-The-Job Training (OHT).
 - Progression from mines to utility operator.
 - Limited number of apprenticeships.

These alone may not assure competence because there is no formal testing or examining of skills:

- Develop a Skill Profile for each of the major job categories, identify the skills needed to perform each of the major tasks within the categories, and develop On-the-Job Training Plans, focussing on the required skills. This will allow for prioritization of the learning process.
1. There are currently no training systems for supervisors in place, to become competent in all their tasks. This also relates to an OH&S committee.
 - Identify with a priority list, skills and training to secure people for those positions.

2. Suggested prioritized training for the above:

- 1. Investigating events.
- 2. Inspecting facilities and equipment.
- 3. Managing Safety Meetings.
- 4. How to teach a job (coaching).
- 5. Job Observation/Hazard Awareness.
- 6. Performance evaluation.
- 7. Developing procedures.
- 8. Safety basics.
- 9. Disciplining workers.
- 10. Problem Solving.
- 11. Risk Management.

General Communication

1. The OH&S committee will have to be shown their full potential. Individual members once appointed, will have to be trained in their role to relieve any uncertainty or skepticism of the manager's intent. Create the opportunity to focus the committee in the right direction.
- Training in Essential Skills (listed separately), be provided to the committee.
 - Involve the committee in important events such as the launching of programs (awards), investigations, inspections and communications.
 - Individual members of the OH&S committee should become agents of change, by personal involvement with their constituents, coaching and advocating quality work, reporting Hazards and Near Misses.
 - Devise a way for the OH&S committee council to get involved in a new Award Program (perhaps a special award from the committee for the most significant hazard reported). Have it adjudicated at the monthly meeting of the committee.

2. Create a system for communication, which is recognized by everyone as to their origination, (i.e.):
 - Safety Grams - Safety and Security
 - Minutes of Meetings - OH&S & Safety Council
 - Newsletters and Bulletins - Managers
3. Improve the value and quality of safety meetings, now being marginal at best. Some workers feel that they are being “told”, others feel that they are being “preached” at. The general feelings are a necessary evil! Make the Safety Meetings a useful, value added event:
 - Safety Meetings should be restructured to provide:
 - Updates on current events.
 - Recognition.
 - News from the OH&S committee.
 - Special topics, seasonal or tasks orientated.
 - Sharing accountability with workers, starting with OH&S committee members.
4. With the crews still altogether at the start of each shift, create time after some is utilized for the Assignments of job, etc.:
 - The AM meeting is referred to as a “Pre-Job” meeting for the shift, focussing on:
 - Job Assignment.
 - Equipment care and condition.
 - Job Site Conditions.
 - Special Hazards or Events from the previous shifts.

1. The quality of the current Incident Investigations Report varies widely, indicating different levels of skills and interest. Focus on, "**Finding the Most Likely Cause**", so that corrective actions can be truly preventive actions:
 - Investigate Skills Training, to be made available to supervisors, and the OH&S committee.
2. Incident Report Forms, investigate to be assured that are user friendly, to help the investigator.
3. There is the need for a procedure on:
 - a) what needs to be reported.
 - b) how to report it.
 - c) what needs to be investigated.
 - d) who gets involved, with different events of the investigation.

This has to be an integral part of the program as it develops:

- Procedures on reporting, investigating and follow up to be an integral part of the program. There should be a designated accountability for positions, as appropriate.

General Issues

1. Housekeeping is our "# 1" Black Eye. Even though improvements are constant, areas such as the mechanical shop have to be addressed. The main problem is that the welding shop, mechanical equipment repair shop and lubrication bay are all jammed into one big room, plus it is being used to store wooden building material.
 - Remnants of dismantled mining equipment throughout the property is still an issue with purchasers of the same, stripping useful items for resale and never returning to clean up the remainder of the salvage.
 - Restock any spare parts, in a warehouse facility. Sort out the existing warehouse, or relocate to another location to allow for power to light up the storage area.
 - To free up valuable floor space, place additional shelving in the shop. Create a parts storage area.
 - Initiate a program, "**THE JOB IS NOT DONE UNTIL YOU HAVE CLEANED UP**", and do not tolerate less.

2. Dusty, hazardous conditions still exists in the transfer of bulk and bagged lime from sea containers to all treatment areas throughout the property.
 - Initiate a task force to assist in ways and means to resolve the problem.
3. Main Road to Faro, requires redressing of signage along the route.
 - Warning Signs indicating steep hills or road crossings, dangerous curves which were previously mounted in barrels filled with rock, now lay on their side in ditches.
 - Three hundred yards to the east of BXL location (towards town), is a dangerous curve sign. The sign does not suffice! It should be accompanied with an addition speed control sign of 40 kilometers per hour, in both directions.
4. Main Road to Down Valley , is not approved for heavy equipment due to the grade being very steep, causing uncontrollable equipment operating maneuvering during wet seasonal thaw in spring break up. Banks to the east side of the hill are all sloughing.
 - Post signage warning heavy equipment to go around the proper road way passage. Do not allow equipment to travel down and across the North Interceptor Ditch, causing deterioration in that area.

Anvil Range Mining Corporation (*Interim Receivership*) is full committed to meet every relevant, regulatory requirement in providing the safest possible workplace. This includes the working harsh environments, the challenges of water treatment processing, and the operation of a full-fledged equipment repair facility.

Our commitment via this policy is to:

- Establish and follow our policies, which clearly state the will of Anvil Range Mining Corporation (*Interim Receivership*).
- Train and insure the competence of our workers.
- Generate appropriate procedures for each of our operations.
- Continuously measure our compliance to our policies and applicable regulations.
- Reward every possible act, or discipline every negative one, as appropriate.

We expect our managers, supervisors, workers and contractors will be supportive in our efforts by:

- Performing their assigned responsibilities.
- Reporting unsafe conditions and unsafe acts.
- Intervening in "imminent danger" situations.
- Promoting our safety philosophy by quality work.

Our commitment is YOU!

SECTION 1. SAFETY MANAGEMENT

Safety Policy

Environment Policy

Managers Involvement

Safety Responsibilities

- **Managers**
- **Supervisors**
- **Employees**
- **Occupational Health & Safety Committee (OH&S)**

Management Communications

- **Visibility**
- **Recognition**
- **Standards**
- **Recommended Safety Activity**

SECTION 2. HAZARD MANAGEMENT

Inspections

- **Scheduled Inspections**
- **Inspection Zones**
- **Inspections Team**
- **Inspection**
- **Checklist for Zones**
- **Mobile Equipment Inspections**
- **Inspection of Regulators**

Hazard Reporting

- **Expectations**
- **Reporting Procedures**
- **Hazard Identification**
- **Follow Up**

SECTION 111. SAFETY RULES AND WORK PROCEDURES

Safety Rules

- **Standing Orders**
- **General Safety Rules**
- **Specific Safety Rules**

Job Procedures

- **Critical Job List**
- **Critical Job Procedures**
- **Lock-Outs**

Regulatory Compliance

- **Personal Protective Equipment (P.P.E.)**
- **Standard Expectations**

Emergency Response Plan

- **Mobilization of On-Site Crew**
- **Notification of Managers**
- **Emergency Response Team**
- **Additional Resources**
- **Services and Equipment (External and Internal)**
- **Government Contacts**

SECTION IV. TRAINING AND COMPETENCE

Orientation

- **Orientation Procedures**
- **Text for Orientation**
- **Checklist for Orientation**
- **Supervisor Responsibilities**
- **Worker Responsibilities**
- **Training Programs (including On-The-Job Training)**
- **Competence Verifications**

SECTION V. GENERAL COMMUNICATION

Occupational Health & Safety Committee

- **Chairperson and Selection of Members**
- **Duties and Responsibilities**
- **Committee Meetings**

Safety Meetings

- **Procedures**
- **Scheduling**
- **Recording**

Pre-Job Meetings

- **Frequency**
- **Recording**

Promotions

- **Posters**
- **Bulletins**
- **Awards/Recognition**
- **Discipline**

SECTION VI. INCIDENT REPORTING AND INVESTIGATION

Reporting

- **Procedures**
- **Incidents**
- **Follow Up**

Investigation

- **Procedures**
- **Follow -Up**
- **Notifications**

Contractors

- **Orientation**
- **Corporate/Regulatory Compliance**
- **Evaluation**

Security

- **Site Security**
- **Personal Security**
- **Materials Movement**
- **Information**